

**CALENDAR ITEM
C102**

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S. Guerrieri

**CONSIDERATION OF PROPOSED EXPENDITURES OF \$10,500,000 OF TIDELAND
OIL REVENUE FUNDS BY THE CITY OF LONG BEACH FOR CAPITAL
IMPROVEMENT PROJECTS WITHIN THE CITY OF LONG BEACH, LOS ANGELES
COUNTY**

APPLICANT:

City of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802

The City of Long Beach ("City") is trustee of sovereign tide and submerged lands granted by the Legislature pursuant to Chapter 676, Statutes of 1911 and as amended, oil and gas reserved; Chapter 102, Statutes of 1925 and as amended, oil and gas reserved; Chapter 158, Statutes of 1935 and as amended ("Statutory Grant").

BACKGROUND:

Pursuant to Section 6(h) of Chapter 138, Statutes of 1964 as amended by Chapter 941, Statutes of 1991 (Chapter 138), the City has submitted a description for the proposed expenditure of tideland oil revenue, in the amount of approximately \$10,500,000, for eight capital improvement projects within the City of Long Beach for review by the California State Lands Commission (Commission) for consistency with Chapter 138. Pursuant to Chapter 138, the Commission has 60 days to notify the City that such capital improvement projects are not authorized by the applicable subdivisions of Chapter 138. Commission staff received notice from the City of the proposed expenditure for the eight capital improvement projects on April 5, 2013.

The proposed expenditure of approximately \$10,500,000 of tideland oil revenue is to fund eight capital improvement projects located on or adjacent to the Long Beach tidelands, or on or adjacent to the Alamitos Beach Park Lands as shown on Exhibit A.

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The projects, as proposed and described by the City, are identified as follows:

- **Seaside Way/Convention Center Pedestrian Bridge:** The City intends to construct a pedestrian bridge along Seaside Way to improve the connection between the main Convention Center, the Performing Arts Center, and the Sports Arena Complex. An estimated 1,800,000 people visit the Convention Center facilities annually, and the complex lacks a direct connection between the three facilities making the area difficult and challenging to navigate. The Project intends to create an attractive and functional space that includes landscaped areas to help create a more pedestrian friendly environment that improves the connection and movement of people.

The Long Beach City Council previously approved \$800,000 on February 7, 2012 for the feasibility study, architectural and engineering design of the bridge, which was subsequently approved on May 24, 2012 by the Commission. The City approved an additional \$1,500,000 on February 9, 2013 for additional engineering and construction costs. The total estimated cost of the Pedestrian Bridge project is approximately \$7,000,000 which the City anticipates will be funded thru future appropriations by the City Council. As required, the City is notifying the Commission of the proposed additional expenditures

Estimated expenditure: \$1,500,000.

- **Belmont Plaza Pool Rebuild Set-aside and Temporary Pool Facility:** The Long Beach City Council approved \$500,000 on February 7, 2012 for the Belmont Plaza Pool Rebuild Project, which was subsequently approved by Commission on May 24, 2012. The initial planning efforts included structural and geotechnical studies, preliminary cost estimates, and planning & conceptual designs for a new facility.

The results of the technical studies revealed that the 40+ year old facility is at risk of collapse during a moderate earthquake event. As a result, the Belmont Pool has been closed to the public indefinitely. On September 4, 2012, the Long Beach City Council approved \$4.3 million for the project. Since the unanticipated closure of the main Belmont Pool Natatorium occurred, City staff has been working diligently to expedite the planning and engineering design process for a temporary pool that will help minimize recreational impacts. The temporary pool will be operational while the permanent facility undergoes design and construction. This

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temporary pool facility will also be incorporated into the permanent pool design.

As required, the City is notifying the Commission of additional expenditures.

Estimated expenditure: \$4,300,000.

