

APPROVED

Mar 20 2025

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 25-038

DATE March 20, 2025

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LOS ANGELES MARITIME MUSEUM – SHIP MODEL SS POSEIDON LOAN AGREEMENT RENEWAL WITH DISNEY WORLDWIDE SERVICES INC.

B. Aguirre M. Rudnick
B. Jones C. Santo Domingo
C. Stoneham C.S N. Williams

[Handwritten signature]

General Manager

Approved X Disapproved Withdrawn

RECOMMENDATIONS

- 1. Approve a three-year loan agreement renewal (Agreement) with Disney Worldwide Services for the on-going display of the ship model SS Poseidon at the Los Angeles Maritime Museum, in substantially the form attached hereto at Attachment 1;
2. Authorize RAP's General Manager or designee to execute the Agreement; and
3. Authorize RAP staff to make technical corrections to this Report to effectuate the intent of this Report.

SUMMARY

The Department of Recreation and Parks (RAP) recommends the approval of a three-year loan agreement renewal (Agreement) with Disney Worldwide Services, Inc. (DWS) to extend the loan of the ship model SS Poseidon through December 31, 2028.

The 21.5-foot-long Poseidon model (based on the design of RMS Queen Mary) has been on loan to the Los Angeles Maritime Museum and displayed continuously there since 1984. Best known as a prop in the 1972 motion picture "The Poseidon Adventure", the model enjoys a loyal fan base of movie buffs and steamship aficionados. The museum staff expects the model to continue to draw interested visitors.

BOARD REPORT

PG. 2 NO. 25-038

ENVIRONMENTAL IMPACT

The proposed Board action involves approval of an agreement to allow RAP to display an item in a museum.

Article 20, Section 15378(a) of California Environmental Quality Act (CEQA) Guidelines defines a “project” subject to CEQA as the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Article 20, Section 15378(b)(1) also clarifies that administrative activities which will not result in a direct or indirect impact on the environment are not a “project” under CEQA.

The proposed Board action qualifies as an administrative activity which will not result in a direct or indirect impact on the environment, therefore staff recommend that the Board take no CEQA action.

FISCAL IMPACT

The Proposed Agreement will have no fiscal impact on RAP’s General Fund.

This Report was prepared by Marifrances Trivelli, LA Maritime Museum Director

LIST OF ATTACHMENTS/EXHIBITS

Attachment 1 – Loan Agreement Renewal with DWS

LOAN AGREEMENT

This Loan Agreement (the “Agreement”) is entered into as of _____, 2025 (“**Effective Date**”), by and between Disney Worldwide Services, Inc. (“**DWS**”), and the City of Los Angeles Department of Recreation and Parks (“**Borrower**”), for the loan of certain specified objects to Borrower for use in connection with the exhibition, “*Poseidon Exhibit*” (“**Exhibit**”) at Los Angeles Maritime Museum, located at Berth 84, Foot of 6th Street, San Pedro, CA 90731 (“**Museum**”). This Agreement sets forth certain conditions and obligations that must be met in conjunction with the loan of the specified objects to the Borrower. Reference is hereby made to the Loan Agreement dated as of June 26, 1984 between 20th Century Fox Studios and Borrower, to the Exhibition Request/Loan Agreement dated as of June 5, 2014 between The Twentieth Century Fox Archives and Borrower, and to the Loan Agreement dated as of January 25, 2022 between DWS and Borrower.

1. Loan of Objects; Loan Term; License.

a. Loan of Objects. DWS agrees to lend Borrower a collection of objects from *The Poseidon Adventure (1972)* (“**Objects**”), as more fully described in Exhibit A attached hereto (the “**Loan**”).

b. Loan Term. The Loan shall commence on _____, 2025 and end on December 31, 2028 (such period, the “**Term**”), with the option to renew (upon agreement between both parties) at the end of the Term.

c. License. DWS hereby grants a non-exclusive, royalty-free, license to Borrower for the Loan during the Term, subject to the provisions of this Agreement. In no event may Borrower lend the Objects for exhibit, by another museum or otherwise, or use the Objects at a venue other than the Museum, without the express prior written permission of DWS, in each instance, which permission DWS may withhold in its sole discretion.

