



DATE: AUGUST 6, 2019

FROM: COMMUNITY RELATIONS

SUBJECT: RESOLUTION NO. _____ - COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE LOS ANGELES HARBOR

SUMMARY:

Staff requests approval of the proposed agreements between the City of Los Angeles Harbor Department and International Trade Education Programs, Inc. dba EXP (EXP), Los Angeles Maritime Institute (LAMI), and Boys & Girls Clubs of the Los Angeles Harbor (Boys & Girls Club) for Community Investment Grants supporting their educational programs (Agreements).

EXP (formerly ITEP), LAMI and Boys & Girls Club were selected through the Community Investment Grant Program process. The proposed Agreements are for two years in the amounts of: 1) EXP - \$325,000 each year for a total of \$650,000; 2) LAMI - \$250,000 each year for a total of \$500,000; and 3) Boys & Girls Club - \$100,000 each year for a total of \$200,000. The combined two-year total for all three Agreements is \$1,350,000. The Harbor Department is financially responsible for funding under the proposed Agreements.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that the proposed Community Investment Grants are consistent with the criteria of the Board-approved Sponsorship/Hosting Policy (March 2010);
3. Approve the proposed Agreement with EXP for a term of two years and a total not-to-exceed amount of \$650,000;

SUBJECT: COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE HARBOR AREA

4. Approve the proposed Agreement with LAMI for a term of two years and a total not-to-exceed amount of \$500,000;
5. Approve the proposed Agreement with Boys & Girls Club for a term of two years and a total not-to-exceed amount of \$200,000;
6. Authorize the Executive Director and the Board Secretary to execute and attest to the proposed Agreements with EXP, LAMI, and Boys & Girls Club; and
7. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – On March 7, 2019, Executive Director Gene Seroka presented to the Board the Community Grant Investment Program for Fiscal Year 2019-20 for the funding of a variety of community programs benefitting both the Harbor Department and the Harbor area. A selection committee was composed of six members with familiarity of the Harbor communities. The selection committee consisted of three Harbor Department employees, two community representatives and one Council District 15 representative. Community grant proposals were broken into three categories: Small - \$5,000 and under; Medium - \$5,001 to \$99,999; and Large - \$100,000 and over. For the large grants, all six members rated the proposals and discussed appropriate funding level for those programs selected to receive grants – grants could be made up to the requested amount. The EXP, LAMI and Boys & Girls Club applications came in under the “large” category with requests of \$950,000 in total yearly funding. The selection committee recommended annual funding at \$325,000 for EXP, \$250,000 for LAMI and \$100,000 for Boys & Girls Club for a period of two years each.

ITEP/EXP - In 1999, International Trade Education Programs, Inc. (ITEP) was founded as a pilot program called the International Trade Academy on the campus of Banning High School in Wilmington. ITEP has since developed four model academies on that campus: International Trade Academy; Global Safety and Security Academy; Global Environmental Sciences Academy; and Maritime Agriculture, Tourism, Cuisine and Hospitality Academy. Five additional academies are running in San Pedro, Gardena, Barstow, Long Beach and Carson.

In 2018, ITEP rebranded to EXP. With the tagline “The opportunity engine,” the EXP brand builds on all ITEP has done, captures the organization’s entrepreneurial drive, honors its enduring legacy in the Port of Los Angeles, and

SUBJECT: COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE HARBOR AREA

remains true to its core goal: to help young people learn about the variety of careers in the Port; gain workplace experience; identify job opportunities and build the confidence they need to succeed in school, career and life.

In addition to classroom and campus-based activities, EXP and its maritime industry sponsors provide valuable, future-focused learning experiences for each academy group.

More than 130 ITEP students entering their senior year in 2018 participated in the Summer Intern Program, in which the Harbor Department participates, where they were placed in business and maritime organizations. The students receive a practical introduction to careers in maritime commerce, environmental firms and security sectors. The creation of a strong, stable work environment greatly benefits the Harbor Department, and the maritime industry exposure offered by the EXP program helps generate awareness, interest and preparation for the next generation of maritime industry professionals.

LAMI - TopSail is a program of the Los Angeles Maritime Institute, a non-profit, public benefit corporation which operates in conjunction with the Los Angeles Maritime Museum. TopSail is an experiential education program for at-risk youth which has been in operation since 1992. The program consists of three to five one-day sails in and around San Pedro Bay with the option of a multi-day voyage, usually to Catalina Island. TopSail's programs use the twin brigantines, the *Exy Johnson* and the *Irving Johnson*, the Official Tallships of the City of Los Angeles.