- **Shoreline Marina Public Deck-Design and Permitting:** The City's Shoreline Marina bike path terminates at the Shoreline Marina Office. At the termination, a wooden walkway wraps around the Shoreline Marina Office. This walkway is used by pedestrians and individuals that use the bike path. The substructure and some of the decking is starting to fail, causing a hazard. The City proposes to expend \$700,000 to design, permit and rebuild the walkway.

Guests and visitors utilize this location of the Shoreline Marina bike path and walkway to enjoy view sheds of the Bay and other Tidelands areas.

Estimated expenditure: \$700,000.

- **Beach Playgrounds:** A children's playground is planned to be designed and constructed adjacent to the Cherry Beach restroom and beach bike path to provide visitors additional opportunities to recreate and enjoy the beach areas. In addition, a beach basketball court is planned north of the Junipero Beach Parking.

Estimated expenditure: \$2,200,000.

- **Pine Avenue Pier Dock Extension-Design and Permitting:** When Rainbow Harbor was designed and built, the dock at the Pine Avenue Pier was installed only on the western side of the Pine Avenue Pier. The design intent for the Pier was to allow large vessels to embark and disembark directly onto the Pier as necessary. In the fifteen plus years since Rainbow Harbor was built, there has been virtually no demand for the use of the eastern side of the Pier. This project proposes to extend the dock around the entire Pier to add over 250-feet of new guest dock space in the Rainbow Harbor area to be used by visitors to area restaurants, retail, Aquarium of the Pacific, and other tidelands attractions.

Estimated expenditure: \$500,000.

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- **Parking Automation Upgrades at Rainbow Harbor:** An automated parking system is planned for the Aquarium of the Pacific Parking Garage, also serving guests and visitors of Rainbow Harbor. The automation of this parking structure will provide greater efficiencies for Aquarium visitors. A wider range of payment options will be accepted, including payment by credit card, and this will also provide the City with a better means of tracking revenue and volume, thereby reducing cash handling and potentially increasing tidelands operating revenue.

The automating of the Aquarium Parking Garage will allow for its integration with the recently automated Pike Garage. This integration will provide Aquarium guests and visitors the opportunity to share in the over 45 validations provided to Pike Garage patrons.

Estimated expenditure: \$250,000.

- **Rainbow Harbor LED Lighting and Safety Improvements:** On October 27, 2011, the Commission authorized the expenditure of \$250,000 for the installation of security cameras and gates to protect docks and commercial vessels berthed at Rainbow Harbor, and an additional \$300,000 for signage and lighting in the vicinity.

On May 24, 2012 the Commission authorized additional funding in the amount of \$650,000 for additional security enhancements in the Rainbow Harbor, Shoreline Village, and other Tidelands areas.

As required, the City is notifying the Commission of proposed additional expenditures in the amount of \$600,000 that were approved by the City Council on February 19, 2013 to: 1) convert the existing security and walkway lighting from metal halide to LED to reduce energy consumption; 2) to purchase and install security cameras in Rainbow Harbor and other adjacent areas; and, 3) to fix the existing Pine Avenue Pier sign, which is broken, and to install a new Rainbow Harbor neon sign to better direct people into the Harbor.

Estimated expenditure: \$600,000.

- **Pine Ave Accessibility and Streetscape Improvements:** This project will implement street improvements, sustainable design features, and pedestrian enhancements on Pine Avenue between Seaside Way and Ocean Blvd. This stretch of Pine Avenue is one of the main corridors leading to the coastal and tidelands area. Currently, this portion of Pine Avenue is perceived to be unsafe and inhospitable due to inadequate

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lighting, narrow sidewalks, lack of street trees and other pedestrian amenities important to public safety. The City proposes to activate the connection to the Tidelands area by improving this street segment.

