RESOLUTION AUTHORIZING DEDICATION OF FORTY-SIX (46) SECTION 8 PROJECT-BASED VOUCHERS TO 327 NORTH HARBOR BOULEVARD PURSUANT TO PROVISIONS IN THE HOUSING OPPORTUNITIES THROUGH MODERNIZATION ACT OF 2016 AND AUTHORIZING REVISIONS TO THE SECTION 8 ADMINISTRATIVE PLAN TO INCLUDE 327 NORTH HARBOR BOULEVARD IN SECTION 16.7 TO ATTACH PBV TO PHA-OWNED PROJECT AND A REVISION TO THE AGENCY PLAN IDENTIFYING 327 NORTH HARBOR AS A POTENTIAL REPLACEMENT HOUSING SITE FOR RANCHO SAN PEDRO RESIDENTS AND AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ANY AND ALL CONTRACTS/DOCUMENTS REQUIRED FOR DEDICATION OF THE VOUCHERS

Douglas Guthrie
President and CEO

Carlos VanNatter
Director, Section 8

Jenny Scanlin
Chief Development Officer

Purpose: To provide forty-six (46) project-based vouchers to the One San Pedro Phase I, Limited Partnership (the “Owner”) pursuant to the Housing Opportunities Through Modernization Act of 2016 (“HOTMA”) for a project located at 327 North Harbor Boulevard (“Project” or “One San Pedro Off-Site Phase I”). The provision of project-based vouchers provides the opportunity for replacement housing units for Rancho San Pedro public housing residents. Revisions to the administrative and agency plan will allow the Housing Authority of the City of Los Angeles (“HACLA” or “Authority”) to conditionally commit the PBVs for the purpose of assembling financing for the Project. Section 16.2 Method of Selecting PBV Owners allows for HACLA to select owner proposals to provide project-based vouchers in a non-competitive way when the project is “HACLA-Owned,” in addition, such projects must be identified in the Agency Plan.

The Project is comprised of forty-seven (47) units and will be developed on a 0.56-acre parcel located at 327 North Harbor Boulevard, approximately a block north of Rancho San Pedro.

Regarding: In March 2015, by Resolution 9204 HACLA initiated a feasibility study on the redevelopment of Rancho San Pedro. The study determined that with the appropriate market conditions, there would be opportunity to utilize Rancho San Pedro as an instrument to bring new housing and amenities to the larger San Pedro community. The study ultimately led to the Authority applying for a Choice Neighborhoods Planning grant in August 2017 (Resolution 9376) which was awarded and accepted in March 2018 by Resolution 9432.

In parallel, the Authority reached out for development partners and on November 2, 2017, issued RFP HA-2017-97 requesting development proposals for the revitalization of the Property ("RFP"). The RFP process included three stages during which the Developer submitted qualifications, a proposal and a best and final offer, (together, the “Developer Proposal”).
By Resolution 9450, on August 23, 2018, the Board of Commissioners (the “Board”) authorized the President and CEO to award an Offer for Exclusive Right to Negotiate a Master Development Agreement (“ENA”) to commence negotiations with the Richman Group of California Development Company, Century Housing Corporation, and National Community Renaissance of California to be the prime development team for the redevelopment of Rancho San Pedro (referred to as “One San Pedro Collaborative”, “OSP” or “Developer”) regarding the terms and conditions for developing the Property. Through Resolution 9467 on December 20, 2018, the Board of Commissioners authorized a First Amendment to the Exclusive Right to Negotiate a Master Development Agreement (“MDA”) with the Developer.

On November 26, 2019, the Board received a full report and overview of the draft One San Pedro Transformation Plan, the culmination of planning work undertaken through the Choice Neighborhoods Implementation grant, which was subsequently submitted to the Department of Housing and Urban Development in final form February 28, 2020, and incorporated Stage One of work under the ENA. On April 23, 2020, by Resolution 9592, the Board approved commencement of Stage Two of the First Amendment to the ENA. Stage two consists of undertaking the environmental review, planning and entitlement process of the property. The acquisition and development of an offsite parcel at 327 North Harbor Boulevard would allow the Developer to carry out the Build First strategy included in the Transformation Plan.

