

CALIFORNIA STATE  
LANDS COMMISSION*Established in 1938*EXECUTIVE OFFICE  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202JENNIFER LUCCHESI, *Executive Officer*  
(916) 574-1800 Fax (916) 574-1810  
California Relay Service TDD Phone 1-800-735-2929  
Voice Phone 1-800-735-2922

November 5, 2015

File Ref: G05-03.10  
BLA 101

Eric Lopez,  
City of Long Beach  
City Manager's Officer, Tidelands Capital Improvement Division  
333 West Ocean Blvd 5th Floor  
Long Beach, CA 90802

RE: City of Long Beach Marine Stadium Restroom 8N Demolition

Dear Mr. Lopez:

In 1968, the California State Lands Commission approved the McGrath-Macco Boundary Settlement and Exchange Agreement as part of the resolution of certain title and boundary problems existing in the Alamitos Bay area of the City of Long Beach. There were several subsequent amendments to the agreement. As part of the agreement, the City was required to develop certain public trust parcels, referred to as Parcels L, M, and N, for public recreation and boating uses and the Commission was required to review and approve the development plan for those parcels. Additionally, the Commission was, and is, required to review the City's expenditure of tideland oil revenue in accordance with Chapter 138, Statutes of 1964, as amended.

Over the past 25 years, the Commission has reviewed the City's expenditures related to development plans for these parcels several times. Currently, the City wishes to demolish a 1,100-square-foot restroom building at the north end of the Marine Stadium parking lot adjacent to 385 Wendy Lane. The City of Long Beach's Planning Commission approved the local coastal permit in October 2013. The permit was appealed to the California Coastal Commission in November 2013 and no substantial issue was found because two functioning public restrooms were located in the vicinity and the removal of the structure would increase public open space.

On April 23, 2014, the Commission reviewed the City's request to expend \$250,000 of tideland oil revenue to demolish the Marine Stadium restrooms (Staff Report attached). The City indicated that the restrooms are no longer functional, have not been in use for 20 years, and are not needed because other public restrooms are located nearby. Staff does not consider the demolition of a bathroom structure to be a new development plan. Once the restroom is removed, the area will be planted with grass for use as public open space. The Commission found this expenditure of tideland oil revenue to be consistent with the City's authority under Chapter 138, Statutes of 1964. Based on the Commission's review of this expenditure, staff believes the

Eric Lopez  
November 5, 2015  
Page 2

demolition of the Marine Stadium Restroom 8N does not violate the McGrath-Macco Boundary Settlement and Exchange Agreement.

If you have any questions, please contact me at (916) 574-1800 or via email at [sheri.pemberton@slc.ca.gov](mailto:sheri.pemberton@slc.ca.gov).

Sincerely,



Sheri Pemberton  
CHIEF, EXTERNAL AFFAIRS DIVISION

Enclosure: April 23, 2014 Staff Report

cc: Reid Boggiano, Granted Lands Specialist

CALENDAR ITEM  
**C77**

A 70  
S 28, 33

04/23/14  
G05-03.10  
R. Boggiano

**REVIEW THE PROPOSED EXPENDITURE OF TIDELAND OIL REVENUES, IN AN AMOUNT NOT TO EXCEED \$109,780,000, BY THE CITY OF LONG BEACH FOR CAPITAL IMPROVEMENT PROJECTS LOCATED WITHIN LEGISLATIVELY-GRANTED SOVEREIGN LAND IN 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; and Chapter 158, Statutes of 1935 and as amended.

**BACKGROUND:**

Pursuant to Section 6(h) of Chapter 138, Statutes of 1964 as amended by Chapter 941, Statutes of 1991 (Chapter 138), the City submitted a detailed description on April 4, 2014, for proposed expenditures of tideland oil revenue in the amount of approximately \$109,780,000 for 13 capital improvement projects within the City for review by the California State Lands Commission (Commission) for consistency with Chapter 138. On April 7, 2014, the City notified the Commission it was revising its request to decrease the total tideland expenditures to \$25,980,000.

The proposed expenditure of \$25,980,000 of tideland oil revenue is to fund 13 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.

