

Re: NB-23

Support.

Please support putting this measure on the ballot.

We need to continue taxing bads to fund goods, so to speak.

Long Beach needs to bring its oil excise tax into alignment with Signal Hill at \$0.67/barrell. This should be incontrovertible.

That the monies generated should be specifically targeted to address issues of system inequity tied to where sources and drivers of carbon (and other) pollutants are sited, and where state mandates on revenue sources like Tidelands, for instance, do not already apply - this will need greater specificity prior to implementation.

That is a long way away. Agenda Item #23 rightly puts the issue to the voters to decide.

But please note the intent. These monies need to go to underresourced communities - this ballot measure specifically calls for doing so.

Specifying how to do so from a collective liberation framework - compatible with the Framework for Reconciliation already underway in Long Beach - may help clarify the stakes in Council discussion this evening, and in the broader community conversation that must happen this Summer and Fall.

As a global community, we now know that every single barrel of oil or cubic foot of gas extracted only adds to atmospheric and oceanic forcing of carbon pollution that has already resulted in climatic changes. We know there is a lag in both the atmosphere and the ocean in cycling carbon pollution - 20-30 years. These are generational problems whose toxic legacy we have built up over the past 100 years and must reconstitute within a single decade.

Let the voters grapple with this.



July 7, 2020

Mayor Robert Garcia and Council Members  
Long Beach City Council  
City of Long Beach  
411 W Ocean Boulevard  
Long Beach, CA 90802

**Re: File item #20-0636: Potential November 2020 Ballot Measures**

Dear Mayor Garcia and Members of the Long Beach City Council,

The Coalition for Clean Air (CCA) appreciates the opportunity to provide comments regarding the proposed oil production tax increase. The demand to confront and uproot systemic racism is undeniable and must be heeded. One of the most significant injustices Long Beach residents face is environmental injustice. This is especially true for residents of the western, central, and northern portions of the city. It is also important to note that oil drilling, refining and use is the root cause for many of these injustices.

For more than a century, Long Beach has been impacted by oil drilling