

MEMORANDUM OF UNDERSTANDING

By and Between

THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

AND

THE CITY OF LOS ANGELES HARBOR DEPARTMENT

This Memorandum of Understanding (“MOU”) is made and entered into this _____, 2021 (“Effective Date”) by and between the City of Los Angeles, a municipal corporation, acting by and through its Board of Harbor Commissioners (“Harbor Department”) and the Housing Authority of the City of Los Angeles, a public body, corporate and politic (“HACLA,” and together with the Harbor Department, the “Parties”).

RECITALS

WHEREAS, HACLA is a public body, corporate and politic, duly created, established and authorized on June 2, 1938 to transact business and exercise powers under and pursuant to the provisions of the Housing Authorities Law, consisting of Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code; and

WHEREAS, HACLA owns and operates the Rancho San Pedro Housing Development comprised of 478 public housing units located in the Barton Hill-Downtown San Pedro community (“Rancho San Pedro”); and

WHEREAS, HACLA has determined that Rancho San Pedro has surpassed its useful life and should be redeveloped to transform the Rancho San Pedro community into a mixed-income, mixed-use environmentally friendly vibrant urban village, conducive to healthy living and economically progressive conditions (the “Redevelopment”); and

WHEREAS, in August 2017 HACLA submitted an application for a United States Department of Housing and Urban Development (“HUD”) Choice Neighborhoods Initiative Planning Grant (“CNI Grant”), which aims to assist in transforming neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation; and

WHEREAS, in February 2018 HUD notified HACLA of its selection as an awardee of CNI Grant funding to be used toward planning activities and limited physical improvements of Rancho San Pedro and the surrounding Barton-Hill Downtown San Pedro community; and

WHEREAS, on March 29, 2018, HACLA’s Board of Commissioners (“BOC”), via Resolution No. 9432, authorized the HACLA’s President and CEO to accept the CNI Grant funding; and

WHEREAS, BOC Resolution No. 9432 further authorized HACLA to partner with the City of Los Angeles Harbor Department, as governed by its Board of Harbor Commissioners (“Harbor Department”) to implement the CNI Grant and to undertake a community-driven process toward revitalization; and

WHEREAS, the Harbor Department owns land near Rancho San Pedro running along the eastern side of Harbor Boulevard between 1st Street and 3rd Street that currently includes a decommissioned rail right of way and other underutilized space, including park space (the “Harbor Boulevard Parkway”); and

WHEREAS, after a year-long process of community input and a public prioritization process including formal actions of the Rancho San Pedro Community Advisory Committee, HACLA developed a list of projects to propose for HUD funding to spark transformation in and around the Choice Neighborhood, which included developing a linear park along Harbor Boulevard Parkway; and

WHEREAS, based on preliminary discussions with the Harbor Department, on July 8, 2020, HACLA submitted an Action Activities Proposal to HUD under the CNI Grant, in which HACLA proposed to use \$950,000 in HUD funds leveraged with \$250,000 in Community Development Block Grant funding from the City of Los Angeles and at least \$200,000 from HACLA to partner with the Harbor Department to improve the Harbor Boulevard Parkway by transforming it into a pedestrian and bike-friendly recreational area (the “Parkway Improvements” or “Project”); and

WHEREAS, prior to implementation of the Parkway Improvements, it will be necessary to prepare the Harbor Boulevard Parkway for construction, including removal of the rail tracks; and

WHEREAS, the Harbor Department estimates that preparing the Harbor Boulevard Parkway for construction will cost approximately \$1,430,000; and

WHEREAS, on August 13, 2020, HUD responded to the Action Activities Proposal with a letter approving the Parkway Improvements in concept, with final authorization for expenditure of Choice Neighborhoods grant funds contingent upon HACLA providing certain additional information; and

WHEREAS, the additional information that HACLA must provide prior to HUD’s release of Choice Neighborhood grant funds to fund the Parkway Improvements includes, among other things: documentation of a financial commitment covering all aspects of the project; a final scope of work, budget, and schedule; a maintenance plan; verification that all applicable permits are in place; completion of HUD environmental review; and development of a strategy for ensuring meaningful opportunities for community feedback; and

WHEREAS, implementation of the Parkway Improvements is in the interest of both HACLA and the Harbor Department; and

WHEREAS, developing the information required by HUD as well as ultimate design, construction and maintenance of the Project will require significant coordination between HACLA and the Harbor Department; and

WHEREAS, HACLA and the Harbor Department agree to enter into this MOU to identify the roles and responsibilities of HACLA and the Harbor Department in relation to the Parkway

Improvements, and to develop the information required by HUD for final project approval and release of HUD funds for completion of the Parkway Improvements.

NOW THEREFORE, IN CONSIDERATION of the mutual agreements, obligations, and representations, HACLA and the Harbor Department hereby agree as follows:

ARTICLE I: GENERAL TERMS

1.1 INCORPORATION OF RECITALS

The recitals set forth above are incorporated by reference as if fully set forth herein and made a part hereof.

1.2 GOOD FAITH NEGOTIATIONS

During the Stage One Term, as defined in Section 1.3, the Parties shall use good faith efforts to accomplish the respective tasks outlined in Article 2.2 and 2.3, facilitate the negotiation of mutually satisfactory terms for work on the Parkway Improvements, and obtain final HUD approval and release of grant funds for the Project.

During the Stage Two Term, as defined in Section 1.3, following HUD's approval and release of grant funds for the Project, the Parties will negotiate an amended and restated MOU to incorporate HUD-approved terms and other agreed-upon conditions for completion of the Project, conditioned as necessary on approval of said terms and conditions by each party's respective Board.

1.3 STAGE ONE TERM AND STAGE TWO TERM

The negotiating period for Stage One under this MOU (the "Stage One Term") shall commence on the Effective Date and shall expire either upon the earlier of final HUD approval and release of grant funds for the Project or one (1) year after the Effective Date of this MOU.

If HUD provides final approval for the Project, the second MOU Term ("Stage Two Term") shall commence upon such approval, and shall continue until November 19, 2022, unless HUD chooses to extend its deadline for completion of the Project, in which case the extended deadline will mark the end of the Stage Two Term. HUD has already indicated that they may consider granting an extension due to the impacts of COVID-19.

If HUD does not provide final approval for the Project, this MOU shall terminate without further action by the Parties.

The term of this MOU shall be three years, subject to the provisions of Section 7.9, DURATION AND TERMINATION OF THIS MOU. The Parties agree that if HUD provides final approval for the Project, and an amended and restated MOU is negotiated as set forth in Sections 1.2 and 2.4 herein, the term will be extended beyond three years.

1.4 POINTS OF CONTACT

Single points of contact will be provided by HACLA and the Harbor Department to coordinate efforts of the Parties covered by this MOU.

HACLA's contact will be Jessica Frazier, Development Officer.

The Harbor Department's contact will be Michael Galvin, Director of Waterfront & Commercial Real Estate.

Mailing addresses, email addresses, and telephone information for these points of contact ("MOU Administration Contacts") is provided in Section 7.8 of this MOU. The Parties shall provide written notice of new contact names should the listed contacts need to be replaced.

ARTICLE II: MOU TASKS

2.1 ACTION ACTIVITIES PROPOSAL

On July 8, 2020, HACLA submitted a revised Action Activities Proposal ("Proposal") to HUD, proposing four action activities, the fourth of which pertains to the Parkway Improvements. The Proposal, as it relates to the Parkway Improvements, along with Proposal Appendix L ("Harbor Boulevard Parkway Proposed New Design"), Appendix M ("Harbor Boulevard Parkway Improvements Design Narrative"), Appendix N ("Harbor Boulevard Parkway Improvements Cost Detail"), and Appendix O ("Harbor Boulevard Parkway Improvements Letter of Support" from the Harbor Department) are attached hereto as Exhibit A.

2.2 ACTION ACTIVITIES PROPOSAL APPROVAL

In its August 13, 2020 letter ("HUD Letter") attached hereto as Exhibit B, HUD provided preliminary approval for the Proposal, and outlined certain steps that would need to be taken prior to HUD releasing funds in support of the Proposal. In relation to the Parkway Improvements, HUD's release of Choice Neighborhood funds is contingent upon its receipt and acceptance of the following information:

- a. Documentation of financial commitments for the complete cost of the project, including a commitment from the Harbor Department for the cost of rail removal and preparing the site for construction.
- b. Final scope of work and an accompanying budget and schedule.
- c. Maintenance plan for the completed project, including an agreement or commitment letter from the entity that will have primary responsibility for maintaining the improvements.
- d. Verification that any applicable permits are in place and that construction or design documents are completed.
- e. Completed Request for Release of Funds and Certification (Form HUD-7015.15) ("Release of Funds Form") and Authority to Use Grant Funds (Form HUD-7015.16) demonstrating completed HUD environmental review.
- f. Strategy to ensure that Rancho San Pedro residents and other community members have meaningful opportunities to offer input and feedback.

2.3 STAGE ONE TERM TASKS

During the Stage One Term, the Parties will coordinate the development of information required by HUD for Project approval and release of funds for the Parkway Improvements, as outlined in Section 2.2, and in accordance with the HUD Letter and the Proposal. To the extent that authorization from the Board of Commissioners of either Party is necessary for either Party to make the various commitments and certifications required in Section 2.2, the Parties will work diligently and in good faith to obtain such authorization.

In developing the information required by HUD for final approval of the Parkway Improvements, the Harbor Department will be primarily responsible for Project tasks related to preparing the Harbor Boulevard Parkway for construction, including removal of the rail tracks and site preparation (“Demolition Tasks”). This responsibility will include compliance with all applicable California and federal laws and regulations. The Harbor Department will cooperate with HACLA to obtain environmental certification from the Responsible Entity (as defined in 24 CFR 58.2) for the Project, as required for completion of HUD’s Release of Funds Form, after which HACLA will finalize the Release of Funds Form by executing as the Recipient Entity.

The Harbor Department will maintain ownership of the Harbor Boulevard Parkway before, during, and after completion of the Parkway Improvements, and as owner will be responsible for developing and implementing a maintenance plan for the completed Parkway Improvements. The Harbor Department will provide the HUD-required information regarding maintenance of the Project to HACLA, which will submit that information to HUD.

In developing the information required by HUD for the Parkway Improvements, HACLA will be primarily responsible for Project tasks related to development of the conceptual design and permit-ready plans and developing a public process for input into the final designs and Project components, obtaining all required permits for improvements, procurement of a public works contract for construction, post-demolition construction of the proposed improvements, as shown in Proposal Appendix L, and all anticipated costs of design and construction which are preliminarily described in the Appendix N Harbor Boulevard Parkway Improvements Cost Detail (“Construction Tasks”).

HACLA will be responsible for submitting to HUD final drafts of the various documents required by HUD prior to its release of Choice Neighborhoods funds, and coordinating all NEPA approval through the City’s Housing and Community Investment Department. Should HUD require further information after the initial submittal, the Parties will continue to coordinate together to develop and provide the required further information, after which HACLA will submit revised documents to HUD. Upon final approval of the Project by HUD, HACLA will request authorization for the release of HUD funds for the Project.