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

1. **Convention Center Complex Refurbishment:** The City's Convention Center facilities are in need of significant upgrades, improvements, and repairs. The Convention Center complex includes the aging Sports Arena, Performing Arts Center and main Convention Center facility. The City's Sports Arena is undergoing

CALENDAR ITEM NO. C77 (CONT'D)

phased improvements to transition the sports arena into a usable multipurpose space for a wide array of events. Aging equipment, some of which are between 18-50 years old, will be replaced and modernized to maximize the facility's use for special events. Funding will be used to replace the remaining air handlers which are essential to maintain the venue's HVAC comfort controls. Proposed renovations also include improvements to the Terrace and Center Theater Lobby areas, Seaside Meeting Room restrooms, and the Sports Arena entryway to enhance the visitor experience. The improvements to the Center's food service operation are essential in providing first class catering and food services. The Commission has previously approved a total of \$26,365,000 for this project. On February 11, 2014, the City appropriated an additional \$1,270,000 of additional expenditures. As required, the City is notified the Commission of the proposed additional expenditures.

Estimated expenditure: \$ 1,270,000

- 2. 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 Commission previously approved a total of \$9,500,000 for this project. On February 11, 2014, the City appropriated an additional \$6,000,000 of additional expenditures. As required, the City notified the Commission of the proposed additional expenditures.

Estimated expenditure: \$6,000,000

- 3. Alamitos Bay Berth 3 Dock and Gangway Replacement:** The Alamitos Bay Berth 3 Dock and Gangway are in need of replacement. The AquaLink is a public water taxi operated by Long Beach Transit and the project consists of replacing the floating dock located in Rainbow Harbor Marina. The existing Dock and Gangway are in deteriorating condition and do not meet current code requirements. A new dock float will be installed and will be supported by existing piles. The existing dock float will be removed and a new ADA-compliant aluminum gangway will be installed

CALENDAR ITEM NO. C77 (CONT'D)

between the waiting area on the shore and the new dock. Landslide improvements for the waiting area include new paving, bench seating, an informational sign, and security lighting.

Estimated expenditure: \$687,000

- 4. Replace 21 Portable Beach Lifeguard Towers:** The City's Fire Department and Lifeguard Operations Division proposes to replace 21 existing lifeguard stations. The existing lifeguard stations have reached the end of their useful life. The replacement facilities will allow Marine Safety staff to provide better service the public and ensure public safety.

Estimated expenditure: \$1,500,000

- 5. Replace Commercial Sewage EVAC System at Rainbow Harbor:** The marine sanitation system at Rainbow Harbor, located in an underground vault, provides the backbone of the pump-out system available to the commercial vessels, which berth at Rainbow Harbor. The 15-year-old marine sanitation system has reached the end of its useful life. The first of two pumps has failed and is currently not operational. The single, remaining pump continues to work overtime to service the vessels docked in this marina. While the City anticipates replacing the marine sanitation system and appurtenant components due to obsolescence and disrepair, the City will prioritize the repair of the pump and tank in order to satisfy the most critical and immediate needs to protect the environment and maintain public health standards.

Estimated expenditure: \$200,000

- 6. Repair and Rebuild Wave Fountain at Rainbow Harbor:** The existing fountain located at the Rainbow Harbor Esplanade continues to experience mechanical and electrical failures and requires regular repair by City staff. The fountain requires permanent repairs to ensure it is correctly functioning and circulating water.

Estimated expenditure: \$465,000

- 7. Staircase Repairs and Improvements - 11th Place Stairway and Bluff Repair:** The existing staircases south of Ocean Boulevard and 11<sup>th</sup> Place pose a safety hazard to beach users and require immediate repair. On December 5, 2012, the Commission previously approved \$400,000 to repair the staircases between Shoreline Drive and 36<sup>th</sup> Place. As required, the City notified the Commission of the proposed additional expenditures.

CALENDAR ITEM NO. C77 (CONT'D)

Estimated expenditure: \$115,000

- 8. Demolition of Marine Stadium Restrooms:** The proposed project would seek complete demolition of the Marine Stadium Restrooms. These restrooms are no longer functional and not needed.

Estimated expenditure: \$250,000

- 9. Remove and Replace Marine Stadium Judging Stand:** The Marine Stadium Judging Stand is in need of replacement. The proposed project would seek to remove the current Judging Stand and reconstruct a new Judging Stand to make it more functional and capable of meeting the needs of existing users.

Estimated expenditure: \$500,000

- 10. Belmont Pier Lighting System Repairs:** The lighting system at Belmont Pier is in critical need of repairs.

Estimated expenditure: \$300,000

- 11. Beach Parking Lot Improvements at Leeway Sailing Center and Marine Stadium (Peter Archer Center):** The City is proposing to add two additional locations to its parking lots improvement plan. The City and the Commission have approved \$8,050,000 for parking lot improvements. Improvements include installing Portland cement concrete curbs, gutters, and sidewalks, replacing and overlaying asphalt concrete pavement, and furnishing and installing pavement markers, marking and traffic striping. Other improvements include repaving the parking lots and replacing the current outdated pay equipment.