TopSail is known as a highly successful program which promotes teamwork, teaches responsibility and builds youth leadership and self-esteem by providing character-building opportunities. At the same time, the youths receive educational information regarding the Port of Los Angeles (Port) and the maritime industry. For some participants, the TopSail voyages represent their first awareness of the Port and its operations. Testimonials from educators, participants and others indicate that the TopSail experience has served to encourage the majority of the students to stay in school and lead more productive lives. More than 100,000 students have been served over the past decade alone.

Boys & Girls Club – The Boys & Girls Club currently offers its P.O.L.A. (Port, Ocean & Land Awareness) Program at its San Pedro Harbor location in the Liberty Plaza Building across from the Harbor Department's headquarters. The program includes hands-on activities and lecture learning opportunities for youth in the area of Port-related functions including the maritime industry, water-related recreation, fishing and other ocean-related industries. This Community

SUBJECT: COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE HARBOR AREA

Investment Grant will bring the P.O.L.A. Program to young people at the Club's Wilmington location.

Agreement Requirements -- All Harbor Department Community Investment Grants must be for programs/projects/events that are Tidelands Trust compliant. They must show a nexus to these requirements and it must be clearly explained on the application. This is not only a factor for the committee in the selection process but is also reviewed by the City Attorney's Office before final selection is confirmed. Those without a Tidelands Trust nexus cannot be supported with Harbor Department Funds. All three of the large grant awardees in this case have shown a Tidelands Trust nexus and have been reviewed by the City Attorney's Office.

Each grant Agreement states what is expected from the Grantee with respect to their program/project/event and also what the Harbor Department shall get in return for the investment. This primarily is recognition of the Port's investment in outreach materials and avenues such as the organization's website, e-blasts, flyers, etc. Additionally, where appropriate, Harbor Department participation is required – such as providing a table for Harbor Department employees, commissioners and guests at a dinner, etc.

The Community Investment Grant oversight does not end at the writing of the check – Community Relations staff monitor grantee programs/projects/events throughout the year and a wrap-up report is required from each grant recipient by the close of the fiscal year in which they received their grant. Failure to provide a wrap-up report or follow-through on Harbor Department recognition as detailed in their Agreement will detrimentally affect future year grant opportunities should these requirements not be met.

Past Agreements –

ITEP/EXP - In FY2006/07, the Board approved Agreement E2490, a one-year grant of \$440,000 to specifically assist ITEP with the expansion of its maritime education programs, start-up costs for establishing ITEP as an independent, non-profit corporation, and for development of marketing materials to solicit corporate sponsorships. In a letter dated December 14, 2005, the State Tidelands Commission approved utilization of Port revenue for this program and provided recommendations on future funding. The State Tidelands Commission stated that compliance with the recommendations were within the Port of Los Angeles' discretion, but not mandated by the Commissions' granting statute or existing public trust doctrine. In all subsequent actions, the Board has exercised its authority to determine the level of funding and how those funds should be used.

DATE: AUGUST 6, 2019

PAGE 5 OF 7

SUBJECT: COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE HARBOR AREA

The Board subsequently approved Agreement E2646, which provided funding of \$400,000 each year for FY2007/08 and FY2008/09 to assist with development of a model academy for potential implementation on a regional or statewide basis. ITEP met or exceeded all requirements of Agreement E2646, including the establishment of academies at San Pedro High School, Barstow High School in the Inland Empire, Excel High School in Oakland and at high schools in Gardena and Carson.

Funding was not provided to ITEP in FY 2009/10 because they were able to operate with funds received from the Port at the end of the 2008/09 fiscal year.

The Board approved Agreement 10-2897 in FY 2010/11, a three-year agreement which continued to provide ITEP with \$400,000 per year for its programs.

The Board approved Agreement 13-3154 on August 12, 2013, for \$400,000 for the academic year ending June 30, 2014 and in FY 2014/15, a one-year agreement in the amount of \$330,000 was approved.

The Board approved Agreement 15-3350 on October 15, 2015, a two year agreement through the Community Investment Grant program in the amount of \$680,000 total and Agreement 17-8155 on August 17, 2017 for another two year Community Investment Grant for \$700,000 total.