During the Stage One Term, the Parties will work together to develop a cost-sharing framework for environmental review expenses, including costs associated with NEPA and CEQA review processes (“Environmental Review Costs”) for the Project. It is the Parties’ preliminary understanding that the Harbor Department will be responsible for the portion of the Environmental

Review Costs pertaining to the Demolition Tasks, and that HACLA will be responsible for the portion of the Environmental Review Costs pertaining to the Construction Tasks.

2.4 STAGE TWO TERM TASKS

Upon notification of HUD's final approval of the Parkway Improvements, the Stage Two Term shall commence. HACLA and the Harbor Department will negotiate an amended and restated MOU, subject to the review and authorization procedures of their respective Boards. The amended MOU will incorporate the Project terms as approved by HUD, including the final scope of work, budget, schedule, any Harbor Department access permits necessary for construction work by HACLA and its contractors, insurance and indemnification requirements and a plan for maintenance of the Parkway Improvements after the completion of construction.

ARTICLE III: COMMUNICATION AND COORDINATION

3.1 COORDINATION OF COMMUNICATIONS

HACLA and the Harbor Department will coordinate with regard to all formal external communications regarding the Project, including but not limited to press releases and public statements, provided however that any such communication shall be deemed approved should the other Party fail to disapprove the communication in writing within seven (7) calendar days. Both Parties shall be involved in developing a communication strategy to ensure that Rancho San Pedro residents and community members have meaningful opportunities to offer input and feedback throughout the course of the Project.

3.2 CONSTRUCTION-RELATED COMMUNICATIONS

Any construction-related communications obligations between the parties shall be negotiated during the Stage Two Term and be included in the amended and restated MOU.

3.3 ACCESS PERMIT

If HUD approves the final Project, and after the parties execute an amended and restated MOU, the Parties will execute appropriate access and entry permit(s) to allow HACLA and its contractors to enter the Harbor Boulevard Parkway area, subject to Harbor Department conditions.

3.4 ENVIRONMENTAL AND SITE PREPARATION OBLIGATIONS

Prior to entering into an amended and restated MOU, all environmental reviews required under state and federal laws, including but not limited to CEQA and NEPA, shall be complete. Additional requirements of the Parties for purposes of completing the Project (e.g. remediation standards, soil studies, etc.), shall be agreed upon in the amended and restated MOU. Prior to HACLA beginning construction of the Parkway Improvements, the Harbor Department shall provide HACLA with any completed soil studies or relevant environmental documents for the area being improved to the extent such documents are available.

It is the preliminary understanding of the Parties that the area being improved shall be remediated by the Harbor Department to required standard for proposed future use criteria prior to commencement of construction, and that areas of the Harbor Boulevard Parkway that are disturbed by any demolition activity shall be restored to pre-demolition grade and material compacted with suitable fill material rough graded so as to allow for construction of the Parkway Improvements. This preliminary understanding may be subject to change if subsequent developments render performance of the Demolition Tasks prohibitively expensive or otherwise burdensome.

The Parties acknowledge and agree that prior to entering into the amended and restated MOU, the rail line located within the Property boundaries shall be declared abandoned by the Surface Transportation Board (“STB”), thereby authorizing removal of the rail located on the Project property. If the rail is not declared abandoned by the STB within the timeframe necessary to complete the Project within any HUD grant award requirements, this MOU shall be terminated without further obligation of either Party to the other.

ARTICLE IV: HACLA AND HARBOR DEPARTMENT STAGE ONE TERM OBLIGATIONS

4.1 COORDINATION

Each Party is responsible for promptly updating the other Party as to all relevant Project developments during the Stage One Term of the MOU. Additional coordination obligations during Stage Two Term shall be agreed upon as part of the amended and restated MOU.

4.2 CNI GRANT OBLIGATIONS

HACLA shall be solely responsible for compliance with all HUD grant obligations, including pre-construction, post-construction and close-out compliance requirements for the CNI Grant funds. The Harbor Department will cooperate with HACLA to facilitate compliance with these HUD grant obligations.

ARTICLE V: POST-CONSTRUCTION OBLIGATIONS

Following completion of the Project, the Harbor Department will maintain the Harbor Boulevard Parkway as a recreational space accessible to the Public, subject to Harbor Department Board of Harbor Commissioners discretion. Maintenance of the Harbor Boulevard Parkway will be the responsibility of the Harbor Department which will be in accordance with the final maintenance plan prepared by the Harbor Department and approved by HUD.

ARTICLE VI: RECORDS AND AUDITS

6.1 RECORDS AND AUDIT RIGHTS

The Parties shall maintain complete and accurate books of account and records for all funds utilized under this MOU, including records which will permit a speedy and effective audit and which will fully disclose the amount and the disposition of the administered funds. HACLA and

the Harbor Department shall maintain such records as required in conformance with applicable federal, State and local regulations.

Each Party shall have full and free access to all books, papers, documents and records that are pertinent to the performance of the other Party under this MOU, including the right to audit, and to make copies of documents from transactions and reports in compliance with laws, regulations and administrative requirements. The Parties shall comply with applicable audit laws, requirements and provisions.

The Parties shall maintain the records for a period of no less than five (5) years from the day the construction Statement of Completion certificate is issued. The obligations set forth in this Section 6.1 shall survive the expiration or termination of this MOU.

6.2 USE OF PROJECT FUNDS

HACLA shall only expend Project funds on the Parkway Improvements in compliance with applicable City, State and Federal laws, regulations and guidelines, including any HUD regulations and laws. HACLA shall hold harmless and indemnify the City for HACLA's acceptance and use of the HUD grant funding, and shall be solely responsible for compliance with all federal and HUD grant award laws, regulations, rules and requirements. In the event HACLA is ordered to return any grant funds to the federal government, HACLA shall be solely liable for repayment of such funds.

The Parties agree that the City shall not be receiving or using any federal funding, including HUD grant funding for its portion of the Project.

ARTICLE VII: GENERAL CONDITIONS

7.1 OWNERSHIP OF IMPROVEMENTS

The City of Los Angeles Harbor Department is the owner of the Harbor Boulevard Parkway, and such ownership shall continue during Project construction and after construction of the Parkway Improvements is complete. The Harbor Department will be responsible for developing and implementing a long-term maintenance plan for the Parkway Improvements.

7.2 STATUTES AND REGULATIONS

HACLA and the Harbor Department shall each comply with all applicable statutes, rules, regulations and orders of the United States, the State of California, the County of Los Angeles and the City of Los Angeles, including as the same may be amended or renumbered, or if repealed, to such other provisions as may thereafter govern the same subject as the provision to which specific reference was made.

7.3 RELATIONSHIP OF PARTIES

The relationship between HACLA and the Harbor Department under this MOU shall not be construed as a joint venture, equity venture, partnership, or any other relationship. Neither HACLA nor the Harbor Department shall undertake or assume any responsibility or duty of the other or any third party with respect to this MOU. Except as HACLA and the Harbor Department may specify in writing, neither shall have authority to act as an agent of the other or to bind the other to any obligation.

7.4 MUTUAL COOPERATION

The Parties agree that they will each cooperate with the other, and shall provide such information and documentation as is reasonably necessary to fulfill the intent of this MOU, and shall make diligent response to inquiries and requests for information from the other Party.

7.5 INDEMNIFICATION

Until the Parties approve an amended and restated MOU, and except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, HACLA undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for any actual or alleged failures to comply with HUD's grant funding requirements arising in any manner incident to the performance of this MOU.

Any indemnification and insurance requirements as between the Parties for the design and construction of the Project shall be negotiated pursuant to the Stage Two Term requirements of this MOU and incorporated into the amended and restated MOU.

7.6 ASSIGNMENT AND ASSUMPTION

HACLA and the Harbor Department shall not assign any of its interests or obligations under this MOU to any other party, without the prior written consent of the other.

7.7 CONSENTS AND APPROVALS

Any consent or approval of HACLA or the Harbor Department required under this MOU shall be subject to the review and authorization procedures of each Party's Board of Commissioners and approval by either Board may be withheld in accordance with their independent decision making authority, without liability or obligation to the other Party. Any approval required under this MOU shall be in writing and executed by an authorized representative of the Party granting the approval.

7.8 NOTICES, DEMANDS AND COMMUNICATIONS

Formal notices, demands and communications between HACLA and the Harbor Department shall be sufficiently dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the principal offices of HACLA and the Harbor Department as follows:

Harbor Department:

Contracting Officer: Tony Gioiello
Deputy Executive Director of Development
425 S. Palos Verdes St.
San Pedro, CA 90731
tgioiello@portla.org

MOU Administration Contact: Michael Galvin
Director of Waterfront & Commercial Real Estate
425 S. Palos Verdes St.
San Pedro, CA 90731
mgalvin@portla.org
(310) 732-3860

Legal: Los Angeles Office of the City Attorney,
Harbor Division
Attn: Janna Sidley, General Counsel
425 S. Palos Verdes St.
San Pedro, CA 90731
(310) 732-3750
Email: jsidley@pola.org

HACLA:

Contracting Officer: Marlene Garza
Chief Administrative Officer
Housing Authority of the City of Los Angeles
2600 Wilshire Boulevard, 3rd Floor
Los Angeles, CA 90057
Email: marlene.garza@hacla.org

MOU Administration Contact: Jessica Frazier
Development Officer
Housing Authority of the City of Los Angeles
2600 Wilshire Boulevard, 3rd Floor
Los Angeles, CA 90057
Email: jessica.frazier@hacla.org
213-219-1401

Legal: James Johnson
General Counsel

Housing Authority of the City of Los Angeles
2600 Wilshire Boulevard, 3rd Floor
Los Angeles, CA 90057
Email: james.johnson@hacla.org

7.9 DURATION AND TERMINATION OF THIS MOU

Unless otherwise amended, or earlier terminated by either party, this MOU shall remain in effect for 3 years from the Effective Date. A revised term, and possible options to renew, will be negotiated pursuant to the amended and restated MOU.

Either Party may terminate this MOU by providing thirty (30) days advance written notice setting forth the reason for the termination. In the event that either Party elects to terminate this MOU, the Parties shall conclude their current activities relating to this MOU.

If one Party believes the other Party has materially breached any term of this MOU, said Party shall provide written notice (“Notifying Party”) to the breaching Party setting forth the details of the breach. The breaching Party shall either substantially correct such breach or provide details for why the Party is not in breach, within thirty (30) days of receiving the written notice. If the breach is not substantially corrected or explained to the satisfaction of the Notifying Party within thirty (30) days of notice, the Notifying Party may terminate this MOU following the requirements set forth in this Section 7.9.

7.10 STATE TIDELANDS GRANTS

This MOU is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this MOU is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled “An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City,” approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. The Parties agree that any interpretation of this MOU and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

7.11 GOVERNING LAW / VENUE

This MOU shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The Parties agree that all actions or proceedings arising in connection with this MOU shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

7.12 INTEGRATION

This MOU contains the entire understanding and agreement between the Parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or

prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this MOU by reference shall be deemed in any way to exist or bind any of the parties. Each party acknowledges that it has not been induced to enter into the MOU and has not executed the MOU in reliance upon any promises, representations, warranties or statements not contained, referenced, and/or incorporated into the MOU. **THE PARTIES ACKNOWLEDGE THAT THIS MOU IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

7.13 SEVERABILITY

Should any part, term, condition or provision of this MOU be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this MOU shall not be affected thereby, and such invalid, illegal or unenforceable part, term, condition or provision shall be treated as follows: (a) if such part, term, condition or provision is immaterial to this MOU, then such part, term, condition or provision shall be deemed not to be a part of this MOU; or (b) if such part, term, condition or provision is material to this MOU, then the parties shall revise the part, term, condition or provision so as to comply with the applicable law or public policy and to effect the original intent of the parties as closely as possible.

