



To: Eugene Seroka, Executive Director, Port of Los Angeles, Harbor Dept.  
From: Mary Silverstein, Executive Director, Harbor Community Benefit Foundation  
Sean Hecht, Board Chair, Harbor Community Benefit Foundation  
Cc: Cynthia M. Ruiz, Deputy Executive Director – External Relations, Port of Los Angeles  
Mike Christensen, Deputy Executive Director – Development, Port of Los Angeles  
Michael Jenkins, Jenkins and Hogin, LLP, Counsel for HCBF  
Date: **September 11, 2014**  
Re: Community Benefit Grant, Round 2 & PCMTF Transfer

## INTRODUCTION

In accordance with the Operating Agreement of the TraPac Memorandum of Understanding (“Operating Agreement”), Harbor Community Benefit Foundation 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 2.

This request includes a report of activity for programs that have been previously funded from the PCMTF. Upon the Board of Commissioners approval, \$570,000 will be transferred from the PCMTF to HCBF, for a total allocation of \$2,611,000 in combined HCBF administered program funds including: Noise Mitigation (\$185,000), Healthy Harbor Grants (three rounds = \$1,350,000) and Community Benefit Grants (2013 pilot round = \$506,000 plus \$570,000 for this request). Program funding requests are separate and in addition to the annual Board approved HCBF Operating Budget (most recently funded in November, 2013).

**At the time of this transmittal, 3 of the 23 grant recommendations in the August 15, 2014 Board Action (below) are under continuing review, totaling \$50,000 (\$35,000 for Wilmington and \$15,000 for San Pedro). These projects are not being brought before the BOHC at this time.**

## REQUEST

Harbor Community Benefit Foundation (“HCBF”) hereby requests the Port of Los Angeles Board of Harbor Commissioners (“Harbor Commissioners” or “BOHC”) to

- 1) Concur with the HCBF Board approved action to fund Round 2 of the Community Benefit Grant Program, in the amount of \$570,000, in support of 20 of the 23 HCBF Board approved 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 \$570,000, by issuing a letter of authorization to JPMorgan Chase, the independent Financial Manager, to be executed jointly by the BOHC, or its designee, and the Executive Director of Harbor Community Benefit Foundation.

## BACKGROUND

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. The pilot round focused on community initiatives, beautification, safety, education, and workforce development. Last year, 19 grantees were selected, for a total of \$506,000 in awards. This request is for Round 2 of the annual Community Benefit Grant Program.

## DISCUSSION - ELIGIBILITY

Grant proposals were solicited to address programs and projects that benefit the communities of Wilmington and/or San Pedro. Applicants addressed one or more of the following priorities from HCBF's strategic plan:

- Beautification – to address the aesthetic impacts of the industrial Port
- Environmental Education – emphasizing marine, maritime, and coastal areas
- Community Resources – with a Tidelands nexus - through youth development, workforce development, safety, gardens, recreation, and cultural resources.

Eligible applicants included

- Community-based organizations,
- Non-profit organizations with evidence of a) tax-exempt status of b) a fiscal sponsor, and/or
- Schools, 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 grant review committee full access to the applications, without the burden of unwieldy binders of paper. When the deadline arrived, the software automatically closed the website, insuring there were no exceptions to the published cutoff.

HCBF received 63 applications in the second round, requested funds totaled roughly \$2.9 Million, more than five times the announced funding. The submitted applications addressed one or more program priorities. Most applicants proposed projects/programs with multiple categories. (See Table 1).