On December 17, 2020, by Resolution 9670, HACLA’s Board of Commissioners adopted an updated Administrative Plan for Section 8, incorporating new HOTMA standards that allow HACLA to non-competitively award project-based vouchers to developments where HACLA is both an owner of the underlying fee title and where units will serve as replacement units as part of a Section 9 public housing site that is being converted or redeveloped. New HOTMA regulations allow for non-competitive award of PBVs to projects which are not directly on the public housing site. HACLA, through an instrumentality, will participate in the ownership structure of the Limited Partnership as a Special Limited Partner.

On May 19, 2022, by Resolution 9833, the Board adopted an Inducement Resolution to issue one or more series of revenue bonds in an amount not to exceed $27,112,442 for the Project.

Issues:
Background

Having successfully completed the One San Pedro Transformation Plan in 2020, a plan drafted with resident and community input over several years, the Developer and HACLA have turned their focus to Stage Two and are currently preparing a Specific Plan and Environmental Impact Report for the redevelopment of Rancho San Pedro. These planning documents are expected to be submitted for review and approval to the City of Los Angeles and approvals are expected by the end of 2022. Soon after, attention can then turn to the start of construction.

Based on relocation, financing, infrastructure and income mixing considerations, there are three large stages of redevelopment proposed for Rancho San Pedro, each with multiple phases and specific goals and considerations. It is expected that the redevelopment could span over 16 years.

Honoring the commitment to limit off-site and temporary relocation, the first phase is anticipated to be built on a footprint that includes the current Sports Field, Social Hall, and Administration Building as well as a few residential buildings. Under the currently proposed
phasing strategy, some relocation of current Rancho San Pedro residents off-site is expected to be required in order to unlock enough land to initiate this first phase concept. Knowing this, both the Developer and HACLA have been pursuing the acquisition of nearby sites in order to develop a local “off-site” phase, as part of the Build First strategy, allowing the limited number of households who would be required to move to relocate to a nearby location and remain in the San Pedro community.

On January 13, 2022, the Developer entered into a contract with the property owner of the One San Pedro Off-Site Phase I - an approximately 24,200 square foot unoccupied, vacant parcel with no improvements, tenants, or onsite operations, located at 319-327 N. Harbor Blvd., San Pedro, CA 90731. The Developer intends to apply for HCD’s Infill Infrastructure Grant funding program (“HCD IIG”) on July 12, 2022, and for 4% Low Income Housing Tax Credits and tax-exempt bonds on August 9, 2022, with an expected award in November 2022 to the Project with approximately 47 units, including 46 replacement housing units for Rancho San Pedro and one manager’s unit. In order for the Developer to be successful in their application, all public gap funding included in the project budget, including operating subsidies, must be committed at the time of submission. If awarded, the financial closing is projected for March 2023, with construction commencing immediately thereafter and a project completion anticipated in the Spring of 2025. The full financing plan and all documents will be brought to the Board prior to March 2023 for final recommendations and determinations after the Project has all entitlements and a final financing, relocation and development plan are completed.

**PBV Authority:**

On October 30, 2017, the Department of Housing and Urban Development issued Notice PIH 2017-21 providing guidance to public housing agencies (“PHAs”) regarding changes to the Project-Based Voucher (“PBV”) program made by “HOTMA”. HOTMA section 8(o)(13)(N) allows a PHA to attach PBV assistance to units in a project in which the PHA has an ownership interest or over which the PHA has control without following a competitive process. In order to exercise this authority, the PHA must be engaged in an initiative to improve, develop, or replace a public housing property or sites. Attachment L to PIH Notice 2017-21 and HACLA’s Section 8 Administrative Plan describe the conditions for a non-competitive award. The following conditions must be met:

(a) The PHA must be engaged in an initiative to improve, develop, or replace the public housing properties or sites. The public housing properties or sites may be in the public housing inventory or they may have been removed from the public housing inventory through any available legal removal within 5 years of the date on which the PHA entered into the AHAP or HAP pursuant to the non-competitive selection.

(b) A minimum threshold of $25,000 in hard costs per-unit is required for new construction.

(c) The PHA must explain in its Administrative Plan the work it plans to do on the property or site and how many units of PBVs it plans to add.

The Project meets the criteria to receive a non-competitive award of PBV assistance based on (i) HACLA anticipating purchase of 327 North Harbor Boulevard from the Developer and acting as the lessor under the Ground Lease, (ii) HACLA engaging in the replacement of public housing units at the Project property, and (iii) per-unit hard Project costs of greater than $25,000. In addition, HACLA, through its instrumentality, expects to participate in the Project ownership
entity for the redevelopment of the Project and the commitment of PBVs as a source of subsidy for replacement and non-replacement units is included in a proposed amendment to the current Section 8 Administrative Plan.