7.14 CONSTRUCTION OF MOU

This MOU shall not be construed against the party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this MOU and it shall be deemed their joint work product; each and every provision of this MOU shall be construed as though all of the parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable.

7.15 TITLES AND CAPTIONS

The parties have inserted the Section titles in this MOU only as a matter of convenience and for reference, and the Section titles in no way define, limit, extend or describe the scope of this MOU or the intent of the parties in including any particular provision in this MOU.

7.16 MODIFICATION IN WRITING

This MOU may be modified only by written agreement of the Parties. Any such modifications are subject to all applicable approval processes required by, without limitation, City's Charter and City's Administrative Code.

7.17 WAIVER

A failure of any Party to this MOU to enforce the MOU upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

7.18 EXHIBITS; ARTICLES

All exhibits to which reference is made in this MOU are deemed incorporated in this MOU, whether or not actually attached. To the extent the terms of an exhibit conflict with or appear to conflict with the terms of the body of the MOU, the terms of the body of the MOU shall control. References to Sections are to Sections of this MOU unless stated otherwise.

7.19 COUNTERPARTS

This MOU may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.

[THIS SPACE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the City and HACLA have executed this MOU on the day and year first above written.

April 8, 2021 JS

Approved as to form and legality
~~March 7~~, 2021
MICHAEL N. FEUER, City Attorney
JANNA B. SIDLEY, General Counsel

By: *Janna*
Heather M. McCloskey, Deputy *JS*

**THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners**

By: _____
Eugene D. Seroka,
Executive Director

Attest: _____
Amber M. Klesges
Board Secretary

Approved as to form and legality

By: *John Nosco*
John Nosco
Staff Attorney

**THE HOUSING AUTHORITY
OF THE CITY OF LOS ANGELES**

By: *Douglas Guthrie*
Douglas Guthrie
President and CEO

EXHIBIT A

ACTION ACTIVITIES PROPOSAL

[Attached]

Exhibit A: Harbor Boulevard Parkway Improvement Project

Introduction

The existing Harbor Boulevard Parkway, which runs north-south on the east side of Harbor Boulevard, features few amenities that encourage and promote sustained community use. Given the Parkway's proximity to the future redevelopment efforts at Rancho plus the current and planned waterfront investments by the Port of Los Angeles, a portion of the Parkway directly across from Rancho was targeted for improvement. When complete, this project will enhance the quality of life for both Rancho residents and the larger San Pedro community by providing additional recreational amenities for residents and increasing connectivity of the area to regional attractions and destinations.

Planning Process

The Harbor Boulevard Improvement Project was conceived alongside several other tentative projects as part of a community and resident outreach effort in conjunction with the redevelopment of the Rancho San Pedro public housing site and a related CNI Grant. After several rounds of idea generation and site design, project proposals were formulated and submitted to HUD. The Harbor Boulevard Improvement Project was selected as the most viable project to proceed.

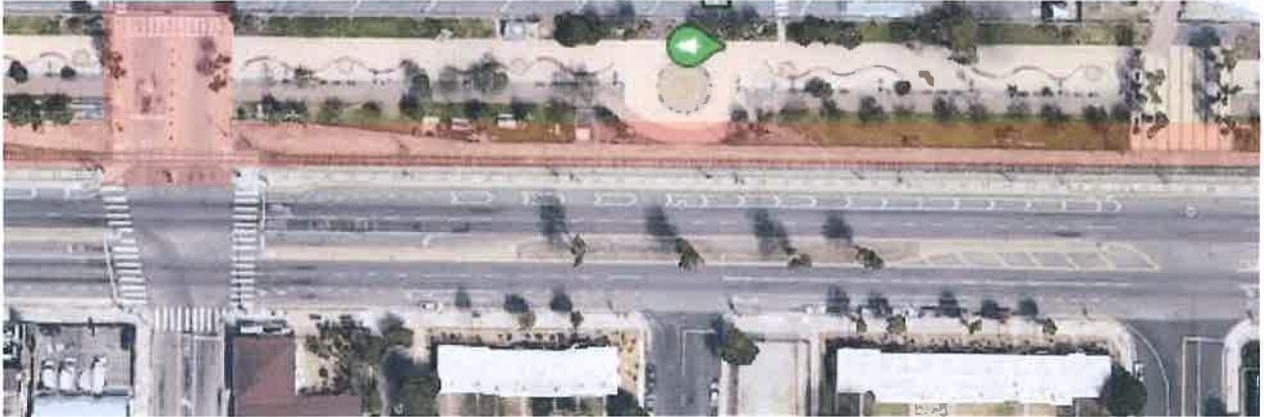
Project Description + Location

Currently, on the east side of Harbor Boulevard is the San Pedro Promenade, a paved pedestrian/bicyclist pathway that runs from the Cruise Ship Terminal to the north and down past the former Ports O'Call/future San Pedro Public Market to the Cabrillo Marina to the south. Adjacent to the Promenade and between the Promenade and Harbor Boulevard is a set of trolley tracks that are no longer in use. The proposed design for the Harbor Boulevard Parkway proposes removing approximately 668' of existing trolley track between 1st and 3rd. Existing rail ties are about 8' long; rails are spaced 5' apart, centered on the ties. The approximate area of the rail track is 5,504 square feet. The total rail right-of-way is approximately 668' long between 1st and 3rd, and varies in width 21'-6" ~ 35'. Total area of the right-of-way is approximately 15,635 sf.

The land on which the Promenade and the trolley tracks are located is owned by the Port of Los Angeles. The Port has expressed interest in repurposing the land where the trolley tracks are and further activating the space in support of the Port's ongoing waterfront investment. (See [Appendix L](#) for conceptual architectural drawings)



Map with improvement area in red.

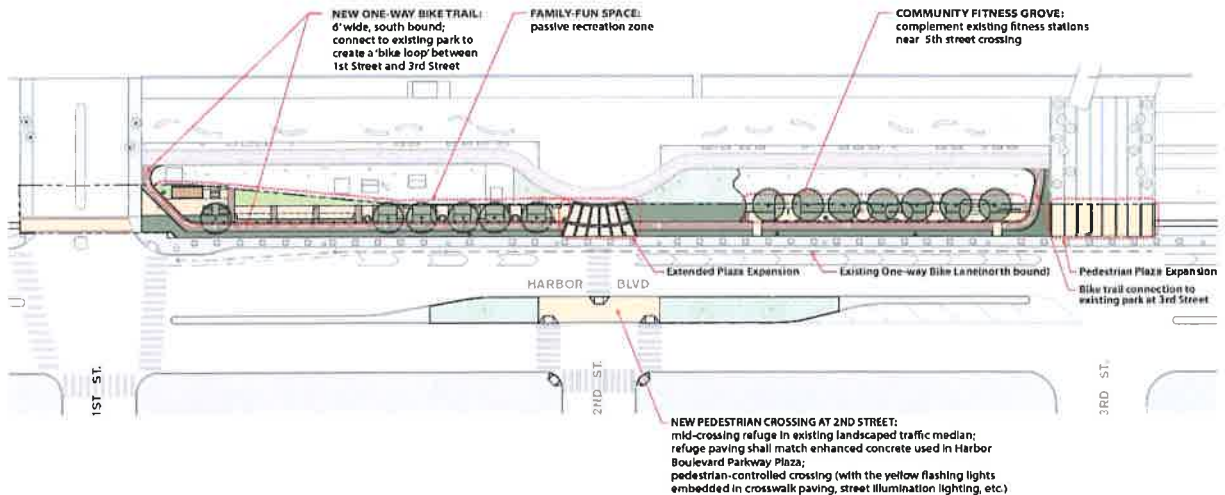


Harbor Boulevard with areas to improve highlighted.

Conceptual Project Design Summary (See Appendix M for detailed description.)

The former trolley tracks plus fencing along Harbor Boulevard will be removed between 1st and 3rd Streets with the land integrated into the San Pedro Promenade. This new space will create opportunities for safe pedestrian linkages and expanded active and passive recreational opportunities.

Some of the major improvements proposed include the creation of a bike loop circling the three blocks to provide a safe cycling space and a link to existing bike lanes, new seating and recreation equipment to provide a park-like gathering space for families, and new shade trees and plants to bring additional green space to the community that will serve a multitude of purposes including the removal of particulate pollution from the air. A unique addition to this renovated space will be the addition of a refurbished shipping container that will serve as a small business pop-up kiosk.



Proposed Improvements

Project Development Budget

The anticipated cost to develop the proposed improvements is \$1,382,726 which is inclusive of hard and soft costs. Attached please find a detailed cost estimated in Appendix N.

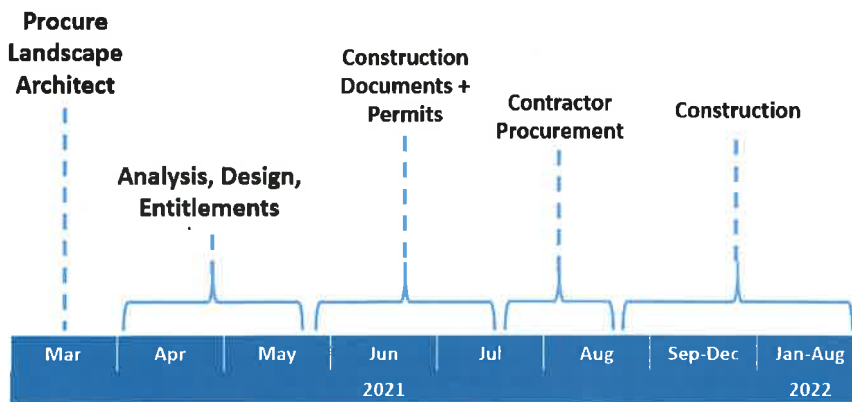
Additional costs associated with the project and not covered by Choice funds include preparing the site for construction, which is estimated by the Port to cost \$1,430,818. HACLA will continue to work with the Port and other partners to identify funding streams for these costs.

Project Operational Budget

HACLA is continuing to work with the Port of Los Angeles on the operational budget.

Project Schedule

The table below outlines the project schedule/



Project Schedule for Harbor Boulevard improvements.

