



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: JANUARY 25, 2012

DIVISION: ENVIRONMENTAL MANAGEMENT

**SUBJECT: RESOLUTION NO. _____ CHINA SHIPPING PORT COMMUNITY
AESTHETIC MITIGATION PROJECT – AGREEMENT TO FUND THE
FINAL PAYMENT FOR THE BANNING MUSEUM TRANSPORTATION
EXHIBIT**

SUMMARY:

On February 21, 2008, the Board of Harbor Commissioners (Board) approved the Banning Museum Transportation Exhibit project and allocated \$900,000 of the Community Aesthetic Mitigation fund to the Friends of Banning Park Corporation (Friends of Banning) to assist funding the project. Of the \$900,000, \$700,000 has already been paid to the Friends of Banning under Agreement No. 08-2709 which expired on September 16, 2010. A new agreement has been prepared in order to release the remaining \$200,000 to the Friends of Banning. The exhibit, called "Improbable Gateway: The Los Angeles Transportation Legacy" (Improbable Gateway Exhibit) was completed and is open to the public.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Approve the Agreement with the Friends of Banning Park Corporation for a term of one year in an amount not-to-exceed \$200,000;
2. Authorize Executive Director and the Board Secretary to execute and attest to said Agreement, for and on behalf of the Board; and
3. Adopt Resolution No. _____.

DISCUSSION:

Background - The Port Community Aesthetic Mitigation Program was established in 2003 in the China Shipping Settlement Agreement between the City of Los Angeles and the Natural Resources Defense Council to implement aesthetic mitigation projects in the communities of San Pedro and Wilmington. In accordance with the process prescribed in the settlement, the City of Los Angeles Harbor Department (Harbor Department) solicited projects for the Wilmington community in January 2007. The Friends of

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SUBJECT: BANNING MUSEUM TRANSPORTATION EXHIBIT

Banning, a non-profit group founded to raise funds for continuing restoration and education programs at the Banning Residence Museum, submitted a request for \$900,000 to help fund the Improbable Gateway Exhibit. The Port Community Advisory Committee (PCAC) recommended the project for funding, and it was approved by the Board in February 2008.

Project - The project converted 3,000 square feet of the existing photo gallery and retail shop space into a new state of the art exhibition hall and visitors center. The Improbable Gateway Exhibit is a permanent exhibition inside the Banning Residence Museum, spotlighting the transportation history of the Los Angeles Harbor between 1850 and 1915.

Agreement - On August 21, 2008, the Board approved Agreement No. 08-2709, a two-year agreement, for an amount not-to-exceed \$900,000, between the Harbor Department and the Friends of Banning. The City of Los Angeles, Department of Recreation and Parks was responsible for the oversight of the construction. The total cost of the project was approximately \$2.1 million. Construction schedule delays were experienced due to electrical problems which extended beyond the Banning Residence Museum and into Banning Park. Agreement No. 08-2709 expired on September 16, 2010, with a balance of \$200,000. Construction continued and was paid for with Friends of Banning's endowment funds. The project was completed and the exhibit was opened in August 2011.

The Friends of Banning are seeking payment of the remaining \$200,000 for reimbursement of completed work in accordance with the approved project. The current Agreement (Transmittal 1) is for a term of six months and for an amount not-to-exceed \$200,000 in order to transfer the final payment.

ECONOMIC BENEFIT:

This Board action will have no employment effect.

FINANCIAL IMPACT:

To date, \$700,000 of the originally allocated \$900,000 has been expended on the project referenced herein. Approval of this Agreement commits the Harbor Department to fund the Banning Museum Transportation Exhibit, per the China Shipping Settlement Agreement in an amount of \$200,000, bringing the total expenditure amount to the \$900,000 originally authorized under the predecessor agreement.

Funds are available in the amount of \$200,000 in Account No. 21952, Center No. 7000, Program 000.

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SUBJECT: BANNING MUSEUM TRANSPORTATION EXHIBIT

ENVIRONMENTAL ASSESSMENT:

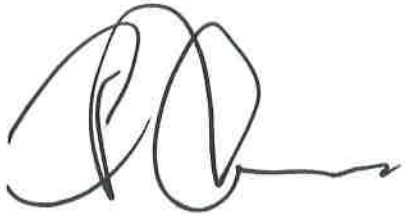
The proposed action is approval of an Agreement with the Friends of Banning to release the remaining balance allocated under the Community Aesthetic Mitigation fund for the Banning Museum Transportation Exhibit project. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the proposed agreement as to form and legality.

TRANSMITTAL:

1. Friends of Banning Park Agreement



CHRISTOPHER CANNON
Director of Environmental Management

FIS Approval:  (initials)
CA Approval:  (initials)



MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director

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