The forty-six (46) Section 8 PBVs are being recommended to ensure 100% of the units except the manager’s unit can be accessed as replacement housing for Rancho San Pedro residents. All units will have access to onsite supportive services meeting Section 8’s normal provisions for supportive services and reaching households at or below 50% AMI. Although HACLA will request Tenant Protection Vouchers from U.S. Department of Housing & Urban Development (HUD), residents will be given the choice of taking those vouchers to another off-site location of their choice or moving to the Project. Therefore, in order to expedite the Project’s reasonable assumptions of rental income received from vouchers and expedite delivery of units, staff recommends that the award of PBVs be made to the Project.

**Administrative Plan updates, corrections and clarifications:** The PBV chapter is being updated to be compliant with, take advantage of flexibility, or state policies, as required or allowed by the latest HUD HOTMA guidance.

Accordingly, HACLA proposes to amend Administrative Plan sections or paragraphs as indicated in Attachment 3 to add 319-327 N. Harbor Blvd. as a potential public housing replacement housing site. The 2022 Agency Plan section B.2 New Activities, under the subsection i. HOPE VI or Choice (CN) Implementation Grants has been revised to include the Project, the revision to the section is shown in Attachment 4 of this report. The proposed amendments are not considered a “significant amendment” to the PHA Plan and therefore do not require a public notice and hearing process before adoption.

**Developer/Ownership**

The Developer intends to sell HACLA the 327 North Harbor Boulevard property to HACLA at construction closing and HACLA will ground lease the property to the Developer. One San Pedro Collaborative will be assigning its rights and obligations to develop and own the improvements to One San Pedro Phase I, LP. The Richman Group though a California limited liability company will be the administrative limited partner and National Community Renaissance and Century Housing will act as co-managing general partners of the Limited Partnership. A tax credit equity provider will be admitted as the Investor Limited Partner upon financial closing and will receive a 99.99% share of the Partnership. An instrumentality of HACLA will be admitted as a special limited partner upon financial closing.

**Vision Plan:**

**PLACE Strategy #1: Stabilize the physical and financial viability of the conventional public housing portfolio.**

The development of 327 North Harbor Boulevard will allow for the construction of 47 new housing units of which forty-six (46) are replacement units. This development will further HACLA’s goals of improving its affordable housing stock as well as improved ADA-compliant, modern, sustainably designed, and amenitized units. This action will help HACLA extend the life of critical, deeply affordable housing in the City of Los Angeles to serve existing public housing residents and future income-qualified households from HACLA’s active public housing and Section 8 wait lists as well as the community of San Pedro.
Funding: The Chief Administrative Officer confirms the following:

Source of Funds: PBVs are a component of HACLA’s Annual Contribution Contract (ACC) with HUD for the Housing Choice Voucher program.

Budget and Program Impact: Use of PBVs is an effective approach to maintain deeply affordable housing in public housing conversion projects and provides needed operating subsidy to address the extraordinary costs associated with maintaining significant new infrastructure and open space improvements as well as providing extensive social services. The use of HACLA resources to support the preservation and expansion of affordable housing is aligned with the Authority’s budget and program goals.

The update to the Agency Plan and Administrative Plan is an administrative action and does not require funding.

Environmental Review:

CEQA The Project is being developed under existing zoning, land use and entitlement and is considered a by-right project which does not require any additional CEQA analysis approvals or discretionary approvals.

The Agency and Administrative Plan updates are exempt from CEQA review.

NEPA Pursuant to 24 CFR Part 58, the City of Los Angeles, through its Housing Department (“LAHD”) serves as the environmentally responsible entity in preparation of the Environmental Assessment and Finding of No Significant Impact (“EA/FONSI”) for the Project. HACLA staff is working with LAHD to have HUD NEPA clearance for the Project before construction closing.

The Agency and Administrative Plan updates are exempt from NEPA review.