Measurable Outcomes

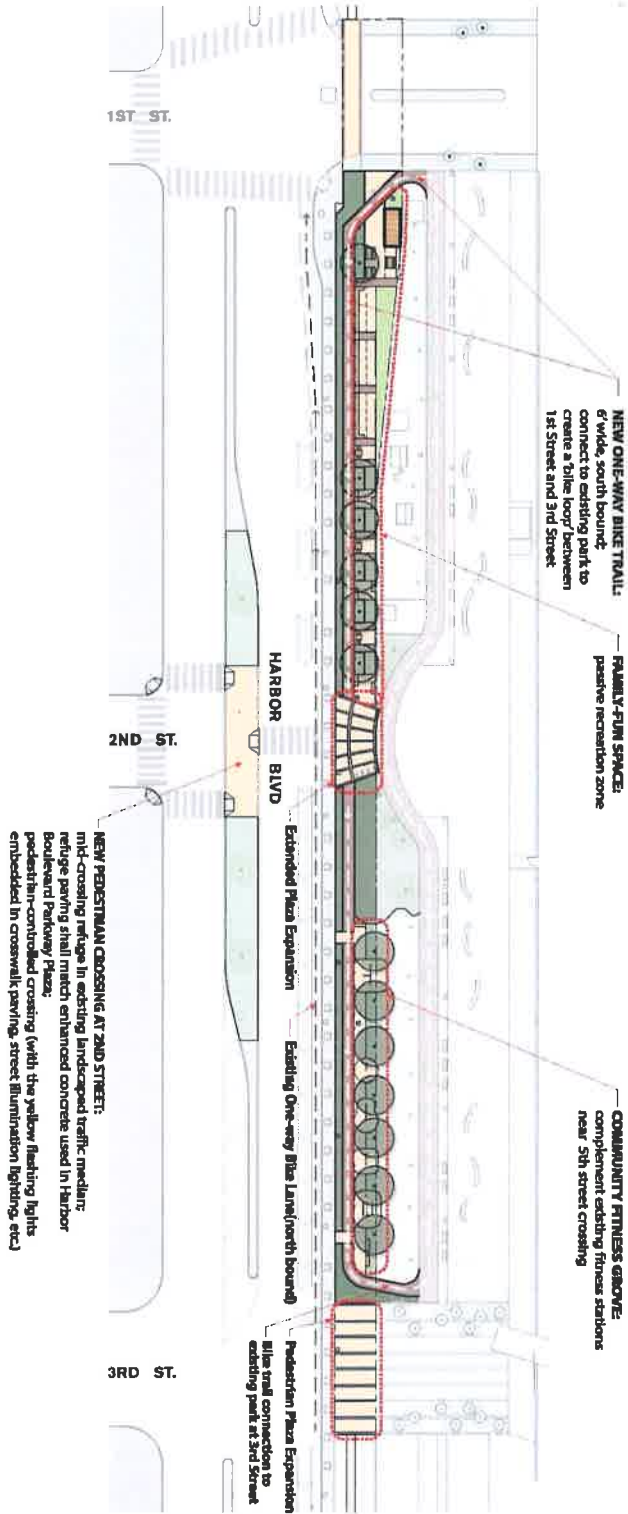
The measurable outcomes for this project are creation of small business opportunities, and increased Section 3 local hire opportunities during and post-construction, community cohesion, improved health outcomes from providing space for recreation & exercise, and higher utilization and transformation of an underutilized Port-owned property leading to improved safety in the area.

Partners

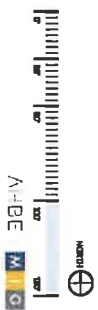
This project has been developed through a partnership with the Port of Los Angeles, Council District 15 and the Housing Authority.

APPENDIX L: Harbor Boulevard Parkway Proposed New Design

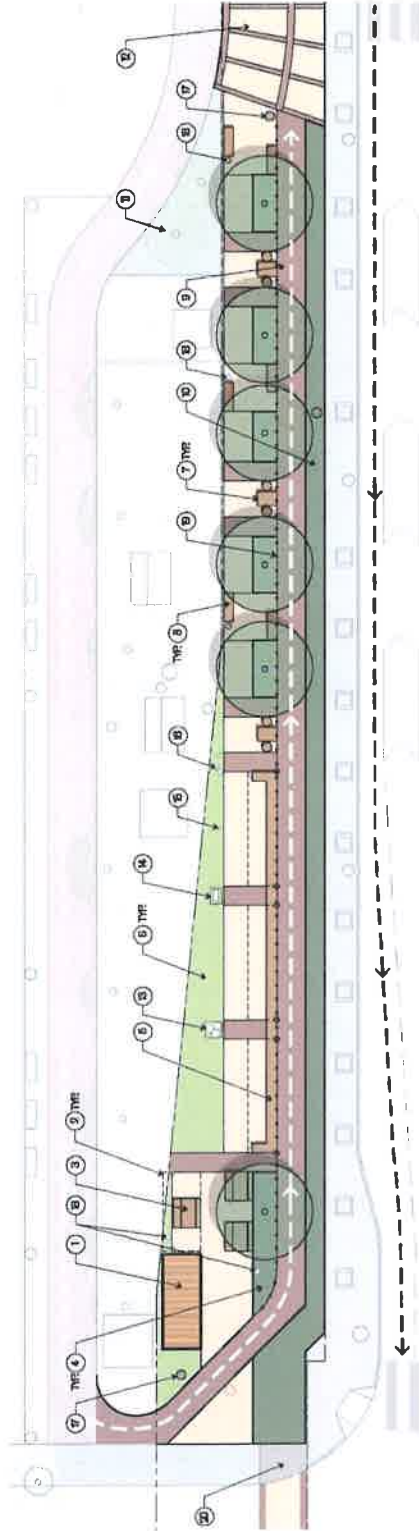
Housing Authority of The City of Los Angeles / Harbor Boulevard Parkway Improvements



Harbor Boulevard Parkway Improvements / 130010 / San Pedro, CA / 01 May 2020 / 3

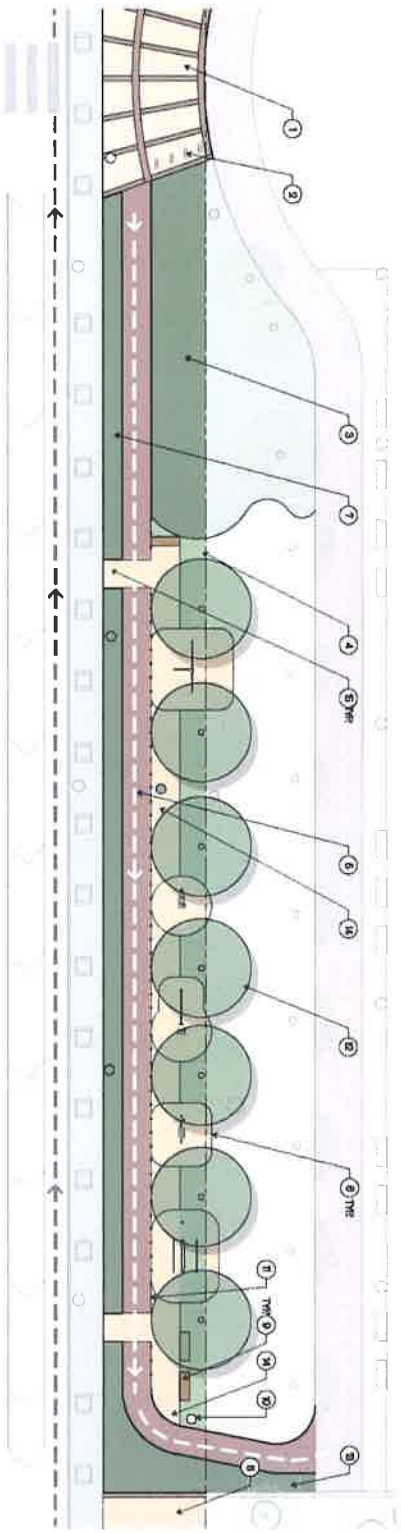


HARBOR BLVD PARKWAY PLAN ENLARGEMENT - NORTH SIDE



- ① Repurposed Shipping Container Kiosk
- ② Shade Structure
- ③ Family Area With Picnic Tables
- ④ Planting Area
- ⑤ 18" Tall Concrete Seawall
- ⑥ Free-play Area On Extended Turf Install From Sod & Provide Irrigation
- ⑦ Fixed Board Game Table & Seating
- ⑧ Benches match existing in adjacent Harbor Boulevard Parkway Plaza
- ⑨ Wide One-way Bikie Lane pave with Integral color asphalt to match bike path in adjacent Harbor Boulevard Parkway Plaza
- ⑩ 4' Wide Planting Buffer, planted with drought - tolerant plants that coordinates with plant palette in adjacent Harbor Boulevard Parkway Plaza. Min 5 gallon containers at average 30 o/c spacing, assume all new trees, lawn areas & planting areas are irrigated with an automatic weather-based, water-conserving irrigation system.
- ⑪ Extend Adjacent Planting Area
- ⑫ Extend Adjacent Plaza to Harbor Blvd
- ⑬ Triple Tot Drums
- ⑭ Aluminum Chimes
- ⑮ White Stand
- ⑯ Turned Drums
- ⑰ Water Bottle Filling Station with ADA-Accessible Drinking Fountains
- ⑱ Recharging Stations
- ⑲ New 42" Tall Guardrail
- ⑳ New Pedestrian Paving: match existing concrete & stone in adjacent Harbor Boulevard Parkway Plaza.

HARBOR BLVD PARKWAY PLAN ENLARGEMENT - SOUTH SIDE



- ① Extend Adjacent Plaza to Harbor Blvd, match existing concrete & stone in adjacent Harbor Boulevard Parkway Plaza
- ② New Short Term Bike Parking, match existing installed in adjacent Harbor Boulevard Parkway Plaza
- ③ Extend Adjacent Planting Area, match existing plant palette in adjacent Harbor Boulevard Parkway Plaza, provide irrigation
- ④ Remove Existing Fence and Concrete Curb and Extend Adjacent Lawn
- ⑤ 8' Wide One-way Bike Lane, pave with redtop color asphalt to match bike path in adjacent Harbor Boulevard Parkway Plaza
- ⑥ Proposed Three Stations On ADA Compliant Pavement Safety Surfacing

- ⑦ 4' Wide Planting Buffer, planted with drought-tolerant plants that coordinate with plant palette in adjacent Harbor Boulevard Parkway Plaza. Use 6 gallon containers at average 30" O.C spacing; assume all new trees, lawn areas & planting areas are irrigated with an automatic, weather-based, water-conserving irrigation system.
- ⑧ Extend Adjacent Plaza Paving to Siderwalk, match existing concrete & stone in adjacent Harbor Boulevard Parkway Plaza
- ⑨ Bench: match existing in adjacent Harbor Boulevard Parkway Plaza
- ⑩ Water Bottle Filling Station With ADA Compliant Drinking Fountain
- ⑪ New 42" Tall Guardrail

- ⑫ New Shade Trees: install from 36" box minimum, tree species to match those found in adjacent Harbor Boulevard Parkway Plaza
- ⑬ New Turf Areas: install from sod & provide irrigation
- ⑭ 8' Wide Tan Concrete Walkway
- ⑮ 8' Wide Concrete Gap in Planting Area: center between sidewalk requires

APPENDIX M: Harbor Boulevard Parkway Improvements Design Narrative



memo los angeles

to **Gilbert Rocca**, Torti Gallas + Partners

from **Darren Shirai**, AHBE | MIG

re **Housing Authority of the City of Los Angeles**
Barton Hill-Downtown San Pedro Neighborhood
Design Narratives for Possible Action Activity Sites

date **7/8/2020**

Harbor Boulevard Parkway Improvements

Proposed landscape improvements within the existing trolley track right-of-way adjacent to Harbor Boulevard creates new communal gathering opportunities for neighborhood residents and enhances existing recreational programming already provided within the adjacent San Pedro Promenade. The right-of-way corridor will be cleared of existing tracks, gravel track bed, perimeter fencing and overhead power lines to help enhance connectivity between the narrow existing pedestrian right-of-way that runs along the east side of Harbor Boulevard and the San Pedro Promenade.