2. Loan Fee and Costs. There will be no loan fee charged for the Loan under this Agreement. Borrower will be responsible, and will reimburse DWS, for all costs and expenses related to the duplication, packing and shipping of the Objects (as further described in clause (a) of paragraph 9) and all courier costs and expenses related to the installation and de-installation of the Objects, including airfare, lodging, meals, and all ground transportation. DWS will send one courier for the installation of the Objects and one courier for the de-installation. If courier travel is over 7 hours, DWS’s courier(s) will be flown business class. All travel will be booked by DWS through Disney Global Travel. DWS will send Borrower one or more itemized invoices for such costs and expenses to be reimbursed as provided in this paragraph 2, and Borrower shall pay such invoices within 30 days of receipt. Borrower acknowledges that in response to the COVID-19 pandemic certain travel restrictions may be in effect as a matter of internal policy within Disney for Disney employees and other representatives (including any curatorial staff member) and may be in effect from time to time as promulgated by federal, state or local governmental authorities affecting the travel of such persons to and from the Museum (including any

required quarantine) (collectively “**COVID-Related Travel Restrictions**”), which may make travel to the Museum by Disney employees and other representatives as otherwise contemplated hereby not feasible, including for purposes of the installation or de-installation of the Objects. If the schedule contemplated by the Term would require any Disney employee or representative (including any curatorial staff member) to travel to the Museum when any COVID-Related Travel Restrictions will be or might be in effect, as determined by DWS from time to time (and in the case of a COVID-Related Travel Restriction based on Disney’s then current travel policy with respect to the relevant employees or representatives, based on the status of such Disney travel policy as of such date of determination), both parties will work in good faith to reschedule the Term to a later date when such COVID-Related Travel Restrictions are not expected to be in effect.

3. Condition Reports; Conservation.

a. Condition Reports. Borrower shall: (i) provide DWS with an annual condition report, beginning in _____ 2025, and annually thereafter during the Term; (ii) notify DWS in writing of any concerns Borrower may have regarding the Objects’ condition; and (iii) immediately report any damage to the Objects, whether in transit or on Borrower’s premises, and regardless of who may be responsible therefor. No action shall be taken with respect to the damages without DWS’s express prior authorization in writing, in each instance.

b. Conservation. Borrower shall promptly notify DWS regarding possible needs for conservation services for the Objects. In such event, DWS (in its sole discretion) may: (i) if the conservation services required are minor or necessitate the immediate removal from the Museum of the particular Object(s) components (in order for the Exhibit to remain accessible and/or safe or otherwise maintain its integrity), authorize Borrower, or engage a third party vendor, to perform the necessary conservation services, including, if applicable, the removal of the particular Object(s) from the Exhibit; or (ii) if the conservation services needed are not minor or DWS otherwise determines (in its sole discretion) that DWS personnel (or a third party vendor) should perform the conservation services, authorize Borrower to remove the particular Object(s) from the Exhibit, if necessary, until DWS personnel can arrange to perform such services; or (iii) take such other actions as DWS determines (in its sole discretion) are required. Without in any way limiting the foregoing, in the event that an Object requiring conservation services is removed from the Museum, DWS shall determine (in its sole discretion, after taking into consideration the integrity of the Exhibit) whether that Object will be returned to the Museum or replaced by DWS with an Object that is similar or otherwise is consistent with the Exhibit from which the original Object was removed.

4. Insurance. Borrower shall, at no cost to DWS, provide coverage for the Objects by Borrower’s insurance “door to door” (that is, from the time the respective Objects leave the facilities of DWS or another Disney Company (as defined in paragraph 5(d)) (each such facility, a “**Disney Facility**”) through and including the time the respective Objects are returned to the Disney Facility specified by DWS for return. Borrower shall, at its sole

cost and expense, maintain throughout the Term insurance as set forth in paragraphs 4(a), 4(b) and 4(c), and in accordance with the requirements of paragraph 4(d), as follows:

(a) wall-to-wall fine arts policy replacement-cost insurance (including earthquake, fire and wind, and water damage coverage) for the Objects based on values agreed to by Borrower and DWS, which values will be set forth in Exhibit A after the particular Object. All such insurance shall be effective as of the date the first Object is loaded by the movers, from a Disney Facility. If Borrower and DWS cannot agree upon the value of an Object, it will not be included in the Exhibit unless otherwise agreed to in writing by Borrower and DWS. Acceptable certificates of insurance and all other requirements as described in paragraph 4(b) and (c) shall have been complied with before the Object will be included in the Exhibit.

