



To: Theresa Adams-Lopez, Port of Los Angeles

From: Meghan Reese, Interim 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: **April 5, 2018**

Re: Community Benefit Grant Program, Round 5 – Sharefest Phase 2 Grant

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 5.

On September 13, 2017 HCBF’s Executive Director submitted a memo regarding Round 5 grants. The submitted grants, all approved by the Board of Harbor Commissioners, included a grant to Sharefest Community Development, Inc. for the first of two phases for a landscaping project in San Pedro. The second phase, of implementation, is ready to move forward after vetting from the Port’s Engineering Department. Due to a grant cancelation from Round 6, HCBF is not requesting the full amount of the grant to be withdrawn from the PCMTF.

Including this disbursement, HCBF has allocated a total of \$6,237,206 to grantees and contractors in combined HCBF-administered program funds, including: Wilmington Noise Mitigation Study (\$185,000), Off-Port Impacts Study (\$300,000), Healthy Harbor Grants (five rounds = \$2,168,000), STEAM Pilot Program (\$306,000) and Community Benefit Grants (first six rounds: \$3,235,813+ \$42,393 this grant).

REQUEST

HCBF hereby requests the BOHC to:

- 1) Concur with the HCBF Board-approved action to fund Phase 2 from Round 5 of the Community Benefit Grant Program, in the amount of \$80,480, in support of the HCBF Board approved Phase 2; and
- 2) Approve the transfer of funds from the Port Community Mitigation Trust Fund to HCBF, in one lump sum, not-to-exceed \$42,393, 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 calls 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 was awarded for Round 5 and \$644,794 was awarded for Round 6.

HCBF proposes to fund a total of \$80,480 for Phase 2 of the Sharefest Community Development Grant.

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 this 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.

NEXUS:

The project will mitigate both present and future impact of Port operations -principally by planting trees and other vegetation. The positive environmental and community effects would include:

Decreased Health Risks- It is well documented that trees and other vegetation reduce the risk of respiratory diseases.

Improved Air & Water Quality -The U.S. Forest Service estimates that, over a 50-year lifespan, one tree provides \$62,000 worth of air pollution control and recycles \$37,500 worth of water.

Increased Community Safety -Research shows that residents living in greener surroundings report lower levels of fear, fewer incivilities, and less violent behavior. Also, the presence of trees in a suburban landscape reduces the cruising speed of drivers and decreases the occurrence of accidents.

Increased Aesthetics-The trees and shrubs will be planted as part of an aesthetically-pleasing landscape plan that will greatly improve the view from several area vantage points that currently have an unobstructed view of the Port and Port equipment.

Increased Shelter for Marine Life - Also, the increased vegetation could provide a nesting/breeding ground for certain species of marine birds.

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 February 2018):

Funding Summary:		
Funding, Approved to date:		
Various	\$300,000	Land Use Study (as required by the Operating Agreement)
	\$185,000	Noise Study (as required by the Operating Agreement)
	\$485,000	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
	\$644,794	Community Benefit, Round 6
	\$974,813	Total for 2017
	\$6,194,813	Total (Committed funding to date)
Funding, pending approval:		
2018	\$42,393	Sharefest Phase 2 Grant
	\$6,237,206	Grand Total

JP Morgan Account Balance Summary		
through March 31, 2018		
	Savings/Investment Accounts	
Beginning Balance (as of 12/31/17)		\$2,799,155
Contributions		\$313
Withdrawals		(857,848)
Management Fees		-
Income		\$12,409
change in investment value		(4,036)
Net increase		\$8,373
Ending Market Value (as of 3/31/18)		\$1,949,993

HCBF BOARD ACTIONS

March 16, 2018 the HCBF Board of Directors, by unanimous vote, resolved that:

Phase 2 of the Sharefest Community Development grant 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 Staff to award Phase 2 of Sharefest’s grant in the amount of \$ \$80,480.
2. Authorize the Executive Director to:
 - a) report to the Board of Harbor Commissioners (BOHC), requesting final approval of the Sharefest Phase 2 grant,
 - b) execute a letter to the BOHC to approve the distribution of funds (\$42,393) in one lump sum transfer from the Port Community Mitigation Trust Fund to HCBF, and,
 - c) fully execute and administer the Grant Agreement between HCBF and Sharefest from Round 5 of the Community Benefit Grant Program.

APPENDIX & TRANSMITTALS

APPENDIX A - Project Description