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LCP-5-HNB-21-0057-1 (Magnolia Tank Farm LCPA) July 13, 2023

EX PARTES (Received Through 7/11/2023)

## EXPARTE COMMUNICATION DISCLOSURE FORM Filed by Commissioner Donne Brownsey

- 1)Name or description of project: Magnolia Tank Farm development and the Huntington Beach project specific LCPA tentatively scheduled for July 2023
- 2) Date and time of receipt of communication: April 19, 2023 at 4:00-5:10pm
- 3) Location of communication By Zoom.
- 4) Identity of person(s) initiating communication: Carmela McHenry w/ Ka-pow.
- 5) Identity of person(s) on whose behalf communication was made: Ed Manning and Billy Rutland representing the Applicant Shopoff Inc
- 6) Identity of persons(s) receiving communication: Donne Brownsey
- 7) Identity of all person(s) present during the communication: Brownsey, Manning and Rutland
- 8)Complete, comprehensive description of communication content:

Manning and Rutland reviewed the slide presentation on the project attached to this ex parte. Additionally they stated that they had PLAs with Unite Here and all the Trades. CORE which is low income housing organization will be building the affordable units. They pointed out Slide 10, Table 2 as the Key Data point showing that the flooding impact in the area is de-minimis for the development site & would mostly impact the surrounding neighborhoods.

They stated that the reason that this a good site is because the City identified this as the least SLR impacted area as compared to the sections in the City. While the City has an internal draft Adaptation Plan, they have not released it publicly. I suggested that the elements of the City's Adaptation Plan for this area would be the kind of information that the Coastal staff and Commissioners would want to include in any decision on this LCPA, the site & the surrounding area. I suggested perhaps the City could release a section of the plan on this area for public review. They compared this project to the affordable housing project in Del Mar we approved and mentioned their frustration with a Commission staff letter to HCD.

Date April 21, 2023

Signature of Commissioner Donne Brownsey

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# MAGNOLIA

TANKFARM



# Original Condition Slide 2



## **Current Condition**





## City-Adopted Land Use Plan

Slide 4











#### **Public Access/Education/Recreation**

- New Public Park along Magnolia Street
- Marsh Park Interpretive Staging Area
- Wetlands/Ocean Overlook Trail
- Additional 100 Public Parking Spaces on Magnolia/Hamilton
- Internal Loop Road Public Parking
- Wetlands Interpretive Programs for Public/Lodge Visitors
- 215 Room Eco Tourism Lodge Overlooking Wetlands
- Public Gathering Areas within Lodge
- Enhanced Public Transit Stop on Magnolia
- Funding for Off-site Parks/Libraries

#### **Resource Protection**

- Native Upland Habitat Conservation Area (buffer)
- HBWC Wetland Restoration/Maintenance Funding from Home Sales
- Habitat Management Plan

#### **Low Cost Overnight Accommodations**

- Forty Low-cost (High Occupancy) Hotel Rooms
- High Occupancy Rooms Designed for Families/multiple occupants



#### **Marine Environment**

- Removal of Oil Production Facilities adjacent to Wetlands
- Sea Level Rise Adaptation Measures per CCC SLR Guidelines
- State Of The Art Water Quality Features

#### **On-Site Low-Income Housing**

- Twenty-five On-Site low-income Rental Units
- Twenty Percent of On-Site Affordable Units Offered to Hotel Employees
- Nationally Recognized Affordable Housing Developer

#### **Social/Environmental Justice Features**

- Partnerships with School Districts & NGOs in Disadvantaged Communities to Provide Free Interpretive Programs through HBWC
- Elimination of Industrial Pollutants from Sensitive Coastal Habitat Areas
- Outreach to Disadvantaged Communities Regarding Availability of Low-Cost Overnight Accommodations







## **Methods Summary**

#### Methods\*

- Evaluated hazards for existing conditions
- Evaluated hazards for proposed conditions
- Formulated adaptation measures
- Evaluated hazards with adaptation measures

\*Followed 2017 SLR science and 2018 CCC SLR policy guidance. Developed project-specific model due to two issues with CoSMoS.

#### **Assessed Coastal Hazards**

- Coastal Erosion
- Tidal Inundation
- Coastal Wave Storm Flooding
- Fluvial Flooding
- Groundwater Inundation
- Tsunamis

#### **Huntington Beach Channel Flood Wall**





## Methods Summary (Cont'd)

Table 1: Sea Level Rise (SLR) Projections for Los Angeles

	Projected SLR (feet)		
	Low Risk Aversion	Medium-High Risk Aversion	Extreme Risk Aversion
2030	0.5	0.7	1.0
2040	0.7	1.2	1.7
2050	1.0	1.8	2.6
2060	1.3	2.5	3.7
2070	1.7	3.3	5.0
2080	2.2	4.3	6.4
2090	2.7	5.3	8.0
2100	3.2	6.7	9.9

- 1. Low Risk Aversion: Upper limit of "likely range" (~17% probability SLR exceeds this level)
- 2. Medium-high risk aversion: 1-200 chance (0.5% probability SLR exceeds this level)
- 3. Extreme Risk Aversion: Single scenario (no associated probability)
- 4. Bold Figures: Recommended SLR projections for residential

Source: CCC (2018)

Table 2: Sea Level Rise Projections Used for MTF SLR Vulnerability Assessment

Projected SLR (feet)	Probability That SLR Will Meet or Exceed Height by 2100	Description
3.5	14%	State and CCC 2020 guidance for 3.5 feet of SLR by 2050
5.0	2%	Intermediate between minimum & maximum SLR projections
6.0	1%	Intermediate between minimum & maximum SLR projections
7.0	0.4%	CCC 2018 SLR Policy Guidance for mediumhigh risk aversion scenario at 2100 (rounded up from 6.7 feet)



## **Findings Summary**

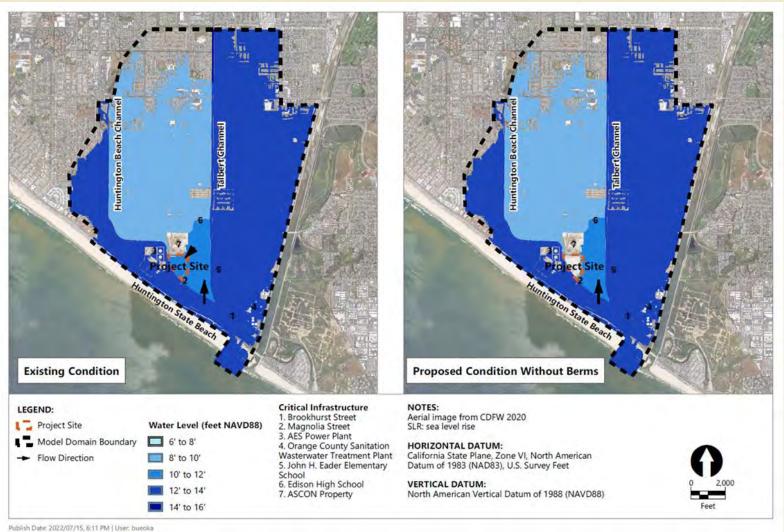
Table 3: Proposed Project Coastal Hazards Vulnerability Assessments Summary

