



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

**DATE: SEPTEMBER 20, 2016**

**FROM: WATERFRONT & COMMERCIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - RESETTING MARITIME  
EDUCATION SPONSORSHIP UNDER PERMIT NO. 837 WITH THE  
PORT OF LOS ANGELES BOYS & GIRLS CLUB**

**SUMMARY:**

Staff requests approval to reset the City of Los Angeles Harbor Department (Harbor Department) sponsorship to the Port of Los Angeles Boys & Girls Club (Club) in the amount of \$100,000 per year for the five-year period of October 16, 2016 to October 15, 2021, pursuant to the five-year adjustment provision under Permit No. 837 (Permit). The proposed reset continues the present annual sponsorship amount. The 20-year term permit, which expires on October 15, 2021, grants nonexclusive, preferential use of approximately 18,200 square feet of space at the Liberty Hill Plaza Building, which consists of a gymnasium/multipurpose room, classrooms, and office space for the purpose of implementing maritime-related educational and recreational programs for the youth that increase knowledge of the Port of Los Angeles. The Board of Harbor Commissioners (Board), at its sole discretion, determines the sponsorship amount every five years per the terms of the Permit. The Harbor Department continues to be responsible for sponsorship payments under the Permit.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve the Order resetting sponsorship for the Port of Los Angeles Boys & Girls Club in the amount of \$100,000 per year for the five-year period of October 16, 2016 through October 15, 2021;
3. Authorize the Board Secretary to attest to the Order setting sponsorship amount;
4. Adopt Order No. \_\_\_\_\_; and
5. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background/Context - The Harbor Department-owned property at 100 W. Fifth Street in San Pedro, commonly known as the Liberty Hill Plaza, is used by the Club and the Los Angeles WorldTots Child Care Center (WorldTots). Additionally, the facility houses the Harbor Department employee's gym and training rooms. The Club has operated at this site since October 2001 under a 20-year permit. The Permit states that the premises shall be used for development and implementation of educational and recreational programs for a youth group, fostering greater interest in and knowledge of the Port of Los Angeles, the harbor, the shipping industry, maritime commerce and other maritime-related subjects; to prepare participating boys and girls for higher education and the responsibilities of citizenship; and to provide such youth the encouragement and training necessary to achieve leadership positions in the maritime industry.

Under the Permit, the Harbor Department supports the Club through annual sponsorship and by providing a rent-free facility and operating costs including utilities, custodial services, exterior maintenance, landscaping, and interior systems maintenance. The Club is responsible for janitorial and custodial services for events held during evening hours or on weekends or City holidays. The Club is also responsible for installing and maintaining major improvements in the facility including hardwood flooring, computers, server(s) and networking software. Additionally, the Club also oversees and schedules access and use of the multipurpose room by other non-profit and community based agencies. The sponsorship amount provided to the Club is reset every five years, following a review of the Club's compliance with the permit, activities, and public benefit. The Board, at its sole discretion, determines the sponsorship amount.

Since the inception of the permit in 2001, the Harbor Department's sponsorship of the Club has been set at \$100,000 annually. The standard programs and services offered by the Club help members reach their full potential as productive and responsible citizens. These programs include tutoring, math basics, Keystone Leadership Club, computer lab, music programming, arts and crafts programming, cultural diversity programs, athletics, and College Bound, a college pathway program for middle and high school students.

As part of the requirement for receiving Harbor Department sponsorship and being charged no rent or operating costs, the Club continues to hold its Port Ocean & Land Awareness Program (P.O.L.A.) for youths and teens during high-risk hours. This program was developed and implemented in collaboration with and direction from the Harbor Department's Public Affairs staff, and has been in operation since 2004. This program uses community resources to teach about maritime history, harbor activities and opportunities.

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Sponsorship Readjustment - Staff recommends the Board approve continued Harbor Department sponsorship to the Club in the amount of \$100,000 per year for the five-year period of October 16, 2016 to October 15, 2021. Based on a review of the Club's annual activity report for the last five reporting periods covering the period of July 1, 2011 through June 30, 2016, the Club complied with all the terms and conditions required under the Permit to warrant continued sponsorship and continued occupancy of the facility on a rent-free basis, with the Harbor Department being responsible for utilities and maintenance.

For the past five years, the Club has conducted maritime-related programs and activities to increase the youths' awareness and understanding of the Port of Los Angeles, as required by the Permit. Teens are offered opportunities for career exploration through collaboration with the Port of Los Angeles. The Club has coordinated excursions for approximately 400 Club members to the Downtown Harbor, LA Maritime Museum, Fanfare Fountains, Cabrillo Marine Aquarium, Banning Museum, Pt. Fermin Lighthouse, Fort MacArthur, the Korean Bell, and the US Coast Guard, totaling approximately 2,600 member visits and augmented by associated maritime education curriculum activities that are conducted on-site. According to the Club, members received benefits with an estimated value of \$1,500 per year based on the operational costs of running the Club, which include staffing, programming, and service costs. Based on these estimates, the Club's 400 members receive \$600,000 in program value annually.

As in the past and in consideration of receiving a rent-free facility for Fiscal Year 2015/2016, the Club continues to make the building available for usage by outside organizations. For the past reporting period, the organizations using the building included 11 governmental and other non-profit and community-based organizations as follows: South Central Scholars Parent Night; Budgerigar Research Association; MMA Mobile Medical Clinic; Cabrillo Elementary Culmination; ILWU Luncheon; Barton Hill Elementary Culmination; World Tots Graduation; PSAT Port of Los Angeles High School (POLAHS); Arte Luta Capoeira Academy Martial Arts Exhibition; Baxter Alliance High School Students vs. Teachers; Dutch School Los Angeles; Harbor Department Christmas Celebration; and Harbor Department employees (soccer and basketball year round). In the current fiscal period, the Club plans to outreach into the Rancho San Pedro Public Housing Center in a program effort to serve more members and residents of the community. The Club will also continue to outreach to POLAHS, as well as the newly opened Baxter Alliance High School located on Pacific Avenue and 9<sup>th</sup> Street in San Pedro.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is resetting of the sponsorship to the Port of Los Angeles Boys and Girls Club pursuant to the five-year adjustment provision under Permit No. 837, which is an administrative activity. As such, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

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**FINANCIAL IMPACT:**

Consistent with current Harbor Department policy, maritime education sponsorship funding for the next five-year period (Transmittal 1) will be allocated through the Communications Division to ensure that this funding is consistent with all other community organizations eligible for Harbor Department sponsorship, using an equitable set of standards, and for the Harbor Department to track all sponsorship funding through one funding source.

Fiscal Year	Amount
2016/17	\$100,000
2017/18	\$100,000
2018/19	\$100,000
2019/20	\$100,000
2020/21	\$100,000
<b>TOTAL</b>	<b>\$500,000</b>

Sponsorship of \$100,000 has been included in the adopted Fiscal Year 2016/2017 budget in Account 52031 (Sponsorships), Center 0220 (Corporate Communications), Program 621 (Maritime Education). Funding for Fiscal Years 2018 through 2021 will be requested to be budgeted as part of the annual budget adoption process, upon Board approval.

**CITY ATTORNEY:**

The Order has been approved as to form and legality by the Office of the City Attorney.

**TRANSMITTAL:**

- 1. Board Order

  
 MICHAEL J. GALVIN  
 Director of Waterfront & Commercial Real Estate

FIS Approval:  (Initials)  
 CA Approval:  (Initials)

  
 MICHAEL DiBERNARDO  
 Deputy Executive Director

APPROVED:   
 EUGENE D. SEROKA  
 Executive Director