



To: Theresa Adams-Lopez, Port of Los Angeles

From: Meghan Reese, Executive Director, Harbor Community Benefit Foundation
David Sloane, Board Chair, Harbor Community Benefit Foundation

Cc: Joy Crose, Assistant General Counsel, Port of Los Angeles

Date: **November 27, 2017**

Re: Community Benefit Grant Program, Round 6 & PCMTF Transfer

INTRODUCTION

In accordance with the Operating Agreement of the TraPac Memorandum of Understanding (Operating Agreement), Section 5.A. Project Funding, the Harbor Community Benefit Foundation (HCBF) hereby submits a request to approve a transfer of funds from the Port Community Mitigation Trust Fund (PCMTF) in support of its Community Benefit Grant Program, Round 6. This request includes a summary of programs that have been previously funded from the PCMTF.

HCBF released a Request for LOI on July 24, 2017 and received 35 LOI's on August 21, 2017. Of the 35 received, 22 were invited to apply without the need for any additional technical assistance, and the remaining applicants were provided with technical assistance by HCBF staff. The goal of this technical assistance was to help applicants strengthen their project or program to better mitigate Port and Port-related impacts.

Of the 22 invited to apply, 19 organizations submitted a full application. Of the 19 full applications received, HCBF's Board selected 10 projects. The proposed projects will all benefit residents of San Pedro, Wilmington, or both, by addressing Port and Port-related impacts in those communities, as contemplated in the Operating Agreement. Upon the Board of Harbor Commissioners (BOHC) approval, \$644,794 will be transferred from the PCMTF to HCBF to fund these projects through contracts and grants to third parties.

Including this disbursement, HCBF has allocated a total of \$6,300,083 to grantees and contractors in combined HCBF-administered program funds, including: Noise Mitigation Studies \$290,270 (\$185,000 Wilmington + \$105,270 for San Pedro), Off-Port Impacts Study (\$300,000), Healthy Harbor Grants (five rounds = \$2,168,000), STEAM Pilot Program (\$306,000) and Community Benefit Grants (first five rounds: \$2,591,019 + \$644,794 this round).

REQUEST

HCBF hereby requests the BOHC to:

- 1) Concur with the HCBF Board-approved action to fund Round 6 of the Community Benefit Grant Program, in the amount of \$644,794, in support of the HCBF Board approved selection of 10 organizations to receive PCMTF funding for projects/programs serving the communities of Wilmington and/or San Pedro; and

- 2) Approve the transfer of funds from the Port Community Mitigation Trust Fund to HCBF, in one lump sum, not-to-exceed \$644,794, by issuing a joint letter of authorization to JPMorgan Chase, the independent Financial Manager, to be executed by a) the BOHC, or its designee, and b) the Executive Director of Harbor Community Benefit Foundation.

BACKGROUND

The TraPac MOU and Operating Agreement require HCBF to allocate funds from the PCMTF to projects that mitigate Port and Port-related impacts in the communities of Wilmington and San Pedro, and are in compliance with the Tidelands Trust. HCBF's 2013-2016 Strategic Plan called for funds to be allocated to programs that "address environmental impacts stemming from past, present, and future Port of Los Angeles and Port-related operations." The plan also forecasts annual disbursements from the Port Community Mitigation Trust Fund (PCMTF) to benefit the communities of Wilmington and San Pedro.

In 2013, HCBF launched the Community Benefit Grant Program. 19 organizations received grants for the pilot round of funding with a total of \$506,000 awarded. In 2014, an additional \$620,000 was awarded for Round 2. In 2015, \$335,000 was awarded for Round 3. In 2016, \$800,000 was awarded for Round 4. In 2017, \$330,019 is being awarded for Round 5.

For Round 6 of the Community Benefit Grant Program, HCBF proposes to fund a total of \$644,974.

DISCUSSION – PROJECT SELECTION

Consistent with the Operating Agreement Section 5.B.i. (Project Selection and Performance), HCBF developed and selected proposals to receive PCMTF funding based on identification of impacts from Port or Port-related operations, the ability of the proposal to mitigate the identified impact, technical feasibility, cost effectiveness, organizational capacity to complete the project, and the benefits that a project proposal would provide within the communities of Wilmington and/or San Pedro. HCBF solicited the projects through circulation of a Request for Letters of Interest (**TRANSMITTAL 1**) followed by an invitation to submit a full application (**TRANSMITTAL 2**).