Sea Level Rise (Feet)	Time Period	Coastal Erosion	Tidal Inundation	Coastal Wave Storm Flooding	Fluvial Flooding	Tsunamis
0.0	Year 2020	None	None	None	None	Possible
3.5	Year 2050	None	None	None	None	Possible
6.0	Year 2095	None	None	None	None	Possible
7.0	Year 2100	None	None	Possible**	Possible**	Possible

<sup>\*</sup>Possible, but only in open space

<sup>\*</sup>The probability of this event is very low as the probability of 7.0 feet of SLR by Year 2100 is 0.4%

## Findings Summary (Cont'd)



Filepath: C\PROJECTS\SoCal PROJECTS\MTF\GIS\Maps\Figures June 2022\AQ\_MTF\_Figure11.mxd





## Findings Summary (Cont'd)







## **CCC Staff Concerns & Solutions Summary**

#### **Concerns**

- Impact of high groundwater on utilities & structures
- Impact of fluvial floods on surrounding neighborhoods
- Impact of fluvial floods on Magnolia Street

#### **Solutions**

- Raised ground elevations & wrapped utilities
- OCFCD improves flood control system to protect critical infrastructure
- Required property buyer disclosures for future hazards







## Consistent with Del Mar Precedent (February 2022)

#### **Both Projects are the Same**

- Both involve LCPAs that provide residential land use and zoning designations
- Both projects provide on-site affordable housing and are identified in their respective State-approved Housing Elements

"If this amendment is not certified, the City may be in violation of the No Net Loss Law."

(Del Mar CCC Staff Report, February 2022)

Both cities need housing to avoid penalties from HCD

"Governor Gavin Newsom. "City leaders [Huntington Beach] have a choice — build more housing or face very real consequences — including loss of state funds, substantial fines, and loss of local control. Californians need more housing in all communities and Huntington Beach is no exception. (CA Dept. Justice Newsletter, February 21, 2023.)

#### **Differences**

The Del Mar site is in a hazard area floodplain as defined by FEMA FIRM (Flood Insurance maps)
 Whereas MTF is not in floodplain

"[T]he Commission is faced with having to weigh the acute need for new housing with the risk associated with construction in a hazardous area." (Del Mar CCC Staff Report, February 2022)



## Proposed Modifications Consistent with Del Mar Precedent (February 2022)

#### MTF Will Add the Same Suggested Modifications as Del Mar Project

- Development sited and designed to ensure safety from the impacts of sea level rise and flooding over the anticipated lifetime of the proposed structure
- The permittee shall acknowledge as a condition of the permit that: the development may be required to be removed or relocated in accordance with the certified LCPA if the City Building Official determines that the development becomes unsafe for occupancy due to future flood hazard conditions
- The landowner shall record a notice on the property and notice all occupants that the property owner and all successors
  in interest waive any rights under the Coastal Act Section 30235 and related LCP policies to hard shoreline armoring to
  protect the development and that sea level rise could render it difficult or impossible to provide public services to the site
- The LCPA will require the developer/builder to disclose to home buyers' information about known current and potential future vulnerabilities to sea level rise prior to closing escrow



## MTF is a Model for Coastal Development

- 1. Implements important Social and Environmental Justice Principles
- 2. Provides critically-needed market rate and affordable housing
- 3. Resilient against SLR through 2100
- 4. No onsite flooding affecting residential housing or lodge area
- 5. Offsite flooding will be addressed by future maintenance and improvements of flood control system to protect existing critical infrastructure
- SLR modifications are consistent with Coastal Act
- 7. MTF LCPA is less susceptible to SLR than Commission-approved Del Mar LCPA
- 8. Included in City's Housing Inventory. Without MTF project there will be a net loss of housing



Received on: 06/16/23

#### **EXHIBIT B**

#### EX PARTE COMMUNICATION DISCLOSURE FORM

Filed by Commissioner:Justin Cu	mmings
1) Name, agenda Item # or description of Project If your project pertains to an item on our of 2) Date and time of receipt of communication.	tion: _6/16/2023 @16:07 pm
3) Location of communication:Zoom	(If not in
person, include the means of communica	tion, e.g., telephone, e-mail, etc.)
	cation: _Ernesto Medrano
5) Identity of person(s) on whose behalf of	communication was made: L.A. Building
Council and Developer	
6) Identity of persons(s) receiving commu	inication:Sandy Brown, Manny Pinhero,
Steve Castaneda, Justin Cummings	
	the communication: _Sandy Brown, Steve
Castaneda, Justin Cummings, Manny Pli Complete, comprehensive description of of	nhero, Ernesto Medrano communication content (attach complete set
Of any lext of graphic material presentation)	
See attachment provided	
=	
06/16/2023	Signature of Commissioner
Date	Signature of Commissioner

TIMING FOR FILING OF DISCLOSURE FORM: File this form with the Executive Director within seven (7) days of the ex parte communication, if the communication occurred seven or more days in advance of the Commission hearing on the item that was the subject of the communication. If the communication occurred within seven (7) days of the hearing, provide the information orally on the record of the proceeding and provide the Executive Director with a copy of any written material that was part of the communication. This form may be filed with the Executive Director in addition to the oral disclosure.