Estimated expenditure: \$1,193,000

- 12. Repair Eroded Bike Path Abutments at Queensway Bay:** Repairs to existing bike path are needed to ensure public safety.

Estimated expenditure: \$300,000

- 13. Belmont Pool Rebuild:** On May 24, 2012, the Commission found that the City's expenditure of \$500,000 for the initial planning efforts of a new facility was not inconsistent with the applicable granting statutes. The results of the technical studies revealed that the 40+-year-old facility is at risk of collapse during a

CALENDAR ITEM NO. C77 (CONT'D)

moderate earthquake event. As a result, the Belmont Pool has been closed to the public indefinitely. On April 26, 2013, the Commission found that an additional \$4,300,000 to construct a temporary outdoor pool facility to minimize recreational impacts while the planning and detailed design of the permanent facility was in progress was not inconsistent with the applicable granting statutes.

The City is ready to proceed with detailed architectural and engineering design services, and demolition costs for the permanent facility. As required, the City notified the Commission of the proposed additional expenditures. The City originally submitted a letter requested review of approximately \$100 million for improvements for the Belmont Pool, but the request did not provide adequate detail. Consequently, the City reduced the expenditure review request to \$13.5 million to include architectural and engineering designs for the permanent facility. The Commission expects to receive future expenditure review requests regarding the Belmont Pool.

Estimated expenditure: \$13,500,000

**Table Summary of Projects and Expenditure Request**

Convention Center Complex Refurbishment	\$1,270,000
Seaside Way/Convention Center Pedestrian Bridge	\$6,000,000
Alamitos Bay Berth 3 Dock and Gangway Replacement	\$687,000
Replace 21 Portable Beach Lifeguard Towers	\$1,500,000
Replace Commercial Sewage EVAC System at Rainbow Harbor	\$200,000
Repair and Rebuild Wave Fountain at Rainbow Harbor	\$465,000
Staircase Repairs and Improvements - 11th Place Stairway and Bluff Repair	\$115,000
Demolition of Marine Stadium Restrooms	\$250,000
Remove and Replace Marine Stadium Judging Stand	\$500,000
Belmont Pier Lighting System Repairs	\$300,000

CALENDAR ITEM NO. C77 (CONT'D)

Beach Parking Lot Improvements at Leeway Sailing Center and Marine Stadium (Peter Archer Center)	\$1,193,000
Belmont Pool Rebuild	\$13,500,000
<b>TOTAL</b>	<b>\$25,980,000</b>

The total estimated cost of the proposed projects is \$25,980,000, for which tideland oil revenue would be expended. A total of \$109,274,431, 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 2014 for some projects and all projects, with the exception of the Belmont Pool Rebuild, will be completed no later than December 2016. The City must obtain all the necessary authorizations for the projects, 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.

CALENDAR ITEM NO. C77 (CONT'D)

**OTHER PERTINENT INFORMATION:**

1. Pursuant to Chapter 138, the Commission has 60 days to notify the City that the capital improvement projects are not authorized by the applicable subdivisions of Chapter 138. Commission staff originally received notice from the City of the proposed expenditure for the 13 capital improvement projects on April 4, 2014, and received subsequent notification of the reduced expenditure amounts on April 7, 2014.
2. 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.
3. 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).
4. 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).
5. 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).
6. In April 2013, the City notified the Commission of its proposed expenditure of \$10,500,000 of tideland oil revenue for eight capital improvement projects (Calendar Item C102, April 26, 2013).
7. In October 2013, the City notified the Commission of its proposed expenditure of \$18,120,000 of tideland oil revenue for 11 capital improvement projects (Calendar Item C115, December 2, 2013).
8. 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 reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with CEQA.

CALENDAR ITEM NO. C77 (CONT'D)

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

9. 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:

**CEQA FINDING:**

Find that the subject consistency determination of proposed expenditures of Tideland Oil Revenues with Section 6 of Chapter 138, Statutes of 1964, First Extraordinary Session, as amended, 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 section 6370 et seq., pursuant to Public Resources Code section 6377.