Estimated expenditure: \$450,000

Table Summary of Projects and Expenditure Request

Seaside Way/Convention Center Pedestrian Bridge	\$1,500,000
Belmont Plaza Pool Rebuild Set-aside and Temporary Pool Facility	\$4,300,000
Shoreline Marina Public Deck-Design and Permitting	\$700,000
Beach Playgrounds	\$2,200,000
Pine Avenue Pier Dock Extension-Design and Permitting	\$500,000
Parking Automation Upgrades at Rainbow Harbor	\$250,000
Rainbow Harbor LED Lighting and Safety Improvements	\$600,000
Pine Ave Accessibility and Streetscape Improvements	\$450,000
TOTAL	\$10,500,000

The total estimated cost of the proposed projects is \$10,500,000, for which tideland oil revenue would be expended. A total of \$77,279,190, including tideland oil revenue, is reported by the City to be currently available in the City's Tidelands Fund. This includes oil revenues derived from oil operations within the Harbor. Formerly the Port used these oil revenues for port purposes. However, a 2010 Charter Amendment allowed these funds to be transferred to the City for public trust purposes.

City staff continues to prepare these projects for implementation. Pre-engineering activities that include feasibility studies, conceptual designs and costs estimates, and California Environmental Quality Act (CEQA) review are currently underway. Evidence of compliance with CEQA review for each project will be submitted to the Commission prior to construction. Construction is anticipated to begin in early 2014 for some projects and all projects will be completed no later than December 2015. The City

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must obtain all the necessary authorizations for the project, including but not limited to: United States Army Corps of Engineers, California Coastal Commission, and the Los Angeles County Board of Supervisors, as well as construction permits from the City Building and Engineering Departments.

STAFF ANALYSIS:

Section 6(c) of Chapter 138, as amended, authorizes the expenditure of tideland revenues for the construction, repair, operation, and maintenance of bulkheads, piers, earthfills, streets, roadways, bridges, bridge approaches, buildings, structures, recreational facilities, landscaping, parking lots, and other improvements on or adjacent to the Long Beach tidelands or on or adjacent to the Alamitos Beach Park Lands. Section 6(d) of Chapter 138, as amended, allows tideland revenue to be expended on construction, repair, operation, and maintenance of small boat harbors, marine stadiums, a maritime museum, marine parks, beaches, waterways, and related facilities on or adjacent to the Long Beach tidelands or on, or adjacent to, the Alamitos Beach Park Lands. Based on the information provided by the City, the proposed capital improvement projects do not appear to be inconsistent with the uses set forth in Sections 6(c) and (d) of Chapter 138, as amended by Chapter 941.

OTHER PERTINENT INFORMATION:

1. Pursuant to the City's statutory grant, the City shall maintain separate tidelands accounts identified as the Harbor Fund, Tidelands Fund, and Tidelands Oil Revenue Fund. The proposed capital improvement projects will be funded by tideland oil revenue from the Tidelands Fund, pursuant to Chapter 138, Statutes of 1964, and as amended.
2. In October 2011, the City notified the Commission of its proposed expenditure of \$31,350,000 of tideland oil revenue for 12 capital improvement projects (Calendar Item C36, October 27, 2011).
3. In May 2012, the City notified the Commission of its proposed expenditure of \$20,020,000 of tideland oil revenue for 11 capital improvement projects (Calendar Item C50, May 24, 2012).
4. In December 2012, the City notified the Commission of its proposed expenditure of \$12,225,000 of tideland oil revenue for eight capital improvement projects (Calendar Item C54, December 5, 2012).
5. The staff recommends that the Commission find that the subject consistency determination of proposed expenditures of tideland oil revenues does not have a potential for resulting in either a direct or a

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reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

6. This activity involves lands statutorily exempted from Public Resources Code sections 6370 et seq., pursuant to Public Resources Code section 6377.

EXHIBIT:

- A. Location and Site Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that consideration of the consistency of a proposed expenditure of Tideland Oil Revenue Funds with Section 6 of Chapter 138, Statutes of 1964, First Extraordinary Session, as amended by Chapter 941, Statutes of 1991, is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

SIGNIFICANT LANDS FINDING:

Find that this activity is statutorily exempt from Public Resources Code sections 6370 et seq., pursuant to Public Resources Code section 6377.