Friday, June 16, 2023

Meeting attendees:

Manuel Pinheiro - Santa Cruz and Monterey County Building Trades
Steve Castaneda - Developer representative
Ernesto Medrano - LA Building Trades
Sandy Brown - District 3 Analyst, staff to Supervisor Cummings

Re: Magnolia Tank Farm Project, Huntington Beach

Ernesto Medrano shared the following points about a proposed lodge and housing project:

- The project will take a blighted area and turn it into a space that can better serve the community.
- They have full support from organized labor because of a Project Labor Agreement with the applicant and a Card Check neutrality agreement with the hotel.
- The plans for housing include workforce housing for hotel workers, affordable units, and market units.
- The project will provide many community benefits through numerous opportunities and ways to access the coast, including trails, native habitat, and buffers for adjacent wetlands.
- Will assist with the City of Huntington Beach's Regional Housing Needs Assessment requirements, which has been an ongoing struggle with the state.
- Labor is concerned with staff feedback and the commission given the decisions that were made regarding the Poseidon desalination plant and believe the project has met all of the requirements for a private project of this nature.
- Have not had public outcry/opposition

Received on: 06/22/23

#### **EXHIBIT B**

#### EX PARTE COMMUNICATION DISCLOSURE FORM

Filed by Commissioner: Justin C	Cummings				
2) Date and time of receipt of c	scription of project: Magnolia Tank Farm Project  genda, please write the item # above. communication: June 22, 10:30am				
3) Location of communication:  County Supervisors office, 701 Ocean St., Santa Cruz, CA 9506  (If not in person, include the means of communication, e.g., telephone, e-mail, etc.)  4) Identity of person(s) initiating communication:  Bill Rutland					
	ing communication: Supervisor Justin Cummings;				
Supervisor's Analyst, Sandy Bro					
7) Identity of all person(s) pres	sent during the communication: Mr. Rutland, Supervisor				
Cummings, Dr. Brown					
Complete, comprehensive desc any text or graphic material pre-	cription of communication content (attach complete set of sented):				
See attached.					
	owing documents: 1) letter of support to the Coastal				
Commission from Assemblyme	ember Archuleta; 2) flood assessment; and 3) promotional				
materials.					
	-/-				
June 22, 2023	Simple Commissionar				
Date	Signature of Commissioner				

**TIMING FOR FILING OF DISCLOSURE FORM:** File this form with the Executive Director within seven (7) days of the ex parte communication, if the communication occurred seven or more days in advance of the Commission hearing on the item that was the subject of the communication. If the communication occurred within seven (7) days of the hearing, provide the information orally on the record of the proceeding and provide the Executive Director with a copy of any written material that was part of the communication. This form may be filed with the Executive Director in addition to the oral disclosure.

Mr. Rutland raised the following points about the Magnolia Tank Farm project.

Community benefits include 20% of residential units to be affordable, with some units dedicated to workers for businesses in the project, increased coastal access, and wetlands conservation. He highlighted the need for housing, the strong statewide agenda to promote housing production, and an interest in balancing climate risks with the need for housing.

He cited the approval of a project in Del Mar, which they believe is similarly situated in a low-lying coastal area. He also spoke to the existence of the Orange County Flood Control District infrastructure, which has been in operation since 1927 and effectively protects approximately 8,000 homes in the area, and noted that the Del Mar Project was approved, even without such flood protection.

They have worked through 3 incomplete notices on the application and believe they have responded to all of the issues raised. Mr. Rutland concluded by saying that he would be available for further discussion and/or to answer questions once the Coastal Commission staff report is made public. Mr. Rutland also provided us with numerous supporting documents that we have shared as part of the ex parte communications.

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## SENATOR BOB ARCHULETA THIRTIETH SENATE DISTRICT



STANDERD COMMITTEES

MILITARY & VETERANS AFFAIRS

BUSINESS, PROFESSIONS & ECONOMIC DEVELOPMENT

GOVERNMENTAL ORGANIZATION

TRANSPORTATION

JOINT LEGISLATIVE COMMITTEE ON EMERCENCY MANAGEMENT

May 1, 2023

Donne Brownsey Chair, California Coastal Commission 455 Market Street, Suite 300 San Francisco, CA 94105

Dear Chair Brownsey,

We, the undersigned representatives of Orange County's legislative delegation, write to express our support for the Magnolia Tank Farm (MTF), a 250 unit housing project, including twenty-five low-income housing units, some of which will be set aside for hotel workers, and a 215-room visitor serving lodge with dedicated low-cost lodging in Huntington Beach. The MTF is on a Brownfields site formerly occupied by oil storage tanks. The project site is part of the City's recently adopted Housing Element, and the site has been included in the City's Housing Inventory. MTF has been approved by the City of Huntington Beach and is awaiting Coastal Commission approval of its amended Local Coastal Program.

As you are aware, California is facing an ongoing housing crisis. In accordance with the Regional Housing Needs Assessment (RHNA), Orange County must zone for over 180,000 additional housing units by October 2029. Of these, 13,368 new units are required in Huntington Beach alone. Since MTF is in the approved housing element, if the Coastal Commission denies the LCP amendment for MTF, the city of Huntington Beach would have to find an additional 250 units of housing somewhere else, a near impossibility in such a highly developed coastal community. To comply with RHNA in Orange County and to achieve our state's housing goals, new housing will necessarily be required within the coastal zone.

One of the issues that local governments in Orange County are wrestling with is the impact of sea level rise (SLR) on housing needs. Acknowledging this new reality, we urge the CCC to recognize that the MTF site is an appropriate site for housing. First, the MTF project is surrounded by existing developments that the CCC considers "critical infrastructure": schools, roads, health care facilities, public buildings, etc. The CCC's own policy recognizes the need and appropriateness of protecting critical infrastructure from flood risk caused by SLR.

The MTF project site is already protected by the Huntington Beach Channel and the Talbert Channel operated by the Orange County Flood Control Management District (OCFCD). OCFCD has provided flood control protection for Orange County since 1927. Today, OCFCD maintains the integrity of 380 miles of flood control infrastructure throughout the county. The Orange County Board of Supervisors has passed a Resolution confirming that they will continue to protect critical infrastructure from additional flooding threats, including SLR, in the future. Because MTF is co-located with critical infrastructure, it will benefit from ongoing flood control protection, and from our perspective, it is an ideal location for new housing.

We understand that the CCC may evaluate whether the site is located at a location that is a "hazard" when considering approval, without regard to the existing flood protection. The CCC seems to be concerned about tidal inundation of the site. But we understand that under the relevant SLR scenario for residential development over the 75-year project lifespan, the developed project site does not flood.

Finally, in the recent *Del Mar* decision, a housing project located in a hazardous flood plain was approved by the CCC. In contrast, the MTF housing project *is not located* in a hazardous area as defined by FEMA. In other words, the flood risk was far greater for the Del Mar project than the MTF site. Moreover, the CCC's suggested project modifications that were incorporated into the Del Mar project to minimize SLR risks have also been added to the MTF project. The MTF will provide additional affordable housing opportunities, as did the Del Mar project, which was identified by the CCC as being a significant factor in the approval of the Del Mar project.