Category	Applications Received	% of Received
Beautification	23	51%
Environmental Education	35	56%
Community Resources: Youth Development	39	62%
Community Resources: Workforce Development	12	19%
Community Resources: Safety	21	33%
Community Resources: Community Gardens	10	16%
Community Resources: Recreation	14	22%
Community Resources: Cultural Resources	20	32%

## 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 and Port-related operations.

As part of the application process, applicants were required to submit statements on how the proposed project or program addresses a Port or Port-related impact. In addition, applicants were required to indicate from a list of Port impacts the categories that best described their program or project. **(SEE ATTACHED APPENDIX A)**

## EVALUATION

All proposals were required to satisfy threshold categories, including Tidelands Nexus and service to Wilmington and/or San Pedro. First, HCBF Staff determined responsiveness, then we evaluated, scored, and ranked all proposals, based on a 100-point scale. Scored evaluations considered 1) Project Description Summary, including Port Impacts, 2) Work Plan, including readiness and program delivery, 3) Capabilities, 4) Partnerships & Innovation, and 5) Sustainability and Budget, including reasonableness of expenditures.

## AD HOC COMMITTEE REVIEW

The Board approved Ad-hoc Grant Review Committee, comprised of Board Members Peter Peyton (Council District 15 appointee/Labor representative), Michele Prichard (City of LA Mayor appointee/Liberty Hill Foundation representative), and Kathleen Woodfield (community representative) met with Staff to consider and evaluate the applications. Staff conducted site visits as necessary to answer questions posed either through evaluation or during ad-hoc committee review.

Proposals were evaluated under three key themes, designed to compare similar program goals and objectives:

Theme #1: Beautification, Stewardship & Sustainability projects **with a Tidelands Nexus** that: Beautify, enhance, and protect the physical and natural environment of Wilmington and San Pedro, which are impacted by Port and Port-related operations. Education and awareness of the natural and physical environment in relation to the Harbor and Port, including marine life, wetlands, natural ecosystems, environmental stewardship and sustainability, and to explore strategies to reduce our collective carbon footprint and develop sustainable “green” technologies.

Theme #2: Youth & Career Development **with a Tidelands Nexus**. - Internship programs, fellowships, academies, or other resources that provide Wilmington and San Pedro youth with opportunities to explore a career path or specific skill in the port-related or maritime industry; includes job placement programs, skills training initiatives, apprenticeship training, or other workforce training resources that help residents to gain, secure, or maintain employment.

Theme #3: Community Resources **with a Tidelands Nexus**. Proposals and projects with a coastal nexus, or addressing a port impact, to improve access to, and the availability of, vital community resources for underserved and economically disadvantaged harbor area residents in Wilmington and San Pedro, such as community gardens that improve air quality, safety training and emergency preparedness in the event of a port disaster, cultural resources to preserve maritime history, and increased public access to coastal recreation, to name a few.

## RECOMMENDATION

Of the 63 proposals received, 11 (17%) were targeted to programs in Wilmington, 7 (11%) in San Pedro, and 45 (72%) offered programs serving both communities. Upon review of Staff evaluation, site visit summaries, and discussion, the ad-hoc committee approved Staff’s recommendation to increase the amount of available funding by \$70,000, to a total of \$620,000 to a) facilitate even distribution to programs serving San Pedro and Wilmington, b) ensure applicants have sufficient funding to deliver programming, and c) dedicate funding to all

of the priorities identified in this cycle. Ten (10) of the recommended proposals were from organizations funded in the pilot round, thirteen (13) were from organizations that have not been funded by HCBF in the past.

On August 15, 2014, the HCBF Board unanimously approved the recommendation representing \$620,000 in grants. Of the 23 recommendations, 6 (26%) serve San Pedro, 6 (26%) serve Wilmington, and 11 (48%) serve both communities, with equitable funding between Wilmington and San Pedro: \$311,000 (50%) benefits both communities, \$154,000 (25%) benefits San Pedro, and \$155,000 (25%) benefits Wilmington.

At the time of this transmittal, 3 of the 23 grant recommendations in the August 15, 2014 Board Action are under continuing review, totaling \$50,000 (\$35,000 for Wilmington and \$15,000 for San Pedro). These projects are not being brought before the BOHC at this time.

