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**File No. 16-0144**

ADMINISTRATIVE EXEMPTION and INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE REPORT relative to a Memorandum of Agreement to transfer China Shipping amended stipulated judgment funds to the Harbor Community Benefit Foundation (HCBF) to administer air quality improvement projects.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department (LAHD) that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the LAHD Resolution No. 15-7878 authorizing Memorandum of Agreement No. 15-3365 with the HCBF and China Shipping Petitioners.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the proposed agreement with HCBF will transfer \$5,226,944 in uncommitted funds which are available from a total of \$9,226,944 from a legal settlement between the LAHD and the China Shipping Terminal Project Amended Stipulated Judgement to fund air quality mitigation projects in the local communities. The LAHD states that the balance of the fund in the amount of \$4 million is to be used by the South Coast Air Quality Management District to assist in funding the demonstration of an overhead zero emission truck project at the LAHD. There is no impact to the City General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – APRIL 5, 2016**

**(LAST DAY FOR COUNCIL ACTION – APRIL 5, 2016)**

SUMMARY

At the meeting held on March 1, 2016, your Innovation, Grants, Technology, Commerce and Trade Committee considered a LAHD transmittal relative to approval of Resolution No. 15-7878 to authorize Memorandum of Agreement No. 15-3365 with the HCBF to transfer China Shipping Terminal Project (China Shipping) Amended Stipulated Judgement (ASJ) funds from the LAHD to the HCBF for air quality improvement projects in the harbor communities of Wilmington and San Pedro. The proposed agreement includes settlement funds from the China Shipping ASJ which come from funds that were not committed to previously approved projects. In accordance with the ASJ, the LAHD is required to transfer these funds to an independent air quality mitigation program to administer the funds upon mutual agreement by parties of the ASJ settlement. The LAHD states that the parties to the settlement include the LAHD and the following Petitioners: Natural Resources Defense Council; San Pedro Peninsula Homeowners United; San Pedro and Peninsula Homeowners' Coalition; and, the Coalition for Clean Air. The LAHD states that there is a total of \$9,226,944 in ASJ funds that are uncommitted. After considerable negotiation, the LAHD and the Petitioners decided to distribute a portion of the ASJ uncommitted funds, in the amount of \$5,226,944, to HCBF to fund the air quality improvement program. The LAHD and petitioners decided to distribute the remaining \$4 million to the South Coast Air Quality

Management District to assist in funding an overhead zero emission truck project demonstration. An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
BONIN:	YES
KREKORIAN:	YES
BUSCAINO:	YES
MARTINEZ:	YES

ME

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**