Given Orange County's housing needs and the many coastal friendly design features of this project, MTF's consistency with the adopted Housing Element, the lack of SLR flood risk to the

site, the existing and continued flood control protection in this area, and the *Del Mar* precedent, we implore the CCC to approve the Huntington Beach LCP amendment for the MTF project.

Sincerely,

<u>Assembly Member Blanca Pacheco</u>

(District - 64)

<u>Assembly Member Diane Dixon</u> (District - 72)

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Sharon Quirk-Silva

<u>Assembly Member Sharon Quirk-Silva</u> (District - 67)

Senator Josh Newman (District - 29)

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Assembly Member Avelino Valencia

Thinees

(District - 68)

Senator Bob Archuleta

(District - 30)

<u>Assembly Member Tri Ta</u>

(District - 70)

Senator Kelly Seyarto

(District - 32)

Muberg

<u>Senator Thomas Umberg</u> (District - 34)

Senator Dave Min (District - 37)

CC: California Coastal Commissioners
Dr. Kate Huckelbridge, Executive Director
Governor Gavin Newsom
Dana Williamson, Chief of Staff, Governor Newsom
Ann Patterson, Cabinet Secretary, Governor Newsom



#### PROJECT HIGHLIGHTS





211,000 square-foot lodge with 215 guest rooms, including 40 lower-cost rooms





19,000 square feet of retall/restaurant space within the lodge





250 for-sale & for-rent homes, Including 20% affordable units/workforce housing





2.8 acres
of Coastal
Conservation area
to provide a buffer
for the adjacent
wetlands



4.4 acres of new public parks, trails and viewpoints



The reuse plan draws inspiration from the adjacent wetland and ocean environments. A model for sustainable living in coastal Orange County, the land use plan features state-of-the-art housing, ample public passive recreation opportunities, affordable overnight lodging, and innovative environmental education programs.







Huntington State Beach

## MAGNOLIA TANK FARM

#### PROJECT OVERVIEW

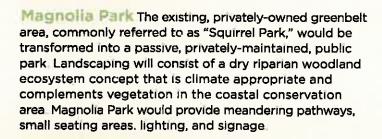
Magnolia Marsh, Marsh Park will be constructed to provide the public with views of the marsh and the ocean Marsh Park will provide an observation area, a shade structure, passive recreation areas, and an amphitheater available for interpretive programs and docent-led tours of the marsh



An elevated public coastal trail will be constructed along the western edge of the site.

An elevated public coastal trail will be constructed along the western edge of the site, providing panoramic views of the Marsh and the ocean while connecting Magnolia Street with the Lodge and Marsh Park, increasing public access

Housing A model for sustainable living in coastal Orange County, the land use plan features state-of-the-art housing with both market rate and affordable options offered, addressing the state's need for workforce and low-income housing







The Lodge in addition to the 215 rooms with wetland and ocean views, The Lodge provides restaurants, retail and accommodations for the local community including bicyclists utilizing the Coastal Trail. This visitor-serving use will provide a common area for residents and guests to enjoy activities with the opportunity to connect with the community and its surroundings. Forty rooms are dedicated as lower-cost accommodations to support social equity in lodging along the coast.

Lower-Cost Visitor Serving Accommodations Coastal Act Section 30213

states: "Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Development providing public recreational opportunities are preferred." Given the proximity of the Tank Farm property to Huntington State Beach, one of the most popular beaches in southern California, the opportunity exists to address the goals stated in Section 30213 by providing a variety of overnight accommodations. The Lodge will include a variety of guest rooms, including suites as well as rooms designed for business travelers and cost-conscious and budget-oriented families and non-profit groups. Forty of the rooms will be designed and configured specifically to permit flexible, family and group-focused overnight accommodations with each room having more than two beds. Lower cost room rates will be determined by an annual survey of all hotel/motel room rates in the Coastal Zone ten miles north and south of the project site. The lower cost room rates will then be within the bottom thirty percent of the hotel/motel room rates in the survey.





## MAGNOLIA INCREASING PUBLIC COASTAL ACCESS & CREATING NEW OPEN SPACES & NON-MOTORIZED MOBILITY

Public access is an integral part of the Magnolia Tank Farm plan. This project provides space for nature and the community to co-exist.

- Adds 2.84 acres of coastal conservation open space to protect the adjacent marsh from predators and human incursion
- Provides over 4 acres of new public parks, coastal trails and viewpoints
  - Magnolia Park brings passive recreation amidst a riparian landscaping
  - Marsh Park offers a public view corridor to the ocean and serves as a staging area for docent-led tours of the adjacent wetlands
- Coastal Trail and Viewpoints provides access and connectivity between open spaces, commercial areas and residential uses, both existing and future
- Public walkways designed, constructed and/or improved along wetlands viewing area and throughout project
- Improvement to and extension of public sidewalks and crosswalks connecting existing neighborhoods and improving public access to the beach
- Expands sustainable transportation to reduce vehicle miles traveled and mobile emissions through mass transit; bus service, dedicated ride-share parking, bicycle rental service and racks, and options for a new shuttle stop
- Addition of more than 200 new, free. on-street public parking spaces both on and off-site
- Publicly accessible view decks





#### OFFERING VISITOR SERVING USES

The Magnolia Tank Farm expands opportunities for all Californians to stay on the coast by adding The Lodge, a visitor-serving use that includes low-cost accommodations.

- Provides low-cost accommodations for families, groups and conventions, and special events
- Brings new visitor-serving commercial uses:
  - A boutique hotel (with up to 175 market-rate hotel rooms and 40 lower-cost rooms)
  - Shops, restaurants and other retail opportunities
- Promotes eco-tourism with overnight accommodations directly adjacent to the Magnolia Marsh and new public park areas
  - Educational opportunities for students, residents and visitors
  - Passive activity trail system
  - Public view deck, including bird-watching staging areas
- Re-energizes Huntington Beach's coastal economy by:
  - Creating good-paying jobs for local workers, and
  - Delivering additional lodging, retail, and restaurants to support the local community, public access, and tourism in Orange County





#### PROVIDING MUCH-NEEDED HOUSING

Like most coastal cities, Huntington Beach has struggled to meet statewide goals for moderate and affordable housing production. The city currently has a deficit of over 13,000 units needed to comply with California law. The Magnolia Tank Farm (MTF) would help Governor Gavin Newsom's efforts to tackle the state and region's housing shortage and provide equity for lower income individuals and families. The MTF plan provides 26 affordable housing units onsite to help Orange County serve its residents and fulfill the County's obligation to provide housing for residents in a variety of income brackets.