Extensions of the existing pedestrian plazas within San Pedro Promenade at 2nd Street and 3rd Street will connect to the existing sidewalk along Harbor Boulevard. Enhanced paving materials

used in the existing plazas, like integral color concrete and stone pavers, are proposed in the new plaza extensions to maintain design continuity.

A new pedestrian crossing at Harbor Boulevard and 2nd Street enhances pedestrian connectivity between residential neighborhoods on the west side of Harbor and recreational facilities on the east side of Harbor. New striped crosswalks, with pedestrian controlled flashing lights embedded within them, clearly delineate a crossing zone that connects to the plaza extension at 2nd Street. A paved pedestrian refuge is proposed within the existing traffic median in Harbor Boulevard. This will provide a relatively safe waiting area for pedestrians crossing vehicular lanes of traffic.

Bike connectivity to the existing bikeway in San Pedro Promenade is provided at the 2nd Street plaza extension with a one-way, southbound bike lane that connects to the San Pedro Promenade bikeway at the proposed plaza extension at 3rd Street. The proposed bike lane connection to the existing bikeway will require a modest dedication of San Pedro Promenade property at 3rd Street. The design intention is to create a seamless bicycle circuit that circulates northbound through the San Pedro Promenade from 3rd Street to 1st Street, where another modest connection across Promenade property completes the circuit. Proposed paving material for the new bike circuit will match the integral color asphalt used in the existing bikeway. Short term bike parking, to match existing in the plaza at 3rd Street, will be installed in the new plaza extension at 2nd Street.

Safety measures are proposed to help deter potential conflicts between cyclists and pedestrians. A 4'-wide planting strip buffers bicycle circulation from the adjacent sidewalk on the east side of Harbor Boulevard. This planted buffer will have dense, lowgrowing shrubs to help deter undesirable cut-through behavior while helping to preserve clear street side surveillance for security and safety. Buffer planting is also intended to enhance the character and sensory appeal of the adjacent right of way. A 42" tall guardrail between the bike lane and pedestrian areas immediately adjacent to the east of it will help to deter potential accidents, too.

Proposed communal gathering space is proposed between 1st Street and 2nd Street. The existing fence that separated the trolley right-of-way and San Pedro Promenade will be removed to establish a seamless connection between the adjacent open spaces. A community kiosk, such as the proposed refurbished shipping container, should make a statement about site context and be the focal point of the new space. It is envisioned to be a potential commercial opportunity or a community-oriented space that helps facilitate stronger social bonds between residents and neighborhood stability. Adjacent to the kiosk is a small shaded seating area with fixed picnic-style table benches for families and small groups. Tables are envisioned to be multi-functional, usable for dining, community crafts or passive recreation functions like board games.

A variety of seating opportunities will be provided to maximize the appeal of the proposed social spaces. Communal seating is provided by a seatwall beneath a fixed shade structure, adjacent to a children's play space. Communal seating focuses on an open lawn play area with fixed outdoor musical instruments provided to engage the intellectual and social development of visiting children. More intimate seating opportunities for individuals and couples are provided by fixed gameboard tables and benches installed south of the children's play area. These seating areas are shaded by new canopy trees and low-growing understory planting.

Enhanced pedestrian paving connects all proposed social spaces. Paving materials, finishes and colors, are intended to coordinate with those used in San Pedro Promenade. Amenities like trash receptacles, recharging stations for personal devices and a water bottle filling station / drinking fountain are conveniently interspersed with seating areas. Lighting is also integral to all proposed shade structures and around the proposed community kiosk.

Programming to promote physical activity is proposed south of the 2nd Street plaza extension. Fixed exercise equipment is proposed to complement and coordinate-with existing exercise stations located in the San Pedro Promenade near 5th Street. Poured-in place rubberized safety surfacing surrounds each apparatus to the extents of the manufacturer's recommended clear zone. Enhanced integral color concrete paving connects all proposed exercise equipment areas into an exercise circuit. Canopy trees provide shade for all exercise equipment areas. Benches are installed at both ends of the exercise circuit, with charging stations for personal devices, trash receptacles and a water-bottle/drinking fountain provided in convenient proximity.

New planting and lawn areas adjacent to existing ones in the San Pedro Promenade will be planted with a palette of trees, turf and understory plant species that match or coordinate with the existing plant palette. The intent is to create a visually seamless continuum with adjacent landscape. Integrate irrigation delivery systems for new planting and turf areas into the existing irrigation system for San Pedro Promenade, if feasible. Upgrade the existing San Pedro Promenade irrigation system to comply with current requirements for automatic weather-based controller technology and highefficiency water delivery equipment. Alternatively, provide an all new state-of-the-art irrigation system for newly-proposed turf and plantings areas only.

APPENDIX N: Harbor Boulevard Parkway Improvements Cost Detail

HACLA - Harbor Blvd Parkway Improvements

Conceptual

May 19, 2020

Credits

HACLA - Harbor Blvd Parkway Improvements

Conceptual

The information contained within this documents is confidential and should not be distributed or copied for any reason without the consent of either Cumming Construction Management, Inc. or the intended client.

Cumming has no control over the cost of labor and materials, the general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions.

This opinion of the probable cost of construction is made on the basis of the experience, qualifications, and best judgment of a professional consultant familiar with the construction industry. However, Cumming cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates.

This document reflects fair market value construction costs obtainable in a competitive bidding market in Los Angeles, California. Cumming assumes a negotiated GMP with a qualified general contractor, with bids from a minimum of five (3) subcontractors per trade. This statement is a determination of fair market value for the construction of the project and is not intended to be a prediction of low bid. Please note that experience indicates a fewer number of bidders may result in a higher bid amount, thus more bidders may result in a lower bid result.

The Cumming staff of professional cost consultants has prepared this estimate in accordance with generally accepted principles and practices. This staff is available to discuss its contents with any interested party.



LA | Cumming Construction Management, Inc.

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Basis of Deliverable

HACLA - Harbor Blvd Parkway Improvements

Conceptual

Project Description

The overall project scope of work is a renovation and expansion of the Harbor Blvd parkway between 1st and 3rd street and encompasses new planting areas, bike paths, play areas, and public workout equipment.

Pandemic Disclosure

The outbreak of the novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, has impacted global financial markets.

Market activity is being impacted in many sectors and circumstances remain very fluid and variable in different jurisdictions. Accordingly, as of this date, we are concerned with the market related impacts on the deliverables we are furnishing to you as part of our Services including cost estimates, budgets, and schedules ("Deliverable(s)"). Indeed, the current response to this pandemic means that we are faced with an unprecedented set of circumstances on which to base a judgement of the effects on the availability of labor, materials, and access and other impacts, although we are monitoring those on a continuing basis.

Our Deliverables must be regarded with a degree of 'material uncertainty, – and a higher degree of caution – than would normally be the case. Given the unknown future impact that the COVID-19 pandemic might have on the construction and real estate markets, we recommend that you keep the Deliverables of this project under frequent review. For your information, we have not added or considered a COVID19 additional contingency within this Deliverable"

Project Documents

Drawings: Narratives:

	Three sheets of conceptual drawings and one sheet of rendering dated 05/01/2020
Geotechnical Reports:	N/A
As-Builts:	
Specifications:	N/A
	N/A
BIM:	N/A
	N/A

Assumed Project Conditions

01	Project Delivery	Design - Bid - Build
02	Procurement	Low Bid
03	Contract Type	Lump sum / stipulated value
04	Contract Form	TBD
05	Preconstruction	
06	Owner	The Port of Los Angeles
07	Architect	Torti Gallas & Partners
08	General Contractor	To Be Determined

Basis of Deliverable

HACLA - Harbor Blvd Parkway Improvements

09	Electrical Sub	To Be Determined
10	HVAC Sub	To Be Determined
11	Concrete SUB	To Be Determined
12	Steel Sub	To Be Determined
13	VT Sub	To Be Determined

Basis of Deliverable

HACLA - Harbor Blvd Parkway Improvements

Conceptual

Specific Exclusions

01	Soft Cost	Development fees
02	Soft Cost	Public Works Fees
03	Soft Cost	Utility Payments & Fees
04	Soft Cost	
05	Soft Cost	Pre-opening/Carry Operations
06	Soft Cost	Land Cost / Option Payments
07	Soft Cost	Financing / Debt Carry
08	Soft Cost	Leasing & Marketing
09	Soft Cost	TI & Coordination
10	Soft Cost	Overhead Salaries
11	Soft Cost	Development Office
12	Project	
13	Project	Membership Interest Accounting
14	Project	Permanent dewatering
16	Project	Cost of Material impacts due to international tariffs not currently known
17	Project	Cost of Material/Labor impacts from the COVID-19 pandemic
18	Project	
19	Project	Work to existing buildings surrounding the site.
20	Project	
21	Project	Market escalation after the stated dates in the estimate.
22	Project	Unforeseen soil conditions / Blasting of caliche
23	Project	Cost for historical or archeological excavation or work stoppage.
24	Project	Dewatering
25	Project	
26	Plumbing	Facility Condition Assessments
27	Project	ZNE or all electric building.
		Lead and asbestos abatement
		Builder's Risk Insurance (by owner)
		Professional liability insurance (by applicable party)
		Graywater / Rainwater system
		FF&E allowance

Basis of Deliverable

HACLA - Harbor Blvd Parkway Improvements

Assumptions made in the Cost Estimate

Conceptual

01	Project	The site will be accessible during the normal business hours between 7:00 AM to 5:00 PM
02	Project	Union labor wage determinations assumed.
03	Project	
04	Project	Assumes Title 24 code.
<hr/>		
05	Project	Direct labor cost of work includes wages, vacation, pension, training, FICA, unemployment, and offsite insurances not under the CCIP (Auto and GL)
<hr/>		
06	Project	
07	Project	The CCIP includes the following insurances: general liability, excess liability, onsite commercial automobile, and worker's compensation
08	Project	
<hr/>		
		The GC is required to procure a payment and performance bond
		Subcontractor default insurance is carried by the GC
		Subcontractor's costs do not include bonding.
<hr/>		

Basis of Deliverable

HACLA - Harbor Blvd Parkway Improvements

Conceptual

09 Project
10 Electrical

LEED certification is not being pursued

Provide power to Shade's light fixtures, bollards, recharging stations and irrigation system control.