The following table contains 20 of the 23 recommended grants for a total of \$570,000. (Table 2)

Port Related Themes	Both (W-SP)	Wilmington (W)	San Pedro (SP)	Total
#1: Beautification, Stewardship, and Sustainability	\$108,000	\$60,000	\$68,000	\$236,000
#2: Port and Maritime-Related Career Development	\$183,000	\$0	0	\$183,000
#3: Vital Coastal and Maritime Community Resources	\$20,000	\$60,000	\$71,000	\$151,000
Total	\$311,000	\$120,000	\$139,000	\$570,000
	55%	21%	24%	

**COMMUNITY IMPACT**

Consistently, the recommended applicants leveraged requested grant funding from HCBF, through volunteer hours and matched funding. The reported match from the recommended pool equals nearly \$2.5 Million.

The proposed recommendations include increased capacity for many of the organizations, generating up to 8.5 full-time equivalent (FTE) positions within San Pedro and Wilmington, as reported by the applicants.

<b>Theme #1: Beautification, Stewardship, and Sustainability</b>					
#	APPLICANT/Grant Purpose	GRANT	FOR *	MATCH Rounded	New FTEs *
1	Beacon House Association of San Pedro Beautification projects and improving public access to Port at the MST Center (SP) & Terminal Island (W)	\$30,000	W-SP	Volunteers	0
2	Clean San Pedro Widespread cleanup and maintenance of landscaped areas immediately adjacent to the Port in SP	\$40,000	SP	\$17,000	1.60
3	Los Angeles Waterkeeper Oil spill response education/training	\$30,000	W-SP	\$78,000	0.5
4	Pacific Unicom (Clean Wilmington) Widespread cleanup & maint. landscaped areas along freight routes to create buffers between the Port and community in Wilmington	\$60,000	W	\$186,000	1.0
5	Palos Verdes Peninsula Land Conservancy White Point Nature Preserve, coastal protection and training	\$48,000	W-SP	\$37,000	0.90
6	Rainbow Services Beautification Project on 7th Street, aquatic themed tiled mural	\$28,000	SP	\$19,000	0
	<b>Subtotal Theme #1</b>	<b>\$236,000</b>		<b>\$337,000</b>	<b>4.0</b>

<b>Theme #2: Youth and Career Development</b>					
#	APPLICANT	GRANT	FOR *	MATCH Rounded	FTEs *
7	Cabrillo Beach Youth Sailing Scholarships for water skills, youth sailing & equipment	\$50,000	W-SP	\$148,000	0
8	Foundation for Marine Animal Husbandry Marine mammal care internships	\$20,000	W-SP	\$9,000	2.50
9	Friends of Cabrillo Marine Aquarium Wetlands internships	\$6,000	W-SP	\$168,000	0.50
10	International Bird Rescue Aquatic bird internships	\$25,000	W-SP	Volunteers	1.0
11	International Trade Education Programs Youth training and Internships	\$42,000	W-SP	\$861,000	0.50
12	Two Bit Circus (Fiscal Sponsor: LA Fund) Approx 1,600 LAUSD kids, from San Pedro & Wilmington Title I schools, attend Port of LA STEAM Carnival in Oct.	\$40,000	W-SP	\$599,000	0
<b>Subtotal Theme #2</b>		<b>\$183,000</b>		<b>\$1,785,000</b>	<b>4.5</b>