The Community Benefit Grant Program awards grants from the Port Community Mitigation Trust Fund, which was established to address Port of Los Angeles and Port-related impacts in the communities of Wilmington and San Pedro. These impacts are from the operations of the Port of Los Angeles, both on and off-port property, and it is HCBF's goal to address these impacts by funding projects and programs that mitigate the past, present, or future impacts. The following are Port and Port-related Impacts that HCBF was looking to mitigate in this round of the Community Benefit Grant Program:

- Aesthetics
- Air Quality
- Health Risk
- Land Use
- Marine Life
- Noise
- Safety
- Water Quality

Applicants included:

1. Community-based, non-profit organizations with evidence of a) tax-exempt status or b) a fiscal sponsor, and/or

2. Schools and/or educational institutions, training, skill and career centers

HCBF uses a web-based system called Submittable to solicit, receive, and evaluate applications, giving HCBF staff and the ad hoc Board grant review committee full access to the applications and all supporting documentation. When the deadline arrived, the software allowed staff to “close” the application process, ensuring there were no exceptions to the published deadline for application submission.

EVALUATION

HCBF received 19 full applications for this round of Community Benefit funding. Funding requests totaled \$1,573,086. The submitted applications addressed one or more of the Port and Port-related impacts noted above. Many applicants proposed projects/programs that will address multiple Port impacts.

Staff sorted the applications into one of four categories: Community Education Programs, Health, Capital Projects, and Safety.

(See table below)

APPLICATIONS RECEIVED

Seq.	Applicant (alphabetical order)	Request	Project location - Community Served			Category			
			Wilm.	San Pedro	Both	Comm. Education	Health	Safety	Capital Projects
1	AltaSea at the Port of Los Angeles	\$65,000			X	X			
2	Broad Avenue Elementary School	\$5,640	X			X			
3	California State University, Long Beach Research Foundation	\$106,071			X	X			
4	FRIENDS of Cabrillo Marine Aquarium	\$10,000			X	X			
5	International Bird Rescue	\$62,615			X	X			
6	International Trade Education Programs, Inc. (ITEP)	\$75,000			X	X			
7	IQAir Foundation	\$198,495			X		X		
8	Los Angeles Maritime Institute	\$70,400			X	X			

9	Memorial Medical Center Foundation (LBACA)	\$100,000			x		x		
10	Natural History Museum of Los Angeles County	\$47,652			x	x			
11	Palos Verdes Peninsula Land Conservancy	\$70,500		x					x
12	Port of Los Angeles High School	\$35,204		x		x			
13	Robert F. Kennedy Institute of Community and Family Medicine	\$72,479			x		x		
14	San Pedro Peninsula Homeowners United	\$100,000			x			x	
15	SBCC, Thrive LA	\$28,600			x	x			
16	Sharefest Community Development Inc.	\$25,300			x	x			
17	St. Mary Medical Center Foundation	\$356,274			x		x		
18	The Los Angeles Trust for Children's Health	\$118,000			x		x		
19	Wilmington Community Clinic	\$25,856	x				x		
	Total Requested	\$1,573,086	2	2	15	11	6	1	1

HCBF Staff determined responsiveness to the RFP and evaluated, scored, and ranked all proposals based on a 100-point scale. The evaluations considered and scored: 1) Project Description Summary, specifically focusing on mitigation of Port and Port-related Impacts, 2) Work Plan, including readiness and program delivery, 3) Budget, including reasonableness of expenditures, and 4) Applicant Experience.

Staff conducted follow up calls as necessary to answer questions posed either through evaluation or during ad-hoc committee review.

AD-HOC COMMITTEE REVIEW

The Board appointed ad-hoc Grant Review Committee, comprised of Board Members Cristin Mondy, Ed Avol, and Gisele Fong, who met with Staff to consider and evaluate the applications.

AD-HOC COMMITTEE RECOMMENDATION

Upon review and deliberation of Staff’s recommendation, the ad-hoc committee approved Staff’s recommendation to fund 10 of the applications for a total of \$644,974.

(See table below)

Seq.	Applications - Recommended (Alphabetically)	Request	Recommend	Project location/ Community Served			Category	
				Wilm.	San Pedro	Both	Health	Edu & Research
1	Broad Ave Elementary School	\$5,640	\$5,640	X				X
2	FRIENDS of Cabrillo Marine Aquarium	\$10,000	\$10,000			X		X
3	International Bird Rescue	\$62,615	\$62,615			X		X
4	IQAir Foundation	\$198,495	\$40,000			X	X	
5	Memorial Medical Center Foundation (LBACA)	\$100,000	\$50,000			X	X	
6	Port of Los Angeles High School	\$35,204	\$35,204		X			X
7	Robert F. Kennedy Institute of Community and Family Medicine	\$72,479	\$72,479			X	X	
8	St. Mary Medical Center Foundation	\$356,274	\$225,000			X	X	
9	The Los Angeles Trust for Children's Health	\$118,000	\$118,000			X	X	
10	Wilmington Community Clinic	\$25,856	\$25,856	X			X	
	Total =	\$984,563	\$644,794	2	1	7	6	4
Total funding recommended, by category =							\$531,335	\$113,459
Total funding recommended, percentage =							82.40%	17.60%

On November 17, 2017 the HCBF Board discussed and unanimously approved the recommendation of the ad-hoc committee representing \$644,974 in grants.