(b) commercial general liability insurance (including broad form contractual coverage) and automobile liability insurance written on an "occurrence basis," with minimum limits of at least \$2,000,000 per occurrence, protecting Borrower, The Walt Disney Company, its affiliated and subsidiary companies, and the officers, directors, agents, employees and assigns of each, from claims for personal injury (including bodily injury and death) and property damage that may arise from or in connection with the Objects and the Exhibit at the Museum or otherwise under this Agreement or from or out of any act, error or omission of Borrower, its officers, trustees, directors, agents, curators and other employees, representatives and/or contractors with respect to the activities described in this Agreement.

(c) workers' compensation insurance as required by applicable law and employer's liability insurance with minimum limits of \$1,000,000 per occurrence.

(d) Borrower shall use a program of self-insurance to satisfy all insurance required in paragraphs 4(a), (b) and (c). A statement of self-insurance that is acceptable to DWS shall be furnished by Borrower to DWS within 30 days of the Effective Date. If Borrower fails to obtain and/or maintain in full force and effect its program of self-insurance, DWS shall have the option to terminate this Agreement immediately without further obligation to Borrower.

5. Indemnification. Borrower shall defend (if requested by DWS, with counsel reasonably satisfactory to DWS), indemnify and otherwise hold harmless each of DWS, the other Disney Companies, their respective officers, directors, employees, agents and representatives, as well as their respective successors and assigns, from any and all liabilities, claims, demands, damages, suits, judgments, losses and costs, including reasonable attorneys' fees (collectively, "**Claims**"), arising directly or indirectly from or out of any actual or alleged: (a) willful misconduct or negligent act, error or omission of Borrower, its officers, directors, agents, contractors or employees relating to the Objects; (b) breach of Borrower's representations and warranties, agreements or obligations as set forth in this Agreement; or (c) failure of Borrower to comply with the obligations on its part to be performed hereunder. The provisions of this paragraph 5 shall survive the expiration or earlier termination of this Agreement.

6. Environment. Borrower is responsible for ensuring that the Objects remain secured inside the designated gallery space of the Exhibit at all times and are not to be removed from the premises of the Museum. Except as otherwise agreed to by DWS and Borrower in writing, Borrower shall display the Objects in the Exhibit space at a temperature of 70 degrees Fahrenheit, plus or minus three degrees, and at a relative humidity to be maintained at 50 percent, plus or minus five percent provided, that in no event shall there be more than a five percent drift in the relative humidity within any 24-hour period. The parties will work together to ensure that the Objects receive sufficient light based on the type of Object on display and consistent with DWS and Borrower exhibition standards. Borrower shall display Objects away from heating/ventilation ducts and shall ensure their protection from fire, theft, mishandling, dirt, insects and all unauthorized human contact.

7. Objects Display and Security. Borrower shall display the Objects in the Museum according to the specifications and instructions provided by DWS. Borrower must maintain a sufficient number of security cameras to ensure the safety of the Objects throughout the Term. Borrower shall use best efforts to ensure that all proper precautions are taken to protect the security of the Objects.

8. Handling. Borrower understands and agrees that: (a) the utmost care must be taken to ensure that no damage occurs to the Objects in their transfer to and from, or during installation, display or exhibition at, the Museum or while otherwise Borrower's responsibility; (b) the Objects shall be returned to DWS in the same condition as when initially lent by DWS; and (c) Borrower shall have sole responsibility for the Objects and its condition from the moment it leaves DWS's possession, for shipment, until returned to DWS consistent with the provisions of the preceding clause (b) and the other terms of this Agreement. Borrower shall provide DWS with written notice prior to any shipment. Without limiting the foregoing, Borrower shall exercise the same, if not greater, precautions with respect to these Objects than it would for the safekeeping of comparable property of Borrower.