<b>Theme #3: Community Resources</b>					
#	APPLICANT	GRANT	FOR *	MATCH rounded	FTEs *
13	COPE Preparedness Disaster/resiliency education related to coastal and Port facilities	\$20,000	SP	\$25,000	0
14	Friends of Banning Museum Field trips and cultural maritime education at historical Museum	\$5,000	W	\$22,000	0
15	Harbor Interfaith Services Community garden that filters diesel particulate matter, with drought-tolerant landscaping that thrives in coastal climates	\$11,000	SP	\$24,000	0
16	Pacific Battleship Center Field trips and maritime history at U.S.S. Iowa	\$20,000	W-SP	\$119,000	0
17	Saints Peter & Paul Poverty Program Small community garden that filters diesel particulate matter, with a composting bin to teach sustainability and stewardship of coastal natural resources.	\$5,000	W	\$4,000	0
18	South Bay CC (SBCC): Thrive LA Community garden with 30 raised beds, transforming an empty parcel of land to improve the view scape of a port-facing site, bordered by Birch trees to filter diesel particulate matter, absorb carbon dioxide, and improve air quality.	\$45,000	W	Volunteers	0
19	Toberman Neighborhood Center Community garden adjacent to a high-traffic corridor to improve the view scape of a direct port-facing site, bordered by Southern Magnolia, Jacaranda and Ash trees to filter diesel particulate matter, absorb carbon dioxide, and improve air quality.	\$40,000	SP	\$19,000	0
20	Tzu Chi Teen Safety training / CERT for disasters and emergencies related to Port facilities and water-related natural disasters.	\$5,000	W	\$84,000	0
<b>Subtotal Theme #3</b>		<b>\$151,000</b>		<b>\$297,000</b>	<b>0</b>

<b>TABLE 3: TOTAL RECOMMENDATIONS with MATCH &amp; FTEs provided by Applicant</b>				
	GRANT		MATCH (rounded)	FTEs *
<b>GRAND TOTAL</b>	<b>\$570,000</b>		<b>\$2,419,000</b>	<b>8.5</b>
<b>* W: Wilmington SP: San Pedro FTE: NEW Full-Time Equivalent Position is estimated by applicant</b>				

**DIBURSEMENTS & REPORTING**

Grant periods shall be for a term of one year, with periodic disbursements made from HCBF to the program recipients, based on budget requirements and achieved milestones reflected in the individual grant agreements. All grantees will be required to a) meet with HCBF Staff quarterly, b) provide written progress reports every six months - to quantify the impact of each project/program (evidence based results), and c) demonstrate the agreed use of funds. Similar to the Healthy Harbor Grant Program, HCBF hosts quarterly meetings with grantees to foster partnerships and exchange best practices.

**HCBF BOARD ACTIONS**

**August 15, 2014 the HCBF Board of Directors, by unanimous vote, determined that**

The Community Benefit Grant Program, Round 2 is aligned with the HCBF 2013-2016 Strategic Plan, conforms to the requirement of the TraPac MOU and the Tidelands Trust, addresses impacts from Port of Los Angeles and Port-related operations, and will benefit the Port-adjacent communities of San Pedro and Wilmington.

**Resolved to:**

- Augment the funding for the Community Benefit Grant Program, Round 2 by \$70,000, increasing the committed program funding to \$620,000, to dedicate \$155,000 for programs benefiting Wilmington, \$154,000 for programs benefiting San Pedro, and \$311,000 for programs benefiting both Port-adjacent communities;
- Approve the ad-hoc Grant Review Committee recommendation to award 23 grants to the qualified organizations listed below (Table 2), to address impacts from Port of Los Angeles and Port-related operations, as detailed in the Staff report;
- Approve, in substantial form, a standardized Agreement, with exhibits, for the Community Benefit Grant Program (**TRANSMITTAL 1**); and authorize Staff, with the assistance of legal counsel as needed, to tailor the grant agreement exhibits for each grantee organization (**TRANSMITTAL 2**), and
- Authorize the Executive Director to a) report to the Board of Harbor Commissioners (BOHC), requesting final approval of Round 2 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 \$620,000, and c) fully execute, and administer, the Grant Agreements between HCBF and the approved grantees from Round 2 of the Community Benefit Grant Program.