Schedule

Basis of Schedule:	Cumming internal estimate
Construction Start:	January 1, 2021
Construction Completion:	April 1, 2021
Construction Midpoint:	February 15, 2021
Construction Duration:	3 Months

Project Cost Summaries

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Project Cost Summaries

Project Cost Summaries

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Elemental Trade Cost Summary

HACLA - Harbor Blvd Parkway Improvements

Conceptual
May 19, 2020



ELEMENTAL TRADE PACKAGE			Harbor Blvd 19,964 GSF		Grand Total 19,964 GSF	
CSI	Trade Package		Total	\$ / GSF	Total	\$ / GSF
6.0 Site Development			\$867,976	\$43	\$867,976	\$43.48
6.01	Building Demolition		\$0	\$0.00	\$0	\$0.00
6.02	Selective Demolition		\$0	\$0.00	\$0	\$0.00
6.03	Hazardous Materials		\$0	\$0.00	\$0	\$0.00
6.04	Site Survey		\$11,978	\$0.60	\$11,978	\$0.60
6.05	Earthwork & Grading		\$0	\$0.00	\$0	\$0.00
6.06	SWPPP		\$0	\$0.00	\$0	\$0.00
6.07	Dewatering Systems		\$0	\$0.00	\$0	\$0.00
6.08	Asphalt Paving		\$60,636	\$3.04	\$60,636	\$3.04
6.09	Site Concrete		\$202,366	\$10.14	\$202,366	\$10.14
6.10	Planting		\$182,451	\$9.14	\$182,451	\$9.14
6.11	Irrigation Systems		\$43,134	\$2.16	\$43,134	\$2.16
6.12	Wood Decking		\$0	\$0.00	\$0	\$0.00
6.13	Unit Paving		\$0	\$0.00	\$0	\$0.00
6.14	Fencing and Gates		\$0	\$0.00	\$0	\$0.00
6.15	Specialties		\$291,473	\$14.60	\$291,473	\$14.60
6.16	Signage		\$0	\$0.00	\$0	\$0.00
6.17	Exterior Painting		\$3,000	\$0.15	\$3,000	\$0.15
6.18	Parking Control Equipment		\$0	\$0.00	\$0	\$0.00
6.19	Site Lighting		\$23,000	\$1.15	\$23,000	\$1.15
6.20	Water Features		\$0	\$0.00	\$0	\$0.00
6.21	Off-Site Paving, Landscape & Furnishings		\$0	\$0.00	\$0	\$0.00
6.22	Domestic Water		\$10,000	\$0.50	\$10,000	\$0.50
6.23	Fire Water		\$0	\$0.00	\$0	\$0.00
6.24	Irrigation Water		\$5,000	\$0.25	\$5,000	\$0.25
6.25	Sanitary Sewer Systems		\$0	\$0.00	\$0	\$0.00
6.26	Storm Drainage Systems		\$0	\$0.00	\$0	\$0.00
6.27	Gas Systems		\$0	\$0.00	\$0	\$0.00
6.28	Site Electrical		\$34,937	\$1.75	\$34,937	\$1.75
6.29	Site Telecommunications		\$0	\$0.00	\$0	\$0.00
6.30	Off-Site Utilities		\$0	\$0.00	\$0	\$0.00
A	Cost Contingency	5.00%	\$43,399	\$2.17	\$43,399	\$2.17
B	Market Escalation to Buyout	Varies	\$34,133	3.75%	\$34,133	\$1.71
Sub-Total Direct Construction Cost			\$945,507	\$47	\$945,507	\$47
C	General Conditions	18.55%	\$175,402	\$8.79	\$175,402	\$8.79
D	General Requirements	6.54%	\$61,837	\$3.10	\$61,837	\$3.10
E	Contractor's Contingency	3.00%	\$28,365	\$1.42	\$28,365	\$1.42
F	Gross Receipts Tax	0.101%	\$955	\$0.05	\$955	\$0.05
G	Bonds	1.93%	\$23,393	\$1.17	\$23,393	\$1.17
H	General Liability Insurance	2.15%	\$26,059	\$1.31	\$26,059	\$1.31
I	Overhead & Profit	10.00%	\$121,207	\$6.07	\$121,207	\$6.07
Sub-Total Indirect Construction Cost			\$437,218	\$22	\$437,218	\$22
Total Construction Cost			\$1,382,726	\$69	\$1,382,726	\$69

Indirect Costs

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Indirect Costs

General Conditions

HACLA - Harbor Blvd Parkway Improvements

Conceptual

Harbor Blvd

2.97 Months

1	Project Executive		50%	1.48	\$250.00	\$43,300	
2	Senior Project Manager		100%	2.97	\$175.00	\$30,310	
3	Project Manager	1	50%	1.48	\$125.00	\$21,650	\$32,118
4	Assistant Project Manager		100%	2.97	\$102.00	\$17,666	
5	Senior Superintendent		100%	2.97	\$175.00	\$30,310	
6	Area Superintendent	1	100%	2.97	\$140.00	\$24,248	\$71,945
7	Assistant Superintendent		100%	2.97	\$110.00	\$19,052	
8	Safety Manager		100%	2.97	\$95.00	\$16,454	
9	QAQC Manager		100%	2.97	\$95.00	\$16,454	
10	Senior Project Engineer		100%	2.97	\$120.00	\$20,784	
11	Project Engineer	1	100%	2.97	\$95.00	\$16,454	\$48,820
12	VDC Manager		100%	2.97	\$95.00	\$16,454	
13	IT Project Manager		50%	1.48	\$145.00	\$25,114	
14	Design Manager		100%	2.97	\$250.00	\$43,300	
15	Risk Manager		100%	2.97	\$175.00	\$30,310	
16	Scheduler		50%	1.48	\$116.00	\$20,091	
17	Estimator	1	10%	0.30	\$125.00	\$21,650	\$6,424
18	MEP Coordination		100%	2.97	\$130.00	\$22,516	
19	Convention Center Liasion		100%	2.97	\$120.00	\$20,784	
20	Field Office Receptionist		100%	2.97	\$55.00	\$9,526	
21	Contract Administrator		75%	2.23	\$68.00	\$11,778	
22	Accounting - Clerical		90%	2.67	\$68.00	\$11,778	
23	Labor Foreman		100%	2.97	\$105.00	\$18,186	
24	General Laborer	1	20%	0.59	\$95.00	\$16,454	\$9,764
26	Escalation					3.75%	\$6,332

General Requirements

HACLA - Harbor Blvd Parkway Improvements

Conceptual

	Quantity	Unit	Rate	Total Cost
Field Office				
1		LS	\$2,000	
2		LS	\$2,000	
3		MO	\$1,500	
4		SF	\$25	
5		MO	\$500	
6	1	LS	\$10,000	\$10,000
7		MO	\$750	
8		MO	\$200	
9		MO	\$500	
10		LS	\$2,500	
11		MO	\$850	
12		MO	\$500	
13		LS	\$130,000	
Sub-Total:			\$3,370/Month	1.06%
				\$10,000

Training & Entertainment

1		TRIPS	\$10,000	
2		LS	\$75,000	
3		MO	\$1,083	
4				N/A
5		MO	\$2,500	

Sub-Total:

Temporary Sanitary Facilities

1		MO	\$900	
2	3	MO	\$1,000	\$2,967
Sub-Total:			\$1,000/Month	0.31%
				\$2,967

Temporary Power

1		MO	\$1,500	
2				With Trades

Sub-Total:

Temporary Water

1		MO	\$500	\$1,484
2		MO	\$3,500	

General Requirements

HACLA - Harbor Blvd Parkway Improvements

Conceptual

Sub-Total:	\$500/Month	0.16%	\$1,484
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Temporary Phones / Radios

1 Communication - Data & Phone

3	MO	\$500	\$1,484
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General Requirements

HACLA - Harbor Blvd Parkway Improvements

Conceptual

	Quantity	Unit	Rate	Total Cost
2 Mobile Phone Usage	3	MO	\$240	\$712
3 Radios	3	MO	\$750	\$2,225
4 Radio / Phone Maintenance	3	MO	\$200	\$593
Sub-Total:	\$1,690/Month		0.53%	\$5,014

Drinking Water

1 Water Coolers	3	MO	\$250	\$742
2 Bottled & Cups	3	MO	\$150	\$445
Sub-Total:	\$400/Month		0.13%	\$1,187

Photo's & Drawings

1 Aerial Photos		LS	\$5,000	
2 Progress Photos	3	MO	\$500	\$1,484
3 Video Taping		MO	\$500	
	\$500/Month		0.16%	\$1,484

Safety

1 First Aid Kits	3	MO	\$500	\$1,484
2 Safety Signs				Incl above
3 Training				Incl above
4 Inspections				Incl above
5 Helmets				Incl above
6 Boots				Incl above
	\$500/Month		0.16%	\$1,484

Project Close Out

1 Owners Manuals	1	LS	\$1,500	\$1,500
2 As Built Drawings	1	LS	\$1,500	\$1,500

Vehicles

1 Maintenance		MO	\$1,500	
2 Insurance				Incl. In CCIP

Sub-Total:

Temporary Roads

1 Temporary Roads		LS	\$25,000	
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General Requirements

HACLA - Harbor Blvd Parkway Improvements

Conceptual

2	Temporary Truck Wash	EA	\$3,000
3	Temporary Truck Wash - Operators	MO	\$1,500
4	Gate Keepers	MO	\$3,464
5	Traffic Control + Flagmen	MO	\$700

General Requirements

HACLA - Harbor Blvd Parkway Improvements

Conceptual

	Quantity	Unit	Rate	Total Cost
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Sub-Total:

Temporary Protection

1	Temporary Protection of Completed Work	1	LS	\$10,000	\$10,000
2	Temporary protection of Elevator Cabs		EA	\$1,500	
3	Temporary Storage		MO	\$1,200	
4	Temporary pedestrian tunnel				See Direct Cost
5	Temporary walls allowance				See Direct Cost
Sub-Total:				\$3,370/Month	1.06%
					\$10,000

Security

1	Fence / Gate Rental	3	MO	\$350	\$1,038
2	Fence Maintenance	13	MO	\$150	\$1,927
3	24/Hr Site Security / Fire Watch		MO	\$50,921	
Sub-Total:				\$1,000/Month	0.31%
					\$2,966

Safety

1	Safety Rails - Labor and Material				With Trades
2	Temporary Fire Standpipes		LS	\$600,000	
3	Sidewalk / Site Protection		MO	\$2,500	

Sub-Total:

On and Off Site Parking

1	On Site Parking				Assume no cost to park at convention center
2	Transportation to Site				

Sub-Total:

Cranes

1	Crane 1				By Trades
2	Crane 2				By Trades
3	Crane 3				By Trades
5	Operator 1				By Trades
6	Operator 2				By Trades
7	Operator 3				By Trades

Sub-Total:

Equipment

1	Man lifts, forklifts tc.				W/ Trades
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General Requirements

HACLA - Harbor Blvd Parkway Improvements

Conceptual

2 Scaffolding allowance

W/ Trades

3

Sub-Total:

General Requirements



HACLA - Harbor Blvd Parkway Improvements

Conceptual

	Quantity	Unit	Rate	Total Cost
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Hoisting

1	Hoist Rental - Dual Hoist		MO	\$45,000	
2	Hoist Operators		MO	\$15,588	
3	Hoist Operator - Existing Elevators		MO	\$15,588	

Sub-Total:

Small Tools

1	Small Tools / Rental	3	MO	\$1,500	\$4,451
2					

Sub-Total: \$1,500/Month 0.47% \$4,451

Mock Ups

1	Mock up Allowance		LS	\$350,000	
2	Hotel Guestroom Mockup				Not Required

Sub-Total:

Housekeeping

1	Dumpster Pulls	24	EA	\$750	\$17,802
2	Trash Chute		EA	\$20,000	
3	Trash Chute Screen Enclosure		EA	\$1,500	
4	Bulk Trash Hauling		EA	\$2,000	

Sub-Total: \$6,000/Month 1.88% \$17,802

Final Cleaning

1	Final clean				See Direct Cost
2	Continuous Clean				W/ Trades

Sub-Total:

Grand Total - General Requirements \$20,841/Month 6.54% \$61,837

Market Snapshot

HACLA - Harbor Blvd Parkway Improvements

Conceptual

Project Escalation Forecast

Cumming revises our escalation forecast on a quarterly basis. All rates subject to change with market conditions.