AUTHORIZATION:

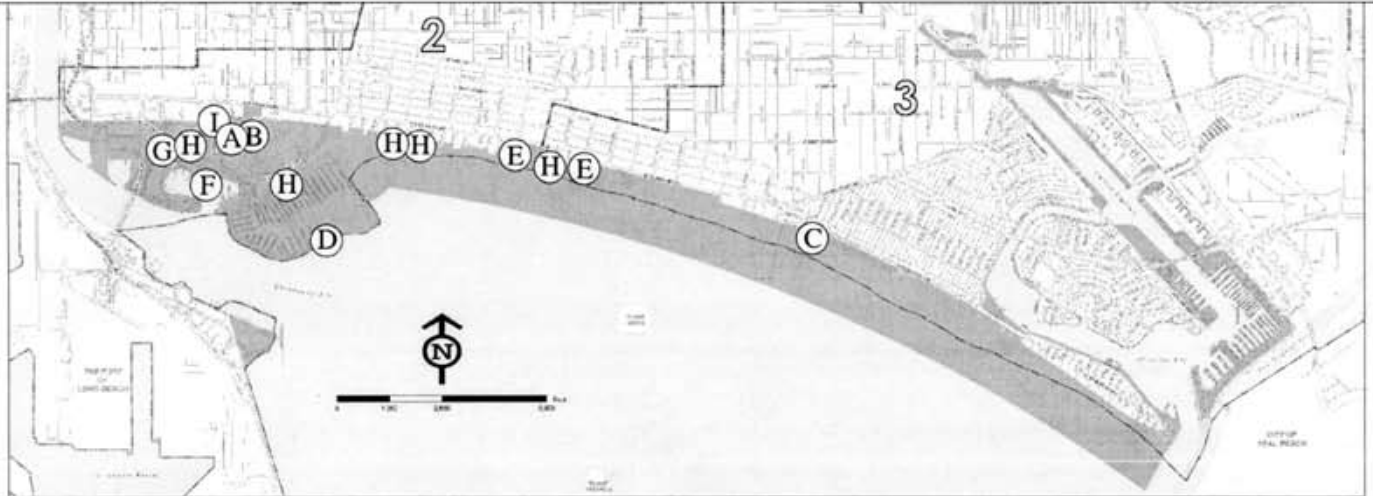
Find that, based on the information provided by the City, the proposed expenditure of tideland oil revenue, in the total amount of approximately \$10,500,000, for eight capital improvement projects within the City of Long Beach, does not appear to be inconsistent with the uses set forth in sections 6(c) and (d) of Chapter 138, Statutes of 1964, as amended by Chapter 941, Statutes of 1991.

NO SCALE

SITE

PROJECT NAME

- | | |
|---|--|
| A. Convention Center Complex Refurbishment | F. Pine Avenue Pier Dock Extension-Design and Permitting |
| B. Seaside Way/Convention Center Pedestrian Bridge | G. Parking Automation Upgrades at Rainbow Harbor |
| C. Belmont Plaza Pool Rebuild Set-aside and Temporary Pool Facility | H. Rainbow Harbor & Adjacent Areas: Lighting, Signage, and Security Improvements |
| D. Shoreline Marina Public Deck-Design and Permitting | I. Pine Ave Accessibility and Streetscape Improvements |
| E. Beach Playgrounds | |



PUBLIC WORKS
Department of Public Works

CITY OF LONG BEACH
PROPOSED TIDELANDS CAPITAL PROJECTS
 APPROVED BY CITY COUNCIL ON 02/19/2013

- MAP FEATURES**
- Tidelands Area
 - Tidelands Contiguous Area
 - City Council District
 - Waterbody
 - Hardship

LONG BEACH TIDELANDS

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit A

CITY OF LONG BEACH
 G 05-03.10
 EXPENDITURE OF OIL
 REVENUE
 LOS ANGELES COUNTY



MJF 4/10/13