*At the time of this transmittal, 3 of the 23 grant recommendations in the August 15, 2014 Board Action are under continuing review, totaling \$50,000 (\$35,000 for Wilmington and \$15,000 for San Pedro). These projects are not being brought before the BOHC at this time.*

**PCMTF STATUS REPORT: APPROVED PROJECTS & FUND BALANCE UPDATE**

The following chart summarizes the transfer of funds from the PCMTF for Studies and HCBF Programs to date:

Off-Port Impact Land Use Study		\$300,000
Noise Mitigation Program in Wilmington	\$185,000	
Healthy Harbor - Health Care Grants (3 Rounds)	\$1,350,000	
Community Benefit Grants (pilot round)	<u>\$506,000</u>	
Subtotal PCMTF funded Programs		<u>\$2,041,000</u>
Total Studies & Grant Programs as of 8/15/2014		\$2,341,000
<b>Trust Fund Balance as of 7/31/2014 *</b>		<b>\$6,296,595</b>
Community Benefit Grant Round 2 (this request)		<u>(\$570,000)</u>
Net Uncommitted Fund Balance after this request		\$5,726,595
<i>(*Includes PCMTF transfer in Nov. 2013, for the operations budget calendar year 2014 of \$475,000)</i>		

**HCBF PROGRAM HIGHLIGHTS/ Other major funding programs underway:**

**I. "Healthy Harbor" Health Care Grants:** A TraPac MOU priority program, to date, **\$1,350,000 in grants** have been awarded under the health care grant program. Funding includes 1) Diagnosis and Treatment, 2) Medical Supplies, and 3) Education, Access, & Outreach.

- Round 1: \$350,000 to Wilmington only, funded August 2012. Launched annual Wilmington Spring Fair in collaboration with grantees. In 2013 over 40 vendors, with a live band, prompted dancing in the streets, drawing over 400 attendees.
- Round 2: \$450,000, expanded program to include San Pedro. September, 2013 grantees collaborated with HCBF to launch annual San Pedro Family Food Fest, supported by over 50 volunteers. In excess of 500 people received of more than two tons of groceries, at no charge.
- Round 3: \$550,000, programs serving San Pedro and Wilmington. March 2014 the Wilmington health fair expanded, attracting over 500 attendees. In San Pedro, the 2014 fall festival was renamed "Healthy Start – Back to School Food Fest", co-hosted by Toberman Neighborhood Center. Nearly 700 families attended.

**What's Next: Round 4 to be announced in early October, applications due November 2014.**

**II. Noise Mitigation Program:** Pilot program launched in 2012 to address a TraPac MOU priority program for Wilmington. In 2013, consultants Landrum & Brown completed the Noise Measurement Report, identifying zones of greatest impact from port related noise (presented to BOHC in January 2013). Site monitoring of area schools and Wilmington homes completed in early 2014. First priority schools, in close proximity to the TraPac terminal, include Hawaiian Elementary, Wilmington Park, and Broad Elementary. School testing, in collaboration with LAUSD and AQMD, complements the \$6 million School Air Filtration Program, funded thru the TraPac MOU prior to the formation of HCBF. Funding to date = **\$185,000.**

**What's Next: Collaboration with local school principals in Wilmington and LAUSD facilities and maintenance is on-going, including a joint effort to prioritize funding from Prop 39 energy efficiency grants for Wilmington schools.**

**III. Harbor Schools: STEAM Initiative:** On August 15, 2014 the HCBF Board approved the launch of a new competitive grant program, in the amount of **\$300,000 (\$150,000 for Wilmington and \$150,000 for San Pedro):**

The goals of this initiative are to:

Direct grant funds towards projects and programs with a marine, maritime or Port-related focus benefitting San Pedro and/or Wilmington based LAUSD K-12 students, schools, and/or facilities; and

Support projects and programs that use S.T.E.A.M. to a) expose students to careers in maritime, international trade, commerce, goods movement, logistics, manufacturing, fishing or other Port-related industries, b) engage students in the Harbor community through access to coastal, aquatic, marine, or maritime resources; and/or c) address a port-related environmental impact such as air quality or noise.