#### MAKING HOUSING AFFORDABLE

- Nationally recognized affordable housing developer
- 20% affordable coastal units for Huntington Beach, including workforce housing
- Fifty percent of rental housing reserved for onsite hotel workers

#### NEW MARKET AND AFFORDABLE HOUSING TO ADDRESS THE REGIONAL SHORTAGE

- 250 new medium-density homes for Orange County residents
- For sale and for rent—both market and affordable components to meet the needs of a wide range of income levels





#### DEVELOPMENT AGREEMENT COMMUNITY BENEFITS (NON-NEXUS)



#### BANNING BRANCH LIBRARY

\$1,000,000 dollars to fund improvements to the Banning Branch Library



#### PASSIVE PARK SPACE

\$400,000 dollars to fund the creation of passive public parkspace on Magnolia Street across from the Project site. This site would be maintained by OWNER or future development H.O.A.



#### PLAY EQUIPMENT AND PARK IMPROVEMENTS AT SEELY PARKS

\$400,000 to fund play equipment and/or other park improvements at Seely Park, with any remaining funds after improvements have been completed to be used at Edison Park for park improvements.



#### BANNING AVENUE BEAUTIFICATION

\$300,000 dollars to fund the creation of landscape improvements along Banning Avenue



#### EDISON PARK IMPROVEMENTS

\$800,000 dollars to fund the reconfiguration of the exterior of Edison Park,including but not limited to the relocation of some of the current amenities to a more functional location within Edison Park and construction of new patron serving amenities



#### MAGNOLIA/HAMILTON IMPROVEMENTS

In addition, the project design includes extensive improvements to be constructed by OWNER to the intersection of Magnolia and Hamilton and along the adjacent ASCON property frontage (e.g., full width street improvements, sidewalk, curb, gutter, signalization improvements, etc.)



#### COMMUNITY BENEFITS SUMMARY

#### **PUBLIC ACCESS/RECREATION**

- Magnolia Park
- Marsh Park Interpretive Staging Area
- Overlook Trail
- Additional Magnolia Parking
- Loop Road Parking
- Wetlands Interpretive Program
- Eco Tourism Lodge Overlooking Wetlands
- Public Gathering Areas within Lodge
- Enhanced Public Transit Stop
- Funding for Off-site Parks/Libraries
- Resource Protection
- Native Upland Habitat Conservation Area
- Expanded Wetland Habitat Buffer
- Wetland Restoration/Maintenance Funding
- Habitat Management Plan
- Marine Environment
- Removal of Oil Production Facilities
- Sea Level Rise Adaptation Measures
- State of the Art Water Quality Features
- Fundamental Support to the HBWC

## AFFORDABLE HOUSING AND LOW-COST OVERNIGHT ACCOMMODATIONS

- Forty Low-Cost Hotel Rooms
- High-Occupancy Rooms Designed for Families
- Affordable Housing
- Fifty Low-Income Rental Units
- 50% (25) Units Designated for Lodge Workers
- Nationally Recognized Affordable Housing Developer

#### **ECONOMIC BENEFITS**

- Converts a former heavy industrial site to a new thriving mixed use neighborhood
- 250 New Homes
- 215 Room Lodge/Hotel
- 1,500 Construction-related Jobs
- 400 Permanent Jobs
- \$18 Million in Labor Income
- \$47 Million of Economic Output
- \$3.5 Million in Gross Tax Revenue to City
- Social/Environmental Justice Features
- Partnerships with School Districts & NGOs in Disadvantaged Communities to Provide Free Interpretive Programs
- Elimination of Industrial Pollutants
- Outreach to Disadvantaged Communities Regarding Availability of Low-Cost Overnight Accommodations









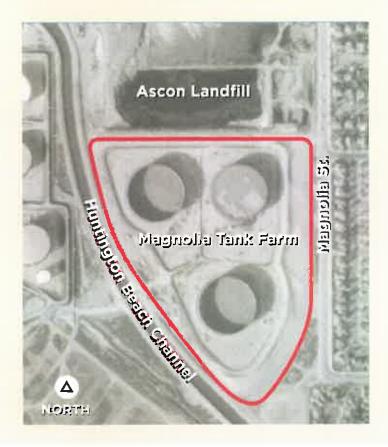
# ENVIRONMENTAL CONDITIONS FACT SHEET

#### Magnolia Tank Farm Redevelopment Project

The 28 9-acre Magnolia Tank Farm project site, located at 21845 Magnolia Street in the southwestern area of Huntington Beach, California is planned for redevelopment with residential, hospitality and open space uses. Prior to the 1960s the Tank Farm Site was used for agricultural purposes. In the late 1960s, the Tank Farm Site was developed with three 25-million-gallon fuel oil aboveground storage tanks (ASTs) as part of the Huntington Beach Generating Station (HBGS). The Tank Farm Site was sold from Southern California Edison (SCE) to Pacific Energy Partners, L.P. in 2003, and in 2007 Pacific Energy Partners sold the Tank Farm Site to Plains All-American Pipeline. In August 2016 Plains All-American Pipeline sold the Tank Farm Site to SLF HB-Magnolia, LLC. In July 2017 the three fuel oil ASTs were demolished and removed from the Tank Farm Site under the oversight of the Huntington Beach Fire Department (HBFD). Thereafter, the Tank Farm Site was leased to AES Southland as a staging and parking area in support of the demolition and re-construction of the adjacent power plant. Currently, the site is being leased to a local car dealership for storage of new automobiles.

#### Because SLF HB-Magnolia, LLC plans to redevelop the Tank Farm Site, this Project Fact Sheet was prepared to provide:

- the history of the Tank Farm Site and neighboring properties;
- a summary of on and off-site historical soil, soil gas, and groundwater investigations; and
- status of on-going on-site investigations, which are being conducted by the former owner operator of the ASTs, SCE, under the direct oversight of the California Department of Toxic Substances Control (DTSC).