Estimate Date	05/19/20
Construction Start	01/01/21
Construction Buyout	02/15/21
Construction Completion	04/01/21
Construction Duration	90 Days
Construction Duration	3 months

Year	Time	Rate	Total	Compounded Rate
2020	0.62	5.0%	3.1%	
2021	0.12	5.0%	0.6%	3.75%
2022	0.00	4.5%	0.0%	3.75%
2023	0.00	4.0%	0.0%	3.75%
2024	0.00	3.5%	0.0%	3.75%
2025	0.00	3.0%	0.0%	3.75%
Total Escalation to Buyout:				3.75%

Definitions and Terms

HACLA - Harbor Blvd Parkway Improvements

Conceptual

General Conditions

Includes all necessary project management, general supervision and trade oversight to complete the project. This includes superintendents, project managers, project engineers, safety personnel, QA/QC managers, estimators, schedulers, risk managers, administration and general labor.

General Requirements

Includes the temporary works required as part of the division 1 specifications and includes scope such as job trailers, hoisting and cranes, general and final clean, safety/PPE items, etc.

Bonding

Protects against an adverse event that causes disruptions, failure to complete the project due to insolvency of the builder(s), or the job's failure to meet contract specifications.

Insurance

General Liability

Claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom; Claims for bodily injury or property damage arising out of completed operations; Claims for damages insured by usual personal injury liability coverage; Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;

Controlled Insurance Program

Controlled Insurance Programs or (CIP) are consolidated insurance coverages sponsored by an owner, general contractor, or developer. They are typically used to mitigate risk by limiting the scope of coverage and on specific risks and assuming high deductibles.

Contingency

Design

A design contingency is carried through the early stages of the estimating process to cover unknown design scope and protect the design team / owner

Market Escalation

Definitions and Terms

HACLA - Harbor Blvd Parkway Improvements

Conceptual

Due to the duration between the initial concept of an estimate and the actual period of construction, all construction markets fluctuate with various market related impacts. The escalation contingency as determined by the chief estimator is used to cover material fluctuations, labor demand and wages, along with general and subcontractor behavior towards the local bidding climate.

Owner (Soft Cost)

Carried as a percentage of the total construction cost plus the soft costs and calculated with the risk exposure of the project in mind. The total value covers potential change due to design, owner directive, unforeseen conditions among others. The typical percentage ranges from 5-15%.

Overhead & Profit

OH&P is defined as the amount added to the cost of the construction in determining the bid price. The amounts to be included in the markup are to cover a portion of the general and administrative expenses and contribute to the profit of the company

Supporting Cost Data

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Supporting Cost Data

Supporting Cost Data

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
6.0 Site Development						
6.01 Building Demolition						
		Not Anticipated				
Sub-Total: 6.01 Building Demolition			19,964	SF		
6.02 Selective Demolition						
		Site Demolition				
		Demo existing railway area, including rails, fences, and pathways				Excluded
Sub-Total: 6.02 Selective Demolition			19,964	SF		
6.03 Hazardous Materials						
		Unsuitable Soils Mitigation				
		Allowance to mitigate arsenic soils in rail corridor, assume 5' depth on area of railway				Excluded
Sub-Total: 6.03 Hazardous Materials			19,964	SF		
6.04 Site Survey						
01		Construction Surveying	19,964		\$0.60	\$11,978
Sub-Total: 6.04 Site Survey			19,964	SF	\$0.60	\$11,978
6.05 Earthwork & Grading						
		Grading				
		Rough Grading		SF	\$1.95	
31		Fine Grading		SF	\$0.75	
		Mass Earthwork				
31		Import soil to fill in railway corridor				Excluded

Construction Cost Detail: Harbor Blvd

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Sub-Total: 6.05 Earthwork & Grading 19,964 SF

6.06 SWPPP

31	SWPPP Allowance		SF	\$0.85	
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Sub-Total: 6.06 SWPPP 19,964 SF

6.07 Dewatering Systems

Construction Cost Detail: Harbor Blvd

HACLA - Harbor Blvd Parkway Improvements

Conceptual



Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
		N/A				
Sub-Total: 6.07 Dewatering Systems			19,964	SF		

6.08 Asphalt Paving

Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
		Vehicular Asphalt				
32		Allwoance for patch and repair of asphalt paving during construction activities	2,000	SF	\$8.26	\$16,520
32		Bike Lane Asphalt - 4" Asphaltic concrete over 6" Base, integrally colored, to match existing	3,726	SF	\$11.84	\$44,116
Sub-Total: 6.08 Asphalt Paving			19,964	SF	\$3.04	\$60,636

6.09 Site Concrete

Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
		Cast In Place Concrete				
32		Plaza concrete Pavement - 7" Concrete over 6" Base, integrally colored, chemical retardant finish, w/ score joint pattern (includes pedestrian crossing refuge)	7,110	SF	\$21.56	\$153,292
		18" Concrete seat wall	86	SF	\$269.56	\$23,182
		6" Concrete curbs at planters	635	LF	\$33.45	\$21,241
		Specialty Paving				
32		Rubberized safety surfacing at fitness equipment	188	SF	\$24.69	\$4,652
32						
Sub-Total: 6.09 Site Concrete			19,964	SF	\$10.14	\$202,366

Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual
6.10 Planting

	Trees				
32	Shade trees, 36" box including delivery, planting, and miscellaneous materials	15	EA	\$1,528.00	\$22,920
	Protect in place existing trees for duration of demolition and construction	21	EA	\$800.00	\$16,800
32	Shrubs and Groundcover				
	Perennials, 5 gal, 24" O.C.	2,196	EA	\$33.77	\$74,167
	Turf/sod	659	SF	\$1.95	\$1,285
	Miscellaneous Planting				
	90 day maintenance	8,785	SF	\$0.75	\$6,589
	Planting Soil, amended	325	CY	\$175.00	\$56,940
32	Hoisting for trees	15	EA	\$250.00	\$3,750

32

32

32

32

Sub-Total: 6.1 Planting **19,964** **SF** **\$9.14** **\$182,451**

Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
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6.11 Irrigation Systems

		Irrigation system				
32		Irrigation system, automatic weather-based controller & drip emitters, and subsurface bubblers at each tree (15 ea), incl piping & equipment	8,785	SF	\$4.91	\$43,134

Sub-Total: 6.11 Irrigation Systems 19,964 SF \$2.16 \$43,134

6.12 Wood Decking

		N/A				
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Sub-Total: 6.12 Wood Decking 19,964 SF

6.13 Unit Paving

		N/A				
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Sub-Total: 6.13 Unit Paving 19,964 SF

6.14 Fencing and Gates

		Metal Fences				
		Metal mesh fence, 6' tall				Excluded

Sub-Total: 6.14 Fencing and Gates 19,964 SF

Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

6.15 Specialties

32	Site Specialties				
	Water bottle refilling station and ADA drinking fountain	2	EA	\$4,125.00	\$8,250
32	Trash Receptacle	4	EA	\$500.00	\$2,000
32	Site railing, 42" high, stainless steel	531	LF	\$250.00	\$132,750
32	Recharging Stations (power connection included in site electrical)	5	EA	\$1,850.00	\$9,250
32	Site Furnishings				
	Shade structure with overhead lighting, assume painted steel (includes shade in front of kiosk)	253	SF	\$125.00	\$31,625
	Wood slat bench, 6' wide, incl. concrete footings	7	EA	\$910.00	\$6,370
	Fitness stations, misc. exercisers, painted steel	5	EA	\$3,605.00	\$18,025
	Fixed gameboard table and stool seating	3	EA	\$3,250.00	\$9,750
	Fixed picnic table and bench seating	3	EA	\$4,720.00	\$14,160
32	Playground equipment, includes triple tot drums, aluminum chimes, whistle stand, and tuned drums	1	ALLW	\$10,560.00	\$10,560
32	Shipping container Kiosk				
32	Purchase of shipping container, 8x20x8, new	1	EA	\$4,102.00	\$4,102
32					
32					
32					
32					

Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

Trade	CSI	Scops of Work	Quantity	Unit	Unit Rate	Total Cost
32		Retrofit shipping container (structural, finishes, misc metals, cabinetry, insulation, etc.)	160	SF	\$150.00	\$24,000
32		Foundations, CIP concrete footings, 3000 PSI	8.89	CY	\$1,250.00	\$11,111
32		Electrical service and lighting	160	SF	\$22.00	\$3,520
32		Water connection and plumbing	1	LS	\$6,000.00	\$6,000
32		No HVAC assumed				

Sub-Total: 6.15 Specialties

19,964	SF	\$14.60	\$291,473
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6.16 Signage

32		Code Signage - Site		SF	\$0.25	
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Sub-Total: 6.16 Signage

19,964	SF		
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6.17 Exterior Painting

		Paving Specialties				
32		Striping allowance	2,500	SF	\$1.20	\$3,000

Sub-Total: 6.17 Exterior Painting

19,964	SF	\$0.15	\$3,000
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6.18 Parking Control Equipment

		N/A				
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Sub-Total: 6.18 Parking Control Equipment

19,964	SF		
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6.19 Site Lighting

		Site Lighting and lighting controls - includes LED light fixtures, title 24 compliant lighting control, conduit and wire. Per counts below				
		Shade lighting allowance	20	ea	\$1,150.00	\$23,000

Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

Sub-Total: 6.19 Site Lighting	19,964	SF	\$1.15	\$23,000
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6.20 Water Features

N/A				
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Sub-Total: 6.2 Water Features	19,964	SF		
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6.21 Off-Site Paving, Landscape & Furnishings

Excluded				
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Sub-Total: 6.21 Off-Site Paving, Landscape & Furnishings	19,964	SF		
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Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
6.22 Domestic Water						
22		Water connection	2	EA	\$5,000.00	\$10,000
Sub-Total: 6.22 Domestic Water			19,964	SF	\$0.50	\$10,000
6.23 Fire Water						
		None in Area				
Sub-Total: 6.23 Fire Water			19,964	SF		
6.24 Irrigation Water						
22		Water connection	1	EA	\$5,000.00	\$5,000
Sub-Total: 6.24 Irrigation Water			19,964	SF	\$0.25	\$5,000
6.25 Sanitary Sewer Systems						
		None in Area				
Sub-Total: 6.25 Sanitary Sewer Systems			19,964	SF		
6.26 Storm Drainage Systems						
		Storm Drain Piping				
		N/A				
TBD1	33					
Sub-Total: 6.26 Storm Drainage Systems			19,964	SF		
6.27 Gas Systems						
		N/A				

Construction Cost Detail: Harbor Blvd



HACLA - Harbor Blvd Parkway Improvements

Conceptual

Sub-Total: 6.27 Gas Systems 19,964 SF

6.28 Site Electrical

26	Site electrical power	19,964	SF	\$1.75	\$34,937
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Sub-Total: 6.28 Site Electrical 19,964 SF \$1.75 \$34,937

6.29 Site Telecommunications

	N/A				
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Trade	CSI	Scope of Work	Quantity	Unit	Unit Rate	Total Cost
Sub-Total: 6.29 Site Telecommunications			19,964	SF		

6.30 Off-Site Utilities

Excluded						
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Sub-Total: 6.3 Off-Site Utilities 19,964 SF

Total Site Development			19,964	SF	\$43.48	\$867,976
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EXHIBIT O: Harbor Boulevard Parkway Improvements Letter of Support

425 S. Palos Verdes Street Post Office Box 151 San Pedro, CA 90733-0151 TEL/TDD 310 SEA-PORT www.portoflosangeles.org

Eric Garcetti

Mayor, City of Los Angeles

Board of Harbor
Commissioners

Jaime L. Lee
President

Edward R. Renwick
Vice President

Diane L. Middleton
Commissioner

Lucia Moreno-Unares
Commissioner

Anthony Pirozzi, Jr.
Commissioner

Eugene D. Seroka

Executive Director

July 1, 2020

Housing Authority of the City of Los Angeles
Attn: Douglas Guthrie
President & CEO
2600 Wilshire Boulevard
Los Angeles, CA 90057

Dear Mr. Guthrie,

SUBJECT: HARBOR BOULEVARD PARKWAY IMPROVEMENTS LETTER OF SUPPORT

The Port of Los Angeles (Port) offers our support for the Harbor Boulevard Parkway Improvements proposed by the Housing Authority of the City of Los Angeles (HACLA) located between 1st and 3rd Streets along the east side of Harbor Boulevard on property currently owned and maintained by the Port. The Port and HACLA have worked collaboratively with active community consultation to create a preliminary conceptual design for this space that would become an enhanced amenity for the adjacent neighbors, including Rancho San Pedro residents, and the greater San Pedro community.