9. Arrangements and Costs. Borrower shall be responsible for all costs involved in handling and preparation of the Objects for exhibition and transport or otherwise related thereto, including without limitation: (a) the costs of packing, crating, shipping, customs clearance and local cartage (in each case, both to and from Borrower), duplication, reproducing, mounting, framing and maquette production of the Objects; (b) insurance with respect to the Objects (as more fully provided in paragraph 4); (c) any necessary clearances or consents relating to the Objects from third parties (and, with respect to music, from DWS or other Disney Company, including but not limited to permission from and payments to actors, writers, directors, owners and/or administrators of any musical compositions and/or recordings synchronized with the Objects, other music rights holders, and musicians and/or applicable unions or collective bargaining entities (it being understood that Borrower shall have sole responsibility for obtaining all such clearances and consents); and (d) any Claims (as that term is defined in paragraph 5) relating to the Objects.

10. Reproductions. Notwithstanding anything to the contrary in this Agreement, under no circumstances may any reproduction or any other use of the Objects (or any other

intellectual property of any of the Disney Companies) be made without written consent from DWS (in its sole discretion), in each instance.

11. Photography. DWS understands that public photography may occur while the Objects are on display at the Museum. Borrower shall make all reasonable efforts to prevent flash photography of the Objects by visitors to the Museum (or others viewing the Exhibit or some of the Objects). Prior to the opening date of the Exhibit (“**Opening Date**”), Borrower understands and agrees that it shall not allow photography or videography of the Objects for publicity, promotional, educational, commercial or other purposes (collectively, “**Non-exhibition Purposes**”) without the prior written consent of DWS (as well as the possible presence of a DWS representative, as determined by DWS in its sole discretion), in each instance. If DWS approves any such photography or videography by a third party for Non-exhibition Purposes, Borrower shall be responsible for ensuring that such third party provides credit to Disney in conjunction with the Non-exhibition Purpose, as specified by DWS in writing in each instance. After the Opening Date, Borrower shall be authorized to allow photography or videography of the Objects by members of the media or Borrower’s in-house photographer for publicity or promotional purposes without receiving DWS’s prior written consent; provided, however, that Borrower shall notify DWS as soon as reasonably practicable when members of the media have been granted access to the Exhibit for publicity purposes. With respect to pictures and/or videos taken by Borrower’s in-house photographer, Borrower shall submit to DWS for its prior written approval those pictures and/or videos that it wishes to use and/or distribute to the media or third parties and, after such approval is received by DWS, Borrower shall be authorized to freely use and distribute such approved images and/or videos (“**Approved In-house Photography**”). Borrower hereby grants a non-exclusive, royalty-free, license to DWS for all Approved In-house Photography taken by Borrower of the Objects. Further, in the event that Borrower creates a catalog in connection with the Exhibit (subject to the prior review and approval of DWS), then Borrower shall provide two (2) copies of such catalog to DWS.

12. Use of Name. By this Agreement, Borrower shall acquire no right to use, and shall not use, the names “Disney,” “ABC,” “ESPN,” “Pixar,” or “Marvel” (either alone or in conjunction with or as a part of any other word or name) or any fanciful characters or intellectual property of any Disney Company: (a) in any advertising, publicity, promotion; (b) nor to express or to imply any endorsement of Borrower’s facility, products or services; (c) nor to use any of said names, characters, or designs in any other manner (whether or not similar to uses prohibited by (a) and (b) above) except as expressly approved by DWS in its sole discretion.

13. Acknowledgments. Borrower understands and agrees that during the Term, appropriate credit will be given by utilization of exhibit label or other signage/documentation of acknowledgement to be placed in a prominent location adjacent to the display of the Objects, which states: “Courtesy of The Walt Disney Company.” As for copyright notice, Borrower agrees to provide notice as follows: “© Disney Enterprises, Inc.” or such other copyright notice of which DWS informs Borrower.