NEXUS TO PORT OF LOS ANGELES AND PORT-RELATED IMPACTS

Grants awarded in the Community Benefit Grant program are funded through the Port Community Mitigation Trust Fund. As such, all awards must be Tidelands-trust compliant and address a past, present, or future impact from Port of Los Angeles or Port-related operations. Applicants were required to submit statements on how the proposed project or program addresses a Port or Port-related impact.

HCBF’s Board found that each project it approved for funding addresses a Port-related impact and is consistent with the Tidelands Trust. As required by the Operating Agreement, Section 5.B.iv., HCBF has provided a project-specific Tidelands nexus analysis for each project proposed for funding.

(SEE ATTACHED APPENDIX A)

PCMTF STATUS REPORT: APPROVED PROJECTS & FUND BALANCE UPDATE

Pursuant to the Operating Agreement section 5.C.i. - The following chart summarizes the transfer of funds from the PCMTF for studies and HCBF Programs to date, and the balance of PCMTF funds (as of April 30, 2017):

Funding Summary:		
Funding, Approved to date:		
Various	\$300,000	Land Use Study (as required by the Operating Agreement)
	\$185,000	Wilmington Noise Study (as required by the Operating Agreement)
	\$105,270	San Pedro Noise Study
	\$590,270	Total for Studies
2012	\$350,000	Healthy Harbor, Round 1
	\$350,000	Total for 2012
2013	\$450,000	Healthy Harbor, Round 2
	\$506,000	Community Benefit, Round 1
	\$956,000	Total for 2013
2014	\$620,000	Community Benefit, Round 2
	\$550,000	Healthy Harbor, Round 3
	\$1,170,000	Total for 2014
2015	\$518,000	Healthy Harbor, Round 4
	\$306,000	STEAM Pilot
	\$335,000	Community Benefit, Round 3
	\$1,159,000	Total for 2015
2016	\$300,000	Healthy Harbor, Round 5
	\$800,000	Community Benefit, Round 4

	\$1,100,000	Total for 2016
2017	\$330,019	Community Benefit, Round 5
	\$5,655,289	Total (committed funding to date)
Funding, pending approval:		
	\$644,974	Community Benefit Round 6 (pending approval)
	\$6,300,263	Grand Total

JP Morgan Account Balance Summary		
through October 31, 2017		
	Savings/Investment Accounts	
	Subtotal	Total
Beginning Balance (as of 12/31/16)		\$3,169,740
Contributions		\$0
Withdrawals		\$0
Management Fees		(3,065)
Income	\$57,884	
change in investment value	\$8,873	
Net increase		\$63,692
Ending Market Value (as of 10/31/17)		\$3,233,439

HCBF BOARD ACTIONS

November 17, 2017 the HCBF Board of Directors, by unanimous vote, resolved that:

The Community Benefit Grant Program, Round 6, conforms to the requirement of the Operating Agreement, section 5.A. Project Funding, that the projects mitigate a direct or indirect impact from Port and Port-related operations and are consistent with the Tideland trust and the Operating Agreement. Additionally, as required

by the Operating Agreement section 5.C.i., the projects proposed to be funded conform to the requirements of the MOU and are located in San Pedro or Wilmington.

Resolved to:

1. Approve the staff recommendations to award 10 grants to the qualified organizations as detailed in HCBF Board memo dated November 17th (**TRANSMITTAL 3**), to address impacts from Port of Los Angeles and Port-related operations;
2. Authorize the Executive Director to:
 - a) report to the Board of Harbor Commissioners (BOHC), requesting final approval of Round 6 of the Community Benefit Grant Program,
 - b) execute a joint letter with the BOHC, or its designee, to approve the distribution of funds in one lump sum transfer from the Port Community Mitigation Trust Fund to HCBF, in an amount not-to-exceed \$644,974, and
 - c) fully execute, and administer, the Grant Agreements between HCBF and the approved grantees from Round 6 of the Community Benefit Grant Program.