#### History of the Tank Farm Site

Historical records show that the Tank Farm Site was undeveloped and/or used for agriculture from at least 1938 until SCE constructed three 25-million-gallon fuel oil ASTs sometime between 1965 and 1972 as part of the HBGS. Three oil production wells were installed in 1955 and were abandoned under permit in 1971 and 1972. In 1995, the Department of Toxic Substance Control (DTSC) required SCE to investigate environmental conditions at numerous generating stations, including HBGS. Accordingly, DTSC oversaw environmental assessment of potential impacts to soil, soil gas, and groundwater which began at the Tank Farm Site in the mid-1990s and continued through 2019 Remedial excavation of petroleumimpacted soil was performed in 2020 under the oversight of DTSC. In 2021, DTSC deemed the subsurface assessment and remediation efforts complete and issued a Corrective Action Completion Determination dated August 12, 2021

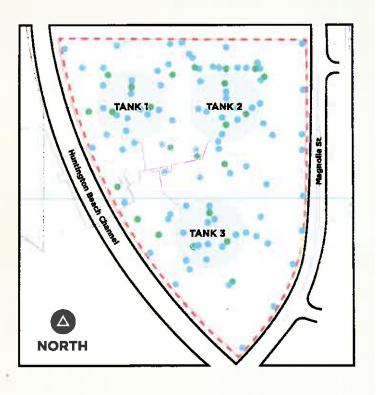
Figure 1 – Tank Farm Site and Surrounding Properties Prior to Tank Removal Reference = 1972 Aeriai photo from Phase I report dated December 11. 2015

# ENVIRONMENTAL CONDITIONS FACT SHEET

#### Environmental Investigations at the Tank Farm Site

Numerous environmental investigations were conducted on the Tank Farm Site under the oversight of the DTSC. During the investigations, soil samples were collected from over 150 locations; soil vapor samples were collected from over 20 locations; and multiple groundwater samples were collected from throughout the Tank Farm Site. Because the Tank Farm Site was only developed with large ASTs and formerly had three oil production wells, fuel oil and petroleum, which are generally heavy and viscous were the only primary contaminants of potential concern. These contaminants were remediated under DTSC oversight, and the Site was approved for unrestricted/residential use.

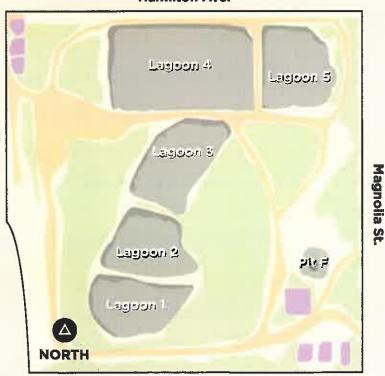
Figure 2 – Tank Farm Site Historical Soil, Soil Vapor and Groundwater Sampling Locations. Reference = Figures 3 and 4 from the January 5, 2018 EnvApps RTC document



#### Ascon Landfill North of the Tank Farm Site

Ascon Landfill is located to the immediate north of the Tank Farm Site and operated as a permitted landfill from 1938 to 1984. A separate branch of the DTSC (as compared with the Tank Farm Site) has overseen numerous environmental investigations and interim remedial actions, and recently approved a Final Remedy, which will include reconsolidation of wastes, capping, and future long-term monitoring operations (for both soil gas and groundwater).

#### Hamilton Ave.



Because of its proximity to the Tank Farm Site, both Ascon and SCE have conducted numerous environmental investigations near their common property boundaries. All of the investigation results for soil, soil gas, and groundwater have shown that Ascon Landfill has not impacted the Tank Farm Site. Groundwater is present below the Ascon Landfill at depths between 10 to 20 feet below ground surface and the groundwater flow direction has consistently been shown to be away from the Tank Farm Site (to the north or northeast) Additionally, historical aerial photographs and other publicly available information has confirmed that Ascon Landfill never operated on the Tank Farm Site. Lagoon 4 Lagoon 5 Lagoon 3 Lagoon 2 Pit

Figure 3 - Ascon Landfill Site Features Reference = Ascon Landfill fact sheet #10 dated October 1, 2009



# ENVIRONMENTAL CONDITIONS FACT SHEET

#### Environmental Condition and Future Expected Regulatory Requirements for the Tank Farm Site

After receiving DTSC concurrence that no further assessment or remedial action was required at the Site, SLF HB-Magnolia, LLC engaged with the City of Huntington Beach Fire Department and has completed the requirements needed at this time for City Specifications 429 and 431-92 in the future, the three on-Site oil wells will be abandoned to current State of California standards and future on-Site buildings will be designed with methane building protection systems.

Finally, SLF HB-Magnolia, LLC is in communication with DTSC and Ascon Landfill with respect to future soil gas and groundwater monitoring, which are required in perpetuity by DTSC as part of Operation and Maintenance (O&M) for Ascon's Final Remedy.

#### Who to Contact for Additional Information:

James O'Malley
For Shopoff Realty Investments

P: 949-422-0972

E: info@magnoliatankfarm.com



Figure 4 - Groundwater Flow from Tank Farm Site to Ascon Landfill Reference = Attachment I from Tait's March 15, 2019 Ascon Summary doc

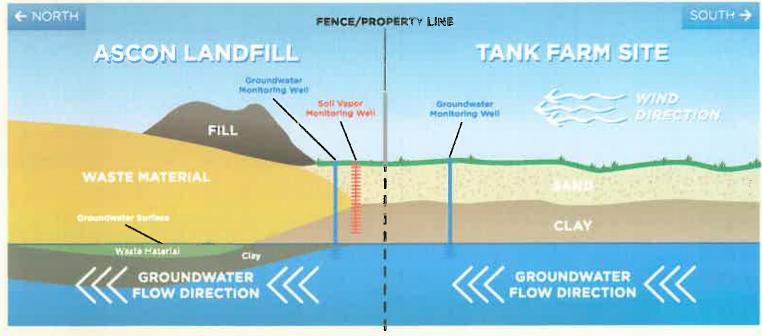


Figure 5 - Cross Section of Boundary with Ascon Landfill. Reference = Hand drawn by Roux



# WHAT OTHERS ARE SAYING ABOUT THE MAGNOLIA TANK FARM

Environmental and community organizations, labor, local business, law enforcement and emergency services. local government, and residents in the community support Magnolia Tank Farm and call on the California Coastal Commission to approve the application by the City of Huntington Beach to amend their local coastal plan to include Magnolia Tank Farm

- Building Industry Association
- Building Industry Association of Southern California
- Huntington Beach Chamber of Commerce
- Huntington Beach Police Officers' Association
- Huntington Beach Wetlands Conservancy
- Los Angeles/Orange Counties Building and Construction Trades Council
- Black Chamber of Commerce of Orange County
- Orange County Hispanic Chamber of Commerce of Orange County
- Orange County Business Council
- Orange County Council of Governments
- Orange County Board of Supervisors
- Orange County Realtors® Association of Professionals
- Orange County Taxpayers' Association
- Southwest Regional Council of Carpenters
- CA Hispanic Chamber of Commerce
- California African American Chamber of Commerce
- General Truck Drivers, Office, Food & Warehouse Union, Local 952
- IBEW Orange County, Local Union 441