**AUTHORIZATION:**

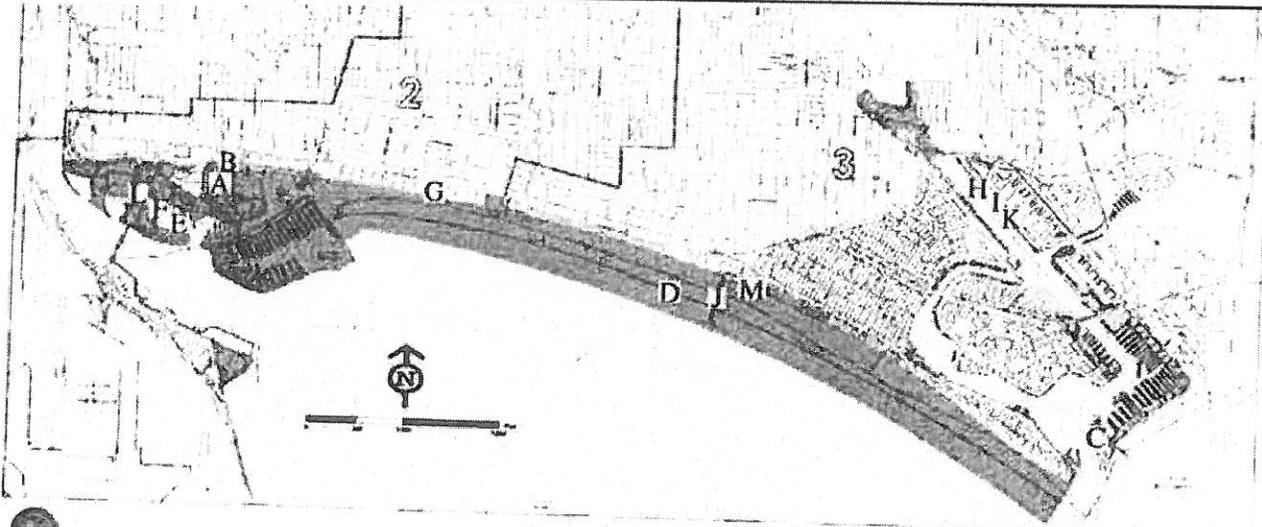
Find that, based on the information provided by the City, the proposed expenditure of tideland oil revenue in the amount of \$25,980,000 for 13 capital improvement projects within the City of Long Beach, does not appear to be inconsistent with the uses set forth in sections 6(c) and (d) of Chapter 138, Statutes of 1964, as amended by Chapter 941, Statutes of 1991.

NO SCALE

# SITE

## PROJECT NAME

- |  |   |
|--|---|
| A. Convention Center Area Improvements                       | H. Demolition of Marine Stadium Restrooms   |
| B. Seaside Way Pedestrian Bridge                             | I. Remove & Replace Marine Stadium Judging Stand  |
| C. Alamitos Bay Berth 3 Dock & Gangway Replacement           | J. Belmont Pier Lighting System Repairs   |
| D. Replace 21 Portable Beach Lifeguard Towers                | K. Beach Parking Lot Improvements: Leeway Sailing Center & Marine Stadium (Peter Archer Center) |
| E. Replace Commercial Sewage EVAC System at Rainbow Harbor   | L. Repair Eroded Bike Path Abutments at Queensway Bay   |
| F. Repair & Rebuild Wave Fountain at Rainbow Harbor          | M. Belmont Pool Revitalization  |
| G. Stairway Improvements: 11th Place Stairway & Bluff Repair |   |



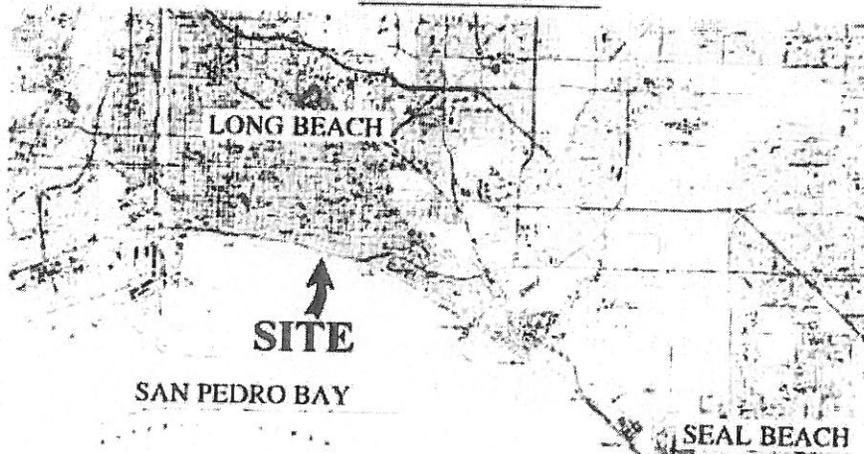
CITY OF LONG BEACH  
**PROPOSED TIDELANDS CAPITAL PROJECTS**  
 APPROVED BY CITY COUNCIL

MAP FEATURES  
 TIDELANDS  
 CITY COUNCIL DISTRICTS  
 WATERWAYS  
 HIGHWAYS

## LONG BEACH TIDELANDS

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

## Exhibit A

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



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.