14. Termination and Continuing Obligations. Notwithstanding anything to the contrary in this Agreement, DWS reserves the right to withdraw the Objects at any time during the Term in the event that: (a) gross negligence, misconduct or nonfeasance or other material failure occurs on the part of Borrower and/or its officers, trustees, directors, agents, contractors, curators or other employees in the performance of its or their obligations under this Agreement; or (b) in DWS's sole judgment (i) Borrower has breached or is about to breach any provision of this Agreement or (ii) other just cause exists. In the event of any such termination under the preceding sentence, Borrower shall return the Objects to DWS within 30 days of the effective date of the termination. Notwithstanding any of the foregoing, DWS also shall have the right to terminate this Agreement and receive back any or all of the Objects at any time during the Term, without cause, upon providing 120 days prior written notice to Borrower. Upon the expiration or earlier termination of this Agreement, any provisions hereof that expressly or otherwise by their intent are intended to survive beyond such expiration or earlier termination, including without limitation those provisions hereof relating to insurance, indemnification, and trademark and name usage limitations (in paragraphs 4, 5 and 12, respectively), shall survive.

15. Force Majeure. DWS and Borrower shall be released from their respective obligations hereunder in the event of government regulations or other causes arising out of a state of war, terrorism, pandemics (provided that paragraphs 2 and 16 shall control with respect to COVID-19) or other national emergency, or other causes beyond the reasonable control of the parties (each a "**Force Majeure Event**") render performance of such obligations reasonably impracticable; provided, however, that if a Force Majeure Event occurs prior to the Term, the parties shall negotiate in good faith to determine alternative dates for the Loan or an appropriate resolution, and in the case of the Borrower, no event that might otherwise qualify as a Force Majeure Event shall relieve Borrower from its obligations (a) to preserve, protect and return the Objects in the condition otherwise required by the provisions of this Agreement, including paragraph 8 hereof, or (b) to make any payment due to DWS hereunder.

16. COVID-19 Undertakings. The Borrower shall ensure that the Museum follows best practices and takes reasonable and customary precautions with respect to COVID-19 throughout the Exhibit, including, without limitation, any opening or other Exhibit events and the installation and de-installation of the Objects (the "**COVID-19 Protocols**"). The Museum's COVID-19 Protocols shall comply with (i) the then-current museums industry standards and best-practices on COVID-19 for exhibitions and (ii) any applicable Laws (as defined below) issued in connection with COVID-19. The Borrower shall submit a summary of the Museum's COVID-19 Protocols to DWS for review and shall incorporate and implement reasonable input or suggestions by DWS.

17. Compliance with Laws / Compliance with Anti-Corruption Law. Borrower agrees, represents and warrants that it shall conduct all of its activities relating to this Agreement, in accordance with any and all applicable Laws. "**Laws**" means laws, rules, regulations, ordinances and similar orders, including without limitation, local and national laws, rules, regulations, ordinances, similar orders, treaties, voluntary industry standards (if any) and other legal obligations pertaining to this Agreement and the Museum, including without

limitation, those applicable to advertising, any tax, consumer and/or product safety, data privacy and the privacy and protection of personally identifiable information including the Personal Data Protection Act 2012, the protection of minors, employees, and the environment, the United States Foreign Corrupt Practices Act of 1977, as amended (and any local or foreign equivalent) and the UK Bribery Act 2010, as amended. Borrower agrees to comply fully with all applicable sanctions and export control laws, including those of the United States, and those of the jurisdiction(s) where any portion of this Agreement will be performed (if different).

18. International Labor Standards. With respect to all physical promotional and advertising materials (“**PA Materials**”) that the Borrower produces hereunder, the Borrower agrees to produce such materials only in Facilities (as defined below) located in the United States or in countries listed as Permitted Sourcing Countries permitted without ILS audits on The Walt Disney Company’s International Labor Standards website: www.disneylaborstandards.com. The Borrower further agrees that raw materials used in the production of PA Materials may only be sourced from a Permitted Sourcing Country as set forth on www.disneylaborstandards.com. The Borrower covenants and agrees that all Facilities it uses to produce PA Materials shall comply with all applicable laws, including labor laws. If DWS becomes aware of any reasonable allegation of a labor standards violation at a Facility and DWS notifies the Borrower thereof in writing, the Borrower shall promptly permit and cause the Facility which is the subject of the alleged violation to permit DWS or its designated representatives to audit such Facility for compliance with applicable labor laws. If access to the Facility cannot be obtained or the audit thereof reveals non-compliance with applicable labor laws then, following written notice from DWS, the Borrower shall immediately cease use of such Facility in connection with the production of PA Materials. The Borrower agrees to promptly notify DWS of any reasonable allegation of a labor standards violation at any Facility of which the Borrower has actual knowledge.