**What's Next: Applications are due October 17, 2014. We anticipate the HCBF board will consider recommendations for funding in November 2014, followed by a presentation to the BOHC, for its concurrence.**

#### **APPENDIX & TRANSMITTALS**

APPENDIX A - PORT NEXUS for recommended Grants

TRANSMITTAL 1: Standard Grantee Agreement

TRANSMITTAL 2: Exhibit A (Grant Summary) for 20 grantees (sorted by alpha)

**Tailored summaries for each Grantee, with Port Impact statements:**

**APPENDIX A.**  
**Port Nexus for Recommended Applicants (sorted by alpha)**

#	APPLICANT	PORT IMPACT ADDRESSED	PORT NEXUS
1	Beacon House Association of San Pedro	Aesthetic, Biological Habitat, Community Resources	Improve the aesthetic and visual quality of a public facility in San Pedro and in Wilmington and improve public access to the Port of Los Angeles.
2	Cabrillo Beach Youth Sailing	Recreation, Community Resources	Provide youth with skills and recreational access to the LA Harbor, a community resource unique to the Harbor.
3	Clean San Pedro	Aesthetic, Safety, Health Risk	Improving the aesthetic and visual quality of streets in San Pedro and addressing industrial or incompatible land uses, and improving the landscape of areas immediately adjacent to the Port of Los Angeles.
4	COPE Preparedness	Safety	Provide safety training resources to residents in the event of emergencies related to Port facilities, including oil spills, shipping accidents, and water-related disasters, such as tsunamis.
5	Foundation for Marine Animal Husbandry	Biological Habitat	Providing San Pedro and Wilmington youth with a community resource to pursue careers and employment in marine sciences.
6	Friends of Banning Museum	Community and Cultural Resources	Providing youth with access to a cultural resource that increases knowledge about maritime and harbor history.
7	Friends of Cabrillo Marine Aquarium	Biological Habitat and Community Resource	Providing San Pedro and Wilmington youth with a coastal community resource to pursue careers and employment in wetlands research.
8	Harbor Interfaith Services	Air Quality, Aesthetic, Natural Resources	Improving the aesthetic and visual quality of San Pedro, improving air quality, and providing education on coastal natural resources.
9	International Bird Rescue	Biological Habitat	Providing San Pedro and Wilmington youth with a community resource to pursue careers and employment and opportunities in marine sciences.
10	International Trade Education Programs	Community Resources	Providing San Pedro and Wilmington youth with a community resource to pursue careers in Port-related and international trade industries.
11	Los Angeles Waterkeeper	Natural Resources, Safety	Providing opportunities to improve the local watershed and water quality and providing safety training resources to residents in the event of emergencies related to Port facilities
12	Pacific Battleship Center	Cultural Resources	Providing youth with access to a cultural community resource at the Port that increases knowledge about maritime and Harbor history.

13	Pacific Unicom (Clean Wilmington)	Aesthetic, Land Use	Improving the aesthetic and visual quality of Wilmington and improving industrial or incompatible land uses along freight truck routes and rail lines, and creating buffers between community and Port-related activities.
14	Palos Verdes Peninsula Land Conservancy	Natural Resources, Aesthetic	Restoring coastal natural habitat, improving the aesthetic and visual quality of the Harbor.
15	Rainbow Services	Aesthetic	Improving the aesthetic and visual quality of a community resource in San Pedro with an aquatic-themed mural.
16	Saints Peter & Paul Poverty Program	Air Quality, Natural Resources	Improving air quality and providing education on stewardship, and sustainability of coastal natural resources.
17	South Bay CC : Thrive LA	Air Quality, Aesthetic, Natural Resources	Improving the viewscape of a port facing neighborhood, improving air quality, and providing education on coastal natural resources.
18	Toberman Neighborhood Center	Air Quality, Aesthetic, Natural Resources	Improving the viewscape of a port-facing neighborhood, improving air quality in a high-traffic corridor, and providing education on coastal natural resources.
19	Two Bit Circus (Fiscal Sponsor: LA Fund)	Community Resources, at a Port facility	Providing San Pedro and Wilmington youth with a community resource, at CRAFTED, to pursue Port-related careers
20	Tzu Chi Foundation	Safety	Provide safety-training resources to residents in the event of emergencies related to natural coastal disasters (tsunamis) or Port facilities.