

STAFF REPORT

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M. Moser

REVIEW PROPOSED TIDELAND OIL REVENUE EXPENDITURES IN AN AMOUNT NOT TO EXCEED \$6,702,011 BY THE CITY OF LONG BEACH FOR SEVEN CAPITAL IMPROVEMENT PROJECTS LOCATED ON OR ADJACENT TO LEGISLATIVELY GRANTED SOVEREIGN LAND IN THE CITY OF LONG BEACH, LOS ANGELES COUNTY

GRANTEE:

City of Long Beach

LOCATION:

Granted sovereign tide and submerged lands located in the city of Long Beach, Los Angeles County.

BACKGROUND:

The City of Long Beach (City) is a trustee of sovereign tide and submerged lands granted by the Legislature under Chapter 676, Statutes of 1911 and as amended; Chapter 102, Statutes of 1925 and as amended; and Chapter 158, Statutes of 1935. There have been many revisions to the statutes granting the City these lands. In 1964, the City's statutory trust grant was amended to authorize the City to spend tideland oil revenue for specific uses and to require the City to notify the Commission of proposed tideland oil expenditures.

Tideland oil revenue must be expended for uses and purposes consistent with the City's granting statutes and be for statewide purposes as opposed to purely local interests and benefits. The City is required to file a detailed description of a proposed capital improvement expenditure exceeding \$100,000 with the Commission 60 days before disbursement.

The proposed expenditure of \$6,702,011 of tideland oil revenue is to fund seven projects located on or adjacent to the Long Beach tidelands as shown on Exhibit A. The projects, as proposed and described by the City, are as follows:

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1. Convention Center Area Improvements

The Commission has been reviewing expenditures related to the Convention Center Area Improvements since October 2011. This request for \$1,000,000 is for the following:

- Parabolic Aluminized Reflector can light fixture and bulb replacements
- Arena air handlers work platforms
- Long Beach Convention Center concierge desk replacement
- Sound system replacements for the Terrace, Beverly O'Neill, and The Cove theaters
- Terrace Theater sign replacement
- Safety and architectural lighting
- Furniture replacement and reupholstering

Previous Commission Review:

[Item C36, October 27, 2011](#) - \$5,000,000

[Item C50, May 24, 2012](#) - \$8,500,000

[Item C54, December 5, 2012](#) - \$7,625,000

[Item C115, December 2, 2013](#) - \$5,240,000

[Item C77, April 23, 2014](#) - \$1,270,000

[Item C89, April 20, 2017](#) - \$1,465,000

[Item C75, August 17, 2017](#) - \$685,000

[Item C85, February 27, 2018](#) - \$400,000

[Item C91, April 19, 2018](#) - \$600,000

Proposed additional expenditure: \$1,000,000

Schedule: Permitting and Design: Summer 2019; Bid and Award: Summer 2019; Construction: Fall/Winter 2019; Completion: Spring 2020

2. Alamitos, Bayshore, Granada and, Junipero Concessions Stands

First brought before the Commission in 2014, renovation of the four beach concession stands is ongoing. The city is requesting review of an additional \$1,352,011 expenditure to expand play areas at the Junipero and Granada locations. Both projects originally included small-scale play areas, but during the design and approval process, the size and scope of each play area was increased to create more of a destination and attraction for children.

The City proposes to expend \$925,972 in tideland oil revenue for expansion of the Junipero concession stand to increase the size of the climbable play structure. The City proposes to expend \$426,039 for the Granada concession stand to increase the size of the water play area.

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The Alamitos and Bayshore locations remain on track with no changes or additional expenditure requests.

Location & estimated completion date	Current SLC Request:	Total of Previous & Current Requests
Alamitos – Winter 2020	\$0	\$8,250,000
Bayshore – on hold	\$0	\$633,922
Granada – Fall 2020	\$426,039	\$2,023,039
Junipero – Fall 2020	\$925,972	\$2,125,972
All Concession Stands	\$1,352,011	\$13,032,933

Previous Commission Review:

[Item C64, December 17, 2014](#): \$3,150,000

[Item C91, April 19, 2018](#): \$6,830,535

[Item C72, December 3, 2018](#): \$4,853,387

Proposed additional expenditure: \$1,352,011

Schedule: Bid and Award: Fall 2019; Construction: Spring/Winter 2019;
Completion: Winter 2020

3. Belmont Pier Storm Damage Repairs

In 2017, the Belmont Veterans Memorial Pier was damaged in a storm. Repairs have been ongoing since then. The City proposes to use tideland oil revenue to redesign and replace destroyed or damaged floating docks and gangways and to repair the concrete stairs leading to the docks. A previous tideland oil expenditure of \$2,500,000 funded clean-up, demolition, design, plan check, permitting, and bidding. In April 2019, construction bidding ended. Now, the City states an additional \$500,000 is necessary to fund the construction portion of the project.

Previous Commission Review:

[Item C91, April 19, 2018](#): \$2,500,000

Proposed additional expenditure: \$500,000

Schedule: Bid and Award: Summer 2019; Construction: Fall 2019;
Completion: Winter 2019

4. Rainbow Harbor Lighting Upgrades

A recent analysis of the Rainbow Harbor by engineering firm HDR Inc.

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determined that the approximately 800 linear foot pathway through the park lacked adequate illumination. The City intends to install approximately 30-40 new bollard type fixtures along the path, which will provide lighting for pedestrians. Bollard mounted lights, flood lights, and parking lot lights will be replaced. The lighting upgrades are intended to provide safely lit spaces for pedestrians.

Proposed expenditure: \$250,000

Preliminary Schedule: Planning - April 2019; Completion: Spring 2020

5. Alamitos Water Playground

The City is installing a nearshore inflatable water playground at Alamitos Beach. The area is adjacent to a new beach concession café and is intended to help activate the beach and waterfront in the area. The play structures will be placed in the water seasonally and anchored to the seafloor for the duration of the season. The City is in the planning and design phases.

Proposed expenditure: \$500,000

Preliminary Schedule: Planning - April 2019; Completion: Summer 2020

6. 72nd Place LED Bollard Lights

The park lacks lighting. Approximately 15-20 bollard fixtures will be installed around the perimeter of the 72nd Place neighborhood park to provide safely lit spaces for pedestrians.

Proposed expenditure: \$500,000

Preliminary Schedule: Planning - April 2019; Completion: Summer 2020

7. Colorado Lagoon Open Channel

The Colorado Lagoon is an approximately 11.7-acre tidal water body that is connected to Alamitos Bay and the Pacific Ocean through an underground tidal culvert to Marine Stadium. The Lagoon is in a park setting and is maintained as a City park by the Department of Parks, Recreation and Marine. The Lagoon hosts estuarine habitat, provides public recreation (including swimming), and retains and conveys stormwater drainage. The connection between the Colorado Lagoon and the Alamitos Bay was greatly diminished in the 1960s for planned roadway improvements, and the subsequent filling of what is now Marina Vista Park. Over time, water and sediment quality within the Lagoon became degraded. These circumstances contributed to the listing of the Colorado Lagoon on California's 303(d) list of impaired water bodies due to elevated levels of lead, zinc, chlordane, and

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polycyclic aromatic hydrocarbons in the sediment and polychlorinated biphenyls in fish and mussel tissue. The City has developed a Master Restoration Plan to restore the Lagoon's ecosystem, provide and enhance passive open space, and improve water and sediment quality.

In 2013, the Commission reviewed a \$250,000 tideland oil expenditure to begin preliminary design and planning for the Colorado Lagoon Open Channel. The funds were used to create a conceptual design for the project and obtain California Coastal Commission approval. The project will reconfigure the west end of Marina Vista Park to allow for an open tidal connection from Colorado Lagoon to Marine Stadium.

The city is now requesting review of an additional \$3,000,000 in tideland oil revenue for additional permitting and the design phase, which the City anticipates completing in the Fall of 2020. The additional expenditures will be used for the design and construction of the final phase of the Colorado Lagoon Restoration Master Plan. The construction phase is projected to cost approximately \$21.6 million.

Previous Commission Review:
[Item C115, December 2, 2013](#): \$250,000

Proposed additional expenditure: \$3,000,000

Schedule: Planning - Complete; Permitting and Design: Summer 2019-Fall 2020; Bid and Award: Spring-Summer 2021; Construction: Fall 2021-Winter 2023; Completion: Spring 2024

Table Summary of Projects and Expenditure Request

Project	Expenditure Request
Convention Center Area Improvements	\$1,000,000
Alamitos, Bayshore, Granada, and Junipero Concessions	1,352,011
Belmont Pier Storm Damage Repairs	500,000
Rainbow Harbor Lighting Upgrades	250,000
Alamitos Water Playground	500,000
72 nd Place LED Bollard Lights	100,000
Colorado Lagoon Open Channel	3,000,000
Total	\$6,702,011

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STAFF ANALYSIS:

The City's statutory trust grant allows various uses of the oil revenue derived from existing oil fields on the City's granted Public Trust lands. 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. As required by the statutory trust grant, the proposed expenditures are for the benefit and use of the statewide public and for uses and purposes consistent with the City's statutory trust grant.

OTHER PERTINENT INFORMATION:

1. Pursuant to Chapter 138, Statutes of 1964, as amended by Chapter 941, Statutes of 1991 (Chapter 138), the Commission has 60 days to notify the City that a proposed capital improvement is not consistent with Chapter 138. Commission staff received notices from the City of the proposed expenditures on May 3 and July 22, 2019.
2. The City's grant requires that it maintain separate tidelands accounts identified as the Harbor Fund, Tidelands Fund, and Tidelands Oil Revenue Fund. The proposed capital improvement project will be funded with tideland oil revenue from the Tidelands Fund.
3. The proposed action is consistent with Strategy 1.2 of the Commission's Strategic Plan to provide that the current and future management of ungranted sovereign lands and resources and granted lands, including through strategic partnerships with trustee ports and harbor districts, is consistent with evolving Public Trust principles and values, particularly amid challenges relating to climate change, sea-level rise, public access, and complex land use planning and marine freight transportation systems. More specifically, this proposed action is consistent with a Targeted Outcome under Strategy 1.2, to track each grantee's revenues and

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expenditures to ensure that trust revenues are reinvested into the tide and submerged lands, rather than diverted to other purely municipal purposes or other uses inconsistent with the Public Trust.

4. Reviewing these proposed expenditures of tidelands oil revenue for consistency with Chapter 138 is not a project in accordance with the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes to the environment.

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

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

EXHIBIT:

- A. Location and Site Map

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Find that, based on the information provided by the City, the proposed expenditure of tideland oil revenue in the amount of \$6,702,011 for seven capital improvement projects located on or adjacent to legislatively granted sovereign lands in 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, as amended.

NO SCALE

SITE PROJECT NAME

1. CONVENTION CENTER AREA IMPROVEMENTS
2. ALAMITOS, BAYSHORE, GRANADA & JUNIPERO CONCESSIONS STANDS
3. BELMONT PIER STORM DAMAGE REPAIR
4. RAINBOW HARBOR LIGHTING UPGRADES
5. ALAMITOS WATER PLAYGROUND
6. 72nd PLACE LED BOLLARD LIGHTS
7. COLORADO LAAGOON OPEN CHANNEL



CITY OF LONG BEACH
PROPOSED TIDELANDS CAPITAL PROJECTS
 APPROVED BY CITY COUNCIL

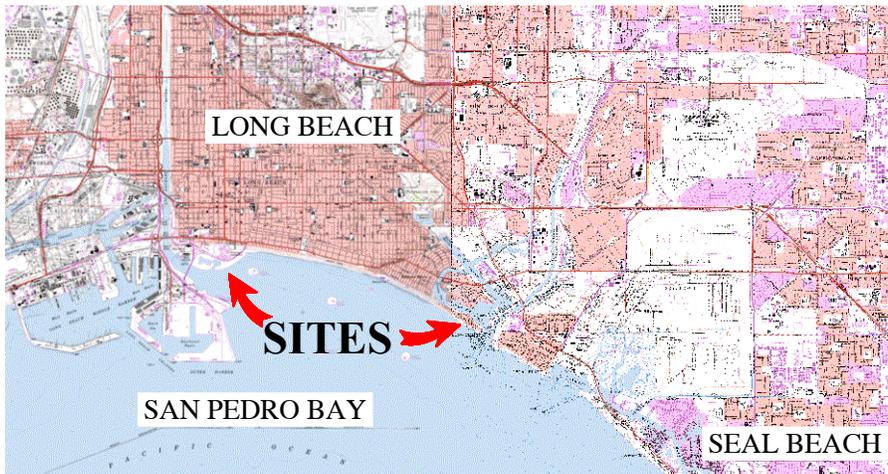
MAP FEATURES

- TIDELANDS
- CONTIGUOUS AREAS
- City Boundary
- Waterway
- Hardscape

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
 EXPENDITURE OF
 OIL REVENUE
 LOS ANGELES COUNTY



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