Section 3: The Developer will ensure that the residents of Rancho San Pedro public housing and other low-income San Pedro neighborhood residents have the opportunity to share in the economic benefits generated by the proposed development. Local Hire and Section 3 requirements for the Developer and their General Contractor will require the use of best efforts to set aside at least thirty percent (30%) of all new construction and post-construction jobs generated by the redevelopment to be directed to Section 3 workers and to meet or exceed labor hour benchmarks established by HUD. The Developer and their General Contractor shall also strive and use best efforts to set aside at least ten percent (10%) of their overall 30% Section 3 new hire commitment for disadvantaged workers. Additionally, the Developer and their General Contractor are required to engage in good faith efforts to award 10% of the total dollar amount of building trades work for all construction contracts and 3% of the total dollar amount of all non-construction contracts to Section 3 Businesses.
Attachments:

1. Resolution
2. Site Map
3. Proposed Amendment to Section 8 Administrative Plan
4. Proposed Amendment to HACLA Agency Plan
ATTACHMENT 1
RESOLUTION
RESOLUTION AUTHORIZING DEDICATION OF FORTY-SIX (46) SECTION 8 PROJECT-BASED VOUCHERS TO 327 NORTH HARBOR BOULEVARD PURSUANT TO PROVISIONS IN THE HOUSING OPPORTUNITIES THROUGH MODERNIZATION ACT OF 2016 AND AUTHORIZING REVISIONS TO THE SECTION 8 ADMINISTRATIVE PLAN TO INCLUDE 327 NORTH HARBOR BOULEVARD IN SECTION 16.7 TO ATTACH PBV TO PHA-OWNED PROJECT AND A REVISION TO THE AGENCY PLAN IDENTIFYING 327 NORTH HARBOR AS A POTENTIAL REPLACEMENT HOUSING SITE FOR RANCHO SAN PEDRO RESIDENTS AND AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ANY AND ALL CONTRACTS/DOCUMENTS REQUIRED FOR DEDICATION OF THE VOUCHERS

WHEREAS, on October 30, 2017, the Department of Housing and Urban Development issued Notice PIH 2017-21 provided guidance to public housing agencies (PHAs) regarding changes to the Project-Based Voucher (“PBV”) program made by the Housing Opportunity Through Modernization Act of 2016 (“HOTMA”);

WHEREAS, the Housing Authority of the City of Los Angeles and One San Pedro Phase I, LP, desire to develop forty-seven (47) apartments on a 0.56-acre parcel located at 319-327 North Harbor Boulevard, Los Angeles Ca 90731 (the “Project”);

WHEREAS, all residential units (other than the manager’s unit) will be restricted for occupancy by households of moderate, low, very low and extremely low-income;

WHEREAS, an award of forty-six (46) project-based vouchers to One San Pedro Off-Site Phase I will provide deeper affordability for all of the forty-six (46) replacement units; and

WHEREAS, the Project meets the conditions and requirements described in HUD Notice PIH-2017-21 Attachment L for awarding project-based vouchers to certain PHA projects where the PHA has an ownership interest as defined under Attachment L without following a competitive process.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the President and CEO, or designee, to execute any and all contracts or related documents as approved by legal counsel, required for the program and the dedication of forty-six (46) project-based vouchers to One San Pedro Phase I, LP for the Project.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

By: ___________________________
Cielo Castro, Chairperson

APPROVED AS TO FORM:

BY: ___________________________
General Counsel

DATE ADOPTED: _________________
ATTACHMENT 2
SITE PLAN
ATTACHMENT 3
S8 ADMIN PLAN AMENDMENT
16.7 Units Selected based on Non-competitive Selection to Attach PBV to PHA-Owned Projects (former Public Housing Units)

The HACLA will add the following former public housing units in this manner:

<table>
<thead>
<tr>
<th>Project</th>
<th>HACLA Role</th>
<th>PBVs added</th>
<th>Work Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Jordan Downs Area H (New Construction)</td>
<td>Ground Lessor</td>
<td>49</td>
<td>Area H is the third project of the Jordan Downs Redevelopment. This 9% LIHTC new construction project is a 80-unit affordable residential development with a total of 49 Section 8 PBV units, 30 RAD units and 1 Manager Unit. Hard costs are projected at approximately $360,000 per unit.</td>
</tr>
<tr>
<td>b) Jordan Downs Phase S3 (New Construction)</td>
<td>Ground Lessor/Managing General Partner of the Limited Partner Ownership</td>
<td>48</td>
<td>S3 is the fourth project of the Jordan Downs Redevelopment. This 9% LIHTC new construction project is a 92-unit affordable residential development with a total of 48 Section 8 PBV units, 25 RAD units, 18 Tax Credit only units and 1 Manager Unit. Hard costs are projected at approximately $430,000 per unit.</td>
</tr>
<tr>
<td>c) Jordan Downs Phase S2 (New Construction)</td>
<td>Ground Lessor/Managing General Partner of the Limited Partner Ownership</td>
<td>58</td>
<td>S2 is the fifth project of the Jordan Downs Redevelopment. This 4% LIHTC new construction project is an 81-unit affordable residential development with a total of 58 Section 8 PBV units, 22 RAD units and 1 Manager Unit. Hard costs are projected at approximately $315,000 per unit.</td>
</tr>
<tr>
<td>d) Jordan Downs Phase H2 (New Construction)</td>
<td>Ground Lessor/Managing General Partner of the Limited Partner Ownership</td>
<td>91</td>
<td>H2 is the sixth project of the Jordan Downs Redevelopment. This 4% LIHTC new construction project is a 195-unit affordable residential development with a total of 91 Section 8 PBV units, 23 RAD units, 41 Tax Credit only units, 39 unrestricted units and 1 Manager Unit. Hard costs are projected at approximately $320,000 per unit.</td>
</tr>
<tr>
<td>e) Rose Hill Courts Phase I (New Construction)</td>
<td>Ground Lessor/Managing General Partner of the Limited Partner Ownership</td>
<td>77</td>
<td>This project is the first phase of the Rose Hill Courts Redevelopment. This 4% LIHTC new construction project is a 89-unit affordable residential development with a total of 77 Section 8 PBV units, 11 RAD units and 1 Manager Unit. Hard costs are projected at approximately $393,000 per unit.</td>
</tr>
<tr>
<td>Project</td>
<td>HACLA Role</td>
<td>PBVs added</td>
<td>Work Plan</td>
</tr>
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<td>----------------------------------------------</td>
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<tr>
<td>f) Rose Hill Courts Phase II (New Construction)</td>
<td>Ground Lessor/ Managing General Partner of the Limited Partner Ownership</td>
<td>95</td>
<td>This project is the second phase of the Rose Hill Courts Redevelopment. This 4% LIHTC new construction project is a 96-unit affordable residential development with a total of 95 Section 8 PBV units and 1 Manager Unit. Hard costs are projected at approximately $377,000 per unit.</td>
</tr>
<tr>
<td>g) Pueblo Del Sol Phase I (Rehabilitation)</td>
<td>Ground Lessor/ Managing General Partner of the Limited Partner Ownership</td>
<td>88</td>
<td>The mixed finance Pueblo Del Sol Phase I project is a 201-unit existing affordable residential development comprising 120 PH units and 80 Tax credit only units. It will undergo an acquisition/resyndication/rehabilitation/RAD conversion with 4% LIHTC and Tax Exempt Bonds. 112 PH units will converted under RAD, while 8 PH units will be converted to Section 8 under the de minimis reduction. Section 8 PBVs will be layered on up to 80 Tax Credit-only units after determining that the units are occupied by income eligible families who will not experience any increase in rents. Hard costs are projected at approximately $75,000 per unit.</td>
</tr>
<tr>
<td>h) Pueblo Del Sol Phase II (Rehabilitation)</td>
<td>Ground Lessor/ Managing General Partner of the Limited Partner Ownership</td>
<td>63</td>
<td>The mixed finance Pueblo Del Sol Phase II project is a 176-unit existing affordable residential development comprising 122 PH units and 53 Tax credit only units. It will undergo an acquisition/resyndication/rehabilitation/RAD conversion with 4% LIHTC and Tax Exempt Bonds. 112 PH units will converted under RAD, while 10 PH units will be converted to Section 8 under the de minimis reduction. Section 8 PBVs will be layered on up to 80 Tax Credit-only units after determining that the units are occupied by income eligible families who will not experience any increase in rents. Hard costs are projected at approximately $75,000 per unit.</td>
</tr>
<tr>
<td>i) Rancho San Pedro Offsite – 327 N. Harbor Blvd.</td>
<td>Ground Lessor and Special Limited Partner of Limited Partner Ownership</td>
<td>46</td>
<td>327 N. Harbor Blvd. will provide 46 replacement units for the residents of the first onsite phase of Rancho San Pedro. Financing for this new construction project may include tax-exempt bonds, LIHTC, HCD IIG funds. The project will include 37 PBV units and 9 RAD units for a total of 46 affordable units plus one manager’s unit.</td>
</tr>
</tbody>
</table>

PBV projects on former public housing sites are exempt from both the 20% cap on authorized voucher units assisted by PBV and the cap on PBV units per project required by 24 CFR 983.56.