As used in this paragraph, “**Facility**” shall mean any of the Borrower’s own or third-party manufacturers, vendors, factories, suppliers, and other facilities (as well as any subcontractors) that produce, process, finish, assemble advertising and/or promotional materials in each case in physical form (i.e., not in digital form only), that contain, incorporate or apply any intellectual property (i.e., any names, marks, logos, characters, artwork or other proprietary material) owned or controlled by The Walt Disney Company or any of its affiliated companies. Notwithstanding the foregoing, “Facilities” shall not include retail print shops (e.g., Kinko’s).

19. Miscellaneous.

a. Binding Agreement; Assignment. This Agreement is binding upon and shall inure to the benefit of the parties hereto and their permitted successors, assigns, heirs and personal or legal representatives. In no event shall Borrower assign this Agreement in whole or in part -- nor shall this Agreement be assignable by operation of law -- without the written approval of DWS (which approval DWS may withhold in its sole discretion). DWS shall have the right to assign all of or any portion of this Agreement to any party.

b. Notice. Any notice or communication (including without limitation consents and approvals) required or permitted to be given under this Agreement shall be in writing and shall be served personally, delivered by an overnight courier of international reputation, sent by United States certified mail, postage prepaid with return receipt requested or sent by email (provided that either receipt is confirmed by return email or the notice or communication also is delivered by overnight courier as provided herein), in each case sent to the other party at the address set forth below its signature below.

c. Headings Severability. The headings contained in this Agreement are for convenience of reference only and do not form a part of this Agreement. Whenever possible, each provision of this Agreement shall be interpreted as to be effective and valid under applicable law, but if any provision is held to be invalid, illegal or unenforceable in any respect under any applicable law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

d. Entire Agreement; Modification and Waiver. This Agreement and any exhibits hereto contain the sole and entire agreement and understanding of the parties with respect to the subject matters contained herein, and there exist no other representations, commitments or understandings, oral or otherwise, express or implied, between the parties; provided, that, in the event of any conflict or other inconsistency between the provisions of any exhibits (or other attachments to this Agreement) and this Agreement, the Agreement shall govern. This Agreement may not be amended, and no right may be waived by either party hereunder, except by a writing signed by both parties hereto; nor shall the waiver of any of the terms or provisions of this Agreement in any one or more instances be deemed a permanent waiver thereof or a waiver of this entire Agreement.

e. Limitation of Liability. Except for third party losses included in Claims subject to indemnification under paragraph 5, neither party shall be liable hereunder for any indirect, consequential, special or punitive damages.

f. Governing Law; Jurisdiction. This Agreement, and any action arising out of or relating to this Agreement, shall be governed by and construed in accordance with the substantive laws of the State of California without regard to choice of law principles. The parties hereby agree that any action arising out of or relating to this Agreement shall be brought only in federal or state courts in the County of Los Angeles and that they irrevocably submit to exclusive jurisdiction of such courts and to the service of process outside the State of California.

IN WITNESS WHEREOF, the duly authorized representatives of each party have executed this Agreement as of the Effective Date.

DISNEY WORLDWIDE SERVICES,
INC.

CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND
PARKS

By: _____
Name: Michael Vargo
Title: SVP, D23, Corp Events &
Archives

By: _____
Name: Jimmy Kim
Title: General Manager

Address:
Walt Disney Archives
500 South Buena Vista Street
Burbank, CA 91521
Attention: Director

Address:
Los Angeles Maritime Museum
Berth 84, Foot of 6th Street
San Pedro, CA 90731
Ph: 310-548-7618 ext. 201

Email: Michael.vargo@disney.com

Email: trivelli@lamaritimemuseum.org

**EXHIBIT A
OBJECT LIST**

Total insurance value: Five Hundred Thousand Dollars (\$500,000)

Model Ship

002615-0001

The Poseidon Adventure (1972)