- International Association of Bridge, Structural, Ornamental, and Reinforcing Ironworkers Local Union 416
- International Association of Heat & Frost Insulators
   & Asbestos Workers
- International Brotherhood of Bollermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers, Local Lodge 92
- Iron Workers Local 433
- Los Angeles / Orange Counties Building and Construction Trades Council
- Painters & Allied Trades District Council 36
- Sprinkler Fitters Local 709
- Steam Refrigeration Air Conditioning Pipe Fitters, Welders and Apprentices of the United Association of the United States and Canada, Local Union 250
- Teamsters Local Union No. 986
- United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada
- United Union of Roofers, Waterproofers and Allied Workers

#### Former Mayor Barbara Delgleize, City of Huntington Beach

"In 2020, we approved this exciting project in the city's coastal zone that will transform a blighted industrial property into a vibrant mixed-use community with a variety of land uses including visitor-serving overnight accommodations, open space, conservation, and much-needed residential uses. The owner had the vision to work with the city to repurpose the Magnolia Tank Farm for uses more in keeping with the Coastal Act.

This plan will transform this eyesore into a valuable coastal asset."

#### **Andrew Do, Orange County Supervisor**

"The Magnolia Tank Farm project is a model by which we can compare future development and land use applications. Just like the rest of the State, Orange County is facing an ongoing crisis in housing availability. To meet this obligation, our County must accommodate almost 184,000 new housing units in a matter of years. I have full confidence in our local and regional planning authorities and our flood control infrastructure to protect existing and future developments to meet our Regional Housing Needs Assessment obligations."

#### John Villa, Huntington Beach Wetlands Conservancy Executive Director

"Ecotourism is an Important platform, if not the most important platform, for launching public education programs.

As a part of the Tank Farm development, Shopoff Realty Investments is proposing a partnership between Shopoff and the Huntington Beach Wetlands Conservancy (HBWC) that will provide public access and wetlands education for both visitors and residents. We are excited to partner with them in this effort."

#### Francis Engler, UNITE HERE Local 11

"Representing over 32,000 workers throughout Southern California and Arizona, UNITE HERE Local 11 is a proud supporter of the Magnolia Tank Farm project. The project provides four things working people most need: housing, green space, transportation, and good jobs. It improves coastal access for the families of hospitality workers and includes a Lodge with lower-cost accommodations that provide public access to coastal resources. The project will be a regional model for green jobs: It provides free transit passes for employees at the hotel, participation in the Orange County Emergency Ride Home program, and other ridesharing/carpooling incentives to encourage public transit and alternatives to single-occupancy vehicles; it creates a local hiring program with a goal of hiring Huntington Beach residents for jobs at the project; it preserves mature trees along Magnolia Street and plants native, non-invasive trees and landscaping; it builds bike trails or bike spaces that improve community connectivity to the Magnolia Marsh. Our members are the first to be impacted by climate change, so it's important to us that this project connects jobs, housing, transportation and green space to build a sustalnable future."

Received on: 06/29/23

## EXPARTE COMMUNICATION DISCLOSURE FORM Filed by Commissioner Donne Brownsey

- 1)Name or description of project: City of Huntington Beach LCP Amendment No. LCP-5-HNB-21-0057-1 (Magnolia Tank Farm) LCPA. July 13, 2023 Item Th 13a
- 2) Date and time of receipt of communication: June 29, 2023 at 3:00-3:30pm
- Location of communication By Zoom
- 4) Identity of person(s) initiating communication: Melanie Luthern and Parker Shea
- 5) Identity of person(s) on whose behalf communication was made: Unite Here Local 11
- 6) Identity of persons(s) receiving communication: Donne Brownsey
- 7) Identity of all person(s) present during the communication: Brownsey, Danielle Wilson, Parker Shea, Jose Preciado, Francis Engler all with UNITE HERE Local 11 and Adam Overton with CLUE
- 8)Complete, comprehensive description of communication content:

All of the UNITE HERE folks described why they support the MFT project and specifically all the elements of green space, housing especially work force housing and affordable units and good jobs. They believe that it is a model project. Mr. Preciado described the difficulties of many of the workers who have long commutes, long hours, the need to work more than one job, diminishment of family and personal life. Engler spoke to the zoning issues and that it is important to their union that there be an social-environmental frame to zoning changes. They did an analysis and it is their belief that this site is better utilized for this project than sitting vacant. I mentioned that the staff report would be focused on the Coastal Act issues regarding the zoning and that if they had questions or concerns that I was very happy to meet with them again.

Date June 29, 2023

Signature of Commissioner Donne Brownsey

Received on: 06/28/23

#### EX PARTE COMMUNICATION DISCLOSURE FORM

Filed by Commissioner:
1) Name or description of project:
2) Date and time of receipt of communication:
3) Location of communication:
(If not in person, include the means of communication, e.g., telephone, e-mail, etc.)
4) Identity of person(s) initiating communication:
5) Identity of person(s) on whose behalf communication was made:
6) Identity of persons(s) receiving communication:
7) Identity of all person(s) present during the communication:
Complete, comprehensive description of communication content (attach complete set of any text or graphic material presented):
Date Signature of Commissioner

**TIMING FOR FILING OF DISCLOSURE FORM:** File this form with the Executive Director within seven (7) days of the ex parte communication, if the communication occurred seven or more days in advance of the Commission hearing on the item that was the subject of the communication. If the communication occurred within seven (7) days of the hearing, provide the information orally on the record of the proceeding and provide the Executive Director with a copy of any written material that was part of the communication. This form may be filed with the Executive Director in addition to the oral disclosure.

Received on: 07/6/23

## EXPARTE COMMUNICATION DISCLOSURE FORM Filed by Commissioner Donne Brownsey

- 1)Name or description of project: City of Huntington Beach LCP Amendment No. LCP-5-HNB-21-0057-1 (Magnolia Tank Farm) LCPA. July 13, 2023 Item Th 13a
- 2) Date and time of receipt of communication: July 5, 2023 at 9:30-10:15am
- 3) Location of communication By Zoom
- 4) Identity of person(s) initiating communication: Parker Shea
- 5) Identity of person(s) on whose behalf communication was made: Unite Here Local 11
- 6) Identity of persons(s) receiving communication: Donne Brownsey
- Identity of all person(s) present during the communication:
   Brownsey, Danielle Wilson, Francis Engler with UNITE HERE Local 11
- 8)Complete, comprehensive description of communication content:

This is the second exparte with Unite Here Local 11 and their issues. Engler presented for the group. He indicated that the Commission staff framed the issues and questions in a flawed manner as they focused on the larger issues of the City and not the specifics of the site. He articulated 4 points.

