

MEMORANDUM

Date: September 3, 2009

To: Port Technologies Development Center Partners, Board Members and Corporate Officers

From: Herb Zimmer, Chairman of the Board, Port Technologies Development Center

Re: Quarterly Update for Port Technologies Development Center (Covering the Period of June 1 through August 31, 2009)

The Quarterly Update which follows will summarize the major activities, milestones and accomplishments of the Port Technologies Development Center for the period covering June 1 through August 31, 2009:

Administrative/Management:

- The Board of Directors was seated, Bylaws approved, Interim Managing Director hired, and other key administrative activities initiated (June).
- The election of officers to the Board of Directors was conducted, confirmation of organization's corporate officers was approved, and development of Vision and Mission Statements were initiated (July).
- A federal tax-exempt application for the Port Technologies Development Center was completed, approved by the Board and submitted to the Internal Revenue Service (July).
- An initial Financial Report was presented to the Board which showed Revenues from Grants of \$100,000, Expenses for Ongoing Operations of \$45,158 and a Balance of Funds of \$54,842 (July).
- The Board of Directors authorized funds to initiate website development through the consulting services of Technoplex, Inc. (July).
- The Board of Directors approved its Vision and Mission Statement, established Board "liaisons" to the Advisory Board's Policy and Practices, Marketing, Finance and Venture Capital (VC)/Angel Outreach, and Resources Sub-Committees, and authorized the retention of Suarez Accountancy Corporation for the purpose of establishing the Port Technologies Development Center's non-profit accounting system (August).
- A subsequent Financial Report was presented to the Board which showed Revenues from Grants of \$100,000, Expenses for Ongoing Operations of \$52,573 and a Balance of Funds of \$47,427 (August).

- The selection of the Executive Director was finalized and contract negotiations between the selected candidate and the Port of Los Angeles begun (August).
- Facility lease negotiations were suspended, however, the process of identifying a firm qualified to complete the necessary Feasibility Study was initiated by the Port of Los Angeles (August).

Fund Development/Grants:

- Efforts have begun to secure grant funding from Union Bank in the amount of \$5,000, SA Recycling in the amount of \$25,000, and from Wells Fargo Bank in the amount of \$25,000 (July).
- A prospective grant opportunity with the Boeing Company was instead referred to the Port of Los Angeles High School as the requirements of the grant appeared to be a better fit to the educational capability of the high school. The Port Technologies Development Center also offered a letter of support to the grant and proposed to assist with formulating and presenting a teaching module entitled “Green Businesses and Green Jobs” (July).
- A meeting with the Federal Economic Development Administration (EDA) confirmed federal funding interest in the Port Technologies Development Center and a two-year Community Development Block Grant (CDBG) funding request of \$300,000 was presented to the Mayor’s Office for presentation to Federal Department of Housing and Urban Development officials (July).
- A grant request submitted to Edison Company in the amount of \$25,000 was not accepted (although efforts are being made to re-apply for funding) (August).
- Other prospective funding partners have been identified and will be pursued once the Executive Director is on-board and the feasibility study is completed (August).

Partnerships:

- The Port Technologies Development Center continues to develop partnerships with organizations in the region which have possible interest in the work of the Center. For example, meetings at and tours with the University of California Los Angeles (UCLA) California Nano Systems Institute and Office of Intellectual Property were conducted (July/August).
- The Port Technologies Development Center cosponsored and was featured at two recent Harbor Association of Industry and Commerce (HAIC) social “mixers” held in San Pedro (highlighting the Plains All American project) and subsequently in Long Beach (highlighting the Middle Harbor Project). Each mixer attracted over 40 individuals who represent companies which provide various services and products to the Ports of Los Angeles and Long Beach and which may be involved in various roles as these two major development projects are completed (July/August).
- The Port Technologies Development Center has received a draft Cooperation Agreement from the Long Beach Community College District (LBCCD) and its Federal Small Business Administration-funded Small Business Development Center (SBDC) program. Once operational, the Port Technologies Development Center will partner with the SBDC’s services to assist those companies who will be served by the Center and the Cooperation Agreement will govern the provision of those services (August).

Outreach/Advocacy:

- With the concurrence and support of the Board of Directors of the Port Technologies Development Center and the Port of Los Angeles, the Interim Managing Director has begun an outreach and surveying process to better understand the needs of technology companies which have shown interest in the Port's existing Technology Advancement Program (TAP). Through the end of August, personally-addressed letters with enclosed surveys were sent to 45 TAP-identified companies, with approximately 12 replies received by the end of August. Additional telephone outreach and electronic surveying will be conducted as a next phase. The summary results of the surveys will better help the Board of Directors understand the potential interest in the Port Technologies Development Center and will serve to inform aspects of the Feasibility Study (August).
- The establishment of the Advisory Board of the Port Technologies Development Center took place many months ago, however, during the reporting period, the Advisory Board met on virtually a weekly basis. Composition of the Advisory Board includes representatives of the San Pedro and Wilmington Chambers of Commerce, Port of Los Angeles, Small Business Development Center, the Office of Mayor Antonio Villaraigosa, the Office of Councilwoman Janice Hahn, Clean San Pedro, Technoplex, Inc., and others (June/July/August).

Although the summary noted above in no way represents all of the efforts made over the past three months in furthering the goal of establishing the Port Technologies Development Center, the noted items represent the major activities, milestones and accomplishments which took place during the period. Previous Port Technologies Development Center updates are available upon request.