LAMI - The Board initially approved a two-year agreement with LAMI for TopSail in March 1997 for Fiscal Years 1997/98 and 1998/99, for a total of \$200,000 per year. At the conclusion of the second year, the success of the program was re-evaluated prior to eventual sponsorship of a third and fourth year at the same level.

Agreement No. 2177 was approved in March 2002 for annual sponsorship of \$300,000 for an additional three-year period. Subsequently, the Board approved the first Amendment to Agreement No. 2177 which increased the annual sponsorship by \$467,000 to assist with capital repayment costs for the completion of twin brigantines commissioned on April 27, 2002. Both actions were also approved by the City Council. Agreement No. 2177 covered fiscal years 2001/02 through 2003/04.

Agreement No. 2330 was approved in July 2004 for annual sponsorship of \$450,000 for an additional three-year period. This action was approved by the City Council in September 2004. Agreement 2330 covered fiscal years 2004/05 through 2006/07.

SUBJECT: COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE HARBOR AREA

Agreement No. 2581 was approved on February 27, 2007. This agreement was for three years with a sliding financial package starting at \$525,000 and increasing three percent each year for a final year compensation of \$556,972.

Agreement No. 10-2890, was approved on October 13, 2010. This agreement was for three years with a financial package of \$350,000 a year for a total amount of \$1,050,000. An amendment to this Agreement in the amount of \$175,000 continued funding of the LAMI program through the end of calendar year 2013.

Agreement 13-3213 was approved on December 12, 2013 for \$175,000 bringing total funding in Fiscal Year 2013/14 to \$350,000 and in FY 2014/15, a one-year agreement for \$225,000 was approved.

The Board approved Agreement 15-3351 on October 15, 2015, a two year agreement through the Community Investment Grant program in the amount of \$510,000 total and Agreement 17-3520 on August 17, 2017 for another two year Community Investment Grant for a total of \$550,000.

Boys & Girls Club – The Harbor Department-owned property at 100 W. Fifth Street in San Pedro, commonly known as the Liberty Hill Plaza, is used by the Boys & Girls Club and the Los Angeles WorldTots Child Care Center. The Boys & Girls Club has operated at this site since October 2001 under 20-year Permit 837. On October 6, 2016, the Board approved a reset of Permit 837 to include an annual sponsorship of \$100,000 for the implementation of a maritime-related educational and recreation program for its youth for the period of October 16, 2016 through October 15, 2021.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the proposed agreements between the Harbor Department and EXP, LAMI, and Boys & Girls Club for Community Investment Grants supporting their educational programs, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA under Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed grants will commit \$650,000 to EXP, \$500,000 to LAMI and \$200,000 to Boys & Girls Club to fund each of these two-year grant agreements for a total of \$1,350,000. Funds in the amount of \$675,000 have

SUBJECT: COMMUNITY INVESTMENT GRANTS FOR INTERNATIONAL TRADE EDUCATION PROGRAMS, INC. DBA EXP, LOS ANGELES MARITIME INSTITUTE AND BOYS & GIRLS CLUBS OF THE HARBOR AREA

been budgeted in the fiscal year 2019-20 budget in Account 52031 (Sponsorships), Center 220 (Community Relations), Program 000 (Base Budget). If the agreements are approved, \$675,000 (\$325,000 for EXP, \$250,000 for LAMI and \$100,000 for Boys & Girls Club) will again be requested to be budgeted as part of the Harbor Department's 2020-21 annual budget adoption process. If future fiscal year funds are not appropriated by the Board for the work in any subsequent fiscal year as per the Agreements, then the agreements shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

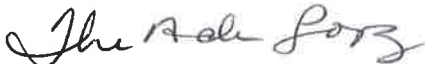
CITY ATTORNEY:


The Office of the City Attorney has reviewed and approved these three Agreements as to form and legality.

TRANSMITTALS:

- 1. Grant Applications
- 2. Agreement – EXP
- 3. Agreement – LAMI
- 4. Agreement – Boys & Girls Club


FIS Approval MB
CA Approval Am


THERESA ADAMS LOPEZ
Director of Community Relations


ARLEY BAKER
Sr. Director of Communications


DAVID LIBATIQUE
Deputy Executive Director, Stakeholder Engagement

APPROVED:


EUGENE D. SEROKA
Executive Director