The targeted area includes a portion of the existing Harbor Boulevard Parkway Promenade, which runs parallel to Harbor Boulevard in San Pedro. The Promenade provides amenities for active transportation and recreation, including a bike lane, walkway, seating, pocket parks, and fountains. However, running parallel to the Promenade are the former Red Trolley tracks that create an impassable barrier between the Promenade and the residential and commercial areas on the west side of Harbor Boulevard.

The proposed improvements include the creation of new bicycle and pedestrian-focused amenities that will provide a safe, green, car-free space for families and visitors to relax and recreate. This project will also produce new pedestrian linkages between the east and west sides of Harbor Boulevard.

We believe that these proposed improvements align with the Port's broader vision for San Pedro and the LA Waterfront becoming a visitor serving destination. We look forward to continuing to work with HACLA and its partners on the redevelopment of this space for the long-term benefit and enjoyment by the San Pedro community, subject to any requisite approvals by our Board of Commissioners and City Council.

Sincerely,

for EUGENE D. SEROKA
Executive Director

EXHIBIT B

ACTION ACTIVITIES PROPOSAL APPROVAL

[Attached]



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

August 13, 2020

Douglas Guthrie
President & Chief Executive Officer
Housing Authority of the City of Los Angeles
2600 Wilshire Boulevard
Los Angeles, CA 90057-3400

SUBJECT: Action Activities Proposal Approval
FY17 Choice Neighborhoods Planning and Action Grant
Barton Hill-Downtown San Pedro Neighborhood (Rancho San Pedro)
Grant Number: CA9D004CNP117

Dear Mr. Guthrie:

The Department of Housing and Urban Development (HUD) has completed its review of the Action Activities proposal for HACLA's Choice Neighborhoods Planning and Action Grant submitted on July 8, 2020. All proposed activities – except for the commercial kitchen incubator located in the church basement – are approved in concept. While approved in concept, HUD will require the additional information outlined in this letter before issuing a final approval and authorizing the expenditure of Choice Neighborhoods grant funds.

As a reminder, HACLA or any other project partner is prohibited from committing or expending HUD or non-HUD funds until the required HUD Environmental Review has been completed. In addition, Choice Neighborhoods funds may not be used for planning or design activities for Action Activities. Moreover, Action Activities funds may not be used for basic infrastructure or as a substitute for basic municipal services.

Overall Plan

Action Activities are physical neighborhood improvements that enhance and accelerate the transformation of the neighborhood. Action Activities are limited to: reclaiming and recycling vacant property into community gardens, pocket parks, farmers markets, or land banking (with maintenance); beautification, placemaking, and community arts projects; homeowner and business façade improvement programs; neighborhood broadband/Wi-Fi; fresh food initiatives, such as farmers markets and mobile fresh food vendors; and gap financing for economic development projects.

You are planning to use Choice Neighborhoods grant funds for one or two of the proposed Action Activities. The proposed activities emerged from substantial resident and community involvement during the Choice Neighborhoods Planning Grant process and are aligned with the goals and strategies articulated in the One San Pedro Transformation Plan completed in February 2020. The City has committed \$250,000 and HACLA has committed

\$50,000 to the Action Activities to be implemented using Choice Neighborhoods funds. Due to COVID-19, securing additional leverage has been more of a challenge than expected.

The comments provided in this letter are intended to assist you in determining which activity or activities to pursue. Per the Grant Agreement, you are expected to complete the Action Activities by the end of the grant term on November 19, 2021 (three and a half years from the date of the execution of the Grant Agreement). Due to the impacts of COVID-19, however, we may consider granting an extension.

Specific Activities

1) Commercial Kitchen Incubator

You are proposing to construct a commercial kitchen to incubate resident-owned catering and food production businesses. Two possible locations are proposed: (1) the basement of the San Pedro United Methodist Church where an underutilized kitchen already exists, or (2) the first floor of the City-owned former Croatian Cultural Center building. Both properties are a few blocks from the Rancho San Pedro public housing development.

The proposed kitchen in the basement of the church, unfortunately, does not meet the criteria for Action Activities. It is an economic development project, but the Choice Neighborhoods grant funds provide the majority of the investment rather than gap financing. Moreover, these interior improvements would not be visible from the street and, therefore, would not contribute to the physical transformation of the neighborhood.

The proposed kitchen on the first floor of the former Croatian Cultural Center building, however, does meet the criteria for Action Activities since it is part of the revitalization of a vacant property visible from the street. This project would receive final approval and grant funds would be authorized in the HUD Line of Credit Control System (LOCCS) for release once the following information is received and accepted by HUD:

- a) Explanation of the demand for a commercial kitchen incubator among Rancho and other neighborhood residents.
- b) Documentation of financial commitments with no remaining gap.
- c) Final construction schedule and budget.
- d) Agreement with experienced operator and documentation of operator's capacity.
- e) Assurance that the space will be leased long-term as a commercial kitchen incubator.
- f) Assurance that a plan and timeline are in place for the renovation and reuse of the rest of the building.
- g) A business plan and budget for operation of the kitchen, including any preference for use by Rancho residents.
- h) Verification that all applicable permits are in place, which would allow construction to begin. Choice Neighborhoods funds may not be used for planning or design activities for Action Activities.
- i) Request for Release of Funds (RROF) (HUD Form 7015.15) and Authority to Use Grant Funds (HUD Form 7015.16) demonstrating completed HUD Environmental Review.

- j) Strategy to ensure that Rancho residents and other community members have meaningful opportunities to offer input and feedback.

2) Enhanced Lighting and Crosswalk Improvements

As identified during the Choice Neighborhoods planning process, many Rancho residents feel unsafe walking in the neighborhood because of speeding traffic and dimly lit areas at night. You are proposing to improve the pedestrian experience through decorative lighting and crosswalks along pathways to key destinations, which will increase positive street activity and better connect Rancho residents to downtown and other neighborhood amenities.

This project would receive final approval and grant funds would be authorized in LOCCS for release once the following information is received and accepted by HUD:

- a) Final locations of enhanced lighting and crosswalk improvements.
- b) Explanation of how these improvements will increase safety, improve physical connections within the neighborhood, and enhance the neighborhood's identity.
- c) Final construction schedule and budget.
- d) Documentation of financial commitments.
- e) Maintenance plan, such as an agreement or commitment letter from the entity that will have primary responsibility for maintaining the improvements.
- f) RROF and Authority to Use Grant Funds demonstrating completed HUD Environmental Review.
- g) Strategy to ensure that Rancho residents and other community members have meaningful opportunities to offer input and feedback.

3) 6th and Mesa Community Gathering Space

You are proposing to transform an underutilized City-owned parking lot into a community gathering space. The lot is in the heart of downtown, within the San Pedro Downtown Business District. Improvements include new shade trees, a permanent shade structure, and seating to support a farmer's market, musical performances, and cultural events. The construction of a permanent platform with access to electricity for performances is also under consideration.

This project would receive final approval and grant funds would be authorized in LOCCS for release once the following information is received and accepted by HUD:

- a) Explanation of site selection and alternatives considered, including any sites closer to Rancho. We understand that there are few underutilized publicly owned parcels in the area but would like to better understand if Rancho residents are likely to access a new gathering space located downtown.
- b) Assurance that the parcel will maintain this use for at least 10 years, such as a use agreement.
- c) Final scope of work and accompanying budget and schedule.
- d) Documentation of financial commitments.
- e) Maintenance plan, such as an agreement or commitment letter from the entity that will have primary responsibility for maintaining the improvements.

- f) RROF and Authority to Use Grant Funds demonstrating completed HUD Environmental Review.
- g) Strategy to ensure that Rancho residents and other community members have meaningful opportunities to offer input and feedback.

4) Harbor Boulevard Parkway Improvements

You are proposing to transform a three-block stretch of inactive trolley tracks into a pedestrian- and bike-friendly recreational area located across the street from the public housing site on land owned by the Port of LA. Improvements include the creation of a bike loop circling the three blocks to provide a safe cycling space and a link to existing bike lanes, seating and recreational equipment to provide a park-like gathering space for families, and new shade trees and plants to bring additional green space to the community. A refurbished shipping container that would serve as a small business pop-up kiosk is also proposed.

This project would receive final approval and grant funds would be authorized in LOCCS for release once the following information is received and accepted by HUD:

- a) Documentation of financial commitments with no remaining gap. This project is reliant on the Port of LA's commitment of over \$1.4 million to remove the existing trolley tracks and prepare the site for construction. Based on communications after the submission of your Action Activities proposal, we understand that the Port is unable to make this commitment at this time due to the financial effects of COVID-19. If the Port is able to make the commitment within the next three to six months, then we could discuss an extension.
- b) Final scope of work and accompanying budget and schedule.
- c) Maintenance plan, such as an agreement or commitment letter from the entity that will have primary responsibility for maintaining the improvements.
- d) Verification that any applicable permits are in place and that construction or design documents are completed. Choice Neighborhoods funds may not be used for planning or design activities for Action Activities.
- e) RROF and Authority to Use Grant Funds demonstrating completed HUD Environmental Review.
- f) Strategy to ensure that Rancho residents and other community members have meaningful opportunities to offer input and feedback.

Next Steps

As stated, HACLA and other project partners are prohibited from committing or expending HUD or non-HUD funds until the required HUD Environmental Review has been completed. Please work with your HUD Choice Neighborhoods Team Coordinator and local HUD Environmental Officer regarding the steps that need to be taken to initiate and complete the required environmental review process for the Action Activities.

Once the required information is submitted and accepted by HUD, you may submit a Choice Neighborhoods budget revision requesting authorization of the approved Choice Neighborhoods funds in LOCCS for expenditure.

Please continue to work with your Team Coordinator, Jessica Rosenberg, on your Action Activities. Ms. Rosenberg can be reached at (202) 402-5940.

Sincerely,

Luci Blackburn
Acting Director, Choice Neighborhoods
Office of Public Housing Investments