In addition to the generally-available Program Cap of 20% of the authorized voucher units for an agency, the HACLA will designate units available for the additional 10% of voucher units made available under the PBV statute for homeless individuals and families, families with veterans,
units that provide supportive housing to persons with disabilities or elderly persons, or units that are located in a census tract with a poverty rate of 20 percent or less. The HACLA will designate such units in a manner that results in maximum use of the additional 10% of voucher units for PBV and thus the maximum flexibility for the HACLA to utilize PBV. With respect to units that provide supportive housing to persons with disabilities or elderly persons, the HACLA will determine the types of services for a project’s units to qualify for the exception and the extent to which such services will be provided in the same manner as this Administrative Plan states below with respect to excepted units, or as provided in Section 3.2.1.1.3.
ATTACHMENT 4
2022 AGENCY PLAN AMENDMENT
B.2 New Activities/i. HOPE VI or Choice Neighborhood (CN) Implementation Grants/Rancho San Pedro

Rancho San Pedro

<table>
<thead>
<tr>
<th>Name of Development</th>
<th>Rancho San Pedro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Number</td>
<td>CA004000404</td>
</tr>
<tr>
<td>Number of Units</td>
<td>478</td>
</tr>
</tbody>
</table>

In 2015, HACLA, with the support of Council District (CD) 15, conducted a Feasibility Study of Rancho San Pedro on the market conditions and possible development scenarios for revitalizing Rancho San Pedro. In 2017, HACLA began working with the residents and community stakeholders in furtherance of a long-term plan for Rancho San Pedro. The residents and community stakeholders have been engaged through a series of visioning exercises to assist in preparing a Transformation Plan, which will include a community benefits plan and principles for the redevelopment of Rancho San Pedro, as well as to provide guidance for the revitalization of the public and/or assisted housing units and surrounding neighborhood.

In FY2017, HACLA released a two stage Request for Proposal seeking compelling proposals from developers to transform the Rancho San Pedro (RSP) public housing site into a vibrant mixed-income/mixed-use community that interconnects with the neighborhood. In late August, 2017, HACLA BOC approved the selection of the Richman Group (Richman) and their One San Pedro Collaborative partners for the Rancho San Pedro Redevelopment and authorized HACLA to enter into a 90-day Exclusive Right to Negotiate a Master Development Agreement with Richman, that could be extended by two 90-day periods, if need be. HACLA and City Council District 15 organized a series of meetings with city partners, community stakeholders and the Rancho San Pedro RAC to kick off these redevelopment planning activities and has set up a Rancho San Pedro Community Advisory Committee and a new Community Coach Program for public housing residents as part of the community engagement process. To further garner resources for the transformation effort, in FY2017, HACLA submitted a $1.3 million Choice Neighborhoods (CN) Planning and Action Grant application for the Rancho San Pedro public housing site. In early 2018, HACLA was awarded the HUD CN grant, which will help finance planning and community engagement activities and limited community and economic development activities. Through the CN process, HACLA identified over 30 partners that serve on the Alliance, an organized group of human capital providers and our Community Advisory Committee, which guides the entire Transformation Plan.

In early 2019 HACLA began engaging the community around Action Activities, in conjunction with the neighborhood planning process. The implementation of the Action Activities Plan will help to
create continued momentum throughout the planning process and build upon the neighborhood needs outlined in the Transformation Plan that was approved by HUD in March 2020. The Action Activity Plan implementation is underway with execution of Memorandum of Understanding (MOU) in April 2021 with HACLA and The City of Los Angeles Harbor Department (The Port of LA) to coordinate on the Harbor Boulevard Improvements Project as part of the Action Activity Plan. In addition, the Development team has continued to actively engage and further its reach into the community with the opening of the One San Pedro Collaborative office located in downtown San Pedro in May 2019. The development team and HACLA continue to work cohesively on the continued planning efforts of Rancho San Pedro with local government agencies to assist with the drafting the Specific Plan and the CEQA and NEPA process.

In addition, as of February 2021, HACLA and the development team are working with residents on the creation of a relocation plan for Rancho San Pedro. The team has also begun to identify additional sites near the property that may be acquired to be used for replacement housing as part of the redevelopment, including 327 North Harbor Blvd which the developer has under contract and will begin assembling financing with the aim of beginning construction in 2023. Financing for the site may include low-income housing tax credits, tax-exempt bonds, state HCD funds and Affordable Housing and Sustainable Communities funds, HACLA gap funds, and Project Based Vouchers.