- 1. The Union's focus and framing is: Is this zoning change and the development that will follow an improvement to the current use of the site. Is it better for the community? He asserted that the staff's analysis was too theoretical.
- 2. Ignores what is on the site and that the City could make the improvements to make it more resilient to SLR.
- 3. Believes that the staff analysis was that there should not be building on this site because of future event including political decisions in the future and that these are inappropriate considerations.
- 4. Legally wrong to pose the questions by denying the development in order to pressure the City. This plays into the NIMBY City Council who don't want to build affordable/workforce housing in Huntington Beach

We discussed all these points in detail and I pointed out the planning responsibility of the CCC and that our staff had worked closely with the City, were specific in communicating the elements of the draft LUPA that needed more information, offered to fund a LCP grant and provide technical assistance to the City to complete the studies and analysis that are conditions precedent to an approval for a zoning change in this area. I emphasized that this is not about the development or the developer as they have been responsive to Coastal Act requirements and put together an admirable project.

We agreed to continue the conversation as things evolve.

Date July 5, 2023

Signature of Commissioner Donne Brownsey

Received on: 07/6/23

## EXPARTE COMMUNICATION DISCLOSURE FORM Filed by Commissioner Donne Brownsey

- 1)Name or description of project: City of Huntington Beach LCP Amendment No. LCP-5-HNB-21-0057-1 (Magnolia Tank Farm) LCPA. July 13, 2023 Item Th 13a
- 2) Date and time of receipt of communication: July 6, 2023 at 4:10-5:10pm
- 3) Location of communication By Zoom
- 4) Identity of person(s) initiating communication: Susan Jordan
- 5) Identity of person(s) on whose behalf communication was made: Herself for CCPN, Mandy Sackett and Laura Walsh with SurfRider and Ray Hemstra with OC Coastkeepers.
- 6) Identity of persons(s) receiving communication: Donne Brownsey
- 7) Identity of all person(s) present during the communication: Brownsey, Jordan, Sackett, Walsh and Hemstra
- 8)Complete, comprehensive description of communication content:

Discussed the numerous concerns that they have with the proposed LCPA and that they agree with the staff report recommendation. They indicated that the studies that they did for the Poseidon site have application here and that this site is hazardous due to flooding which occurs today as well as to groundwater rise especially at the Superfund site. They assert that any SLR analysis would include this site for adaptation in order to protect the surrounding communities. Jordan pointed out that the owner of the land, Shopoff Inc's business plan for the property is to process entitlements and not to necessarily build. Under the development agreement with the City of Huntington Beach they can sell or transfer the property at any time.

Sackett indicated that the extra grading that would be required to protect the buildings on the site, in the developer's study would displace flood plain storage that would cause up to ½ foot of water into nearby neighborhoods. Hemstra who lives in Huntington Beach indicated that during rain events today, the property turns into a giant pond and they have to pump the water out. Further that this site has been vacant for a very long time because no one has wanted to build on it given the negatives.

Sackett noted that the flood control district is not a planning agency so would not be doing future studies in response to the issue about the lack of data re: the condition of the pumps and the repair and maintenance issues associated with SLR. Sackett also stated that the Shopoff's reports didn't use the latest modeling for groundwater rise and migration. Walsh stated that the groundwater table is 3 feet below the soil so likely with SLR there will be rise and migration. Finally Sackett said that studies show that there will be sustained flooding at this site in the later decades of this century.

All indicated that they are not against developments in the coastal zone and Hemstra said that this is the first time in 23 years that OC Coastkeepers has opposed a development. Finally, nearby neighbors are worried about the construction impacts and flooding and that they had a very negative experience with the Superfund cleanup.

Date July 6, 2023

Signature of Commissioner Donne Frownsey

Received on: 07/6/23

## EXPARTE COMMUNICATION DISCLOSURE FORM Filed by Commissioner Donne Brownsey

- 1)Name or description of project: City of Huntington Beach LCP Amendment No. LCP-5-HNB-21-0057-1 (Magnolia Tank Farm) LCPA. July 13, 2023 Item Th 13a
- 2) Date and time of receipt of communication: July 6, 2023 at 9:30-10:15am
- 3) Location of communication By Zoom
- 4) Identity of person(s) initiating communication: Carmela McHenry
- 5) Identity of person(s) on whose behalf communication was made: Ed Manning and Bill Rutland with Ka-POW on behalf of Shopoff Inc
- 6) Identity of persons(s) receiving communication: Donne Brownsey
- 7) Identity of all person(s) present during the communication: Brownsey, Manning and Rutland
- 8)Complete, comprehensive description of communication content:

Discussed the numerous meetings that they had with the ED Hucklebridge and the staff on this issues. Of course disappointed in the recommendation but not surprised. Believe that the Superfund toxic groundwater issue is a red herring as their studies showed that it would not be a hazard and groundwater does not flow to the site. Their modeling showed that using the site as a wetland puts the neighboring communities more at risk. They believe that the message from the Commission to cities is that until you do your adaptation assessments, we are not going to approve any zoning changes. The County controls the flood channel repairs and maintenance and their reports are on 10 year cycles re: targets for repairs and maintenance. They are not set up to do 100 year assessments. Further they argued that there are no FEMA standards re: risk. They believe given the surrounding communities that the Flood Control District would not let the repairs and maintenance slide.

We talked about the collision of climate change impacts and housing needs in zoning changes in the Coast. That these decisions are complex and difficult because all parties: Local Governments, the Commission and the developer communities need to grapple with a host of factors where new issues present a mix of science, hazards, government

functions and community needs that must be considered and how do you strike the balance.

Date July 6, 2023

Signature of Commissioner Donne Brownsey

Received on: 07/07/23

#### EX PARTE COMMUNICATION DISCLOSURE FORM

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Date	Signature of Commissioner

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#### EX PARTE COMMUNICATION DISCLOSURE FORM

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4) Identity of person(s) initia	ting communication:
5) Identity of person(s) on w	hose behalf communication was made:
6) Identity of persons(s) rece	eiving communication:
7) Identity of all person(s) pr	resent during the communication:
Complete, comprehensive de any text or graphic material p	escription of communication content (attach complete set of presented):
	Note
Date	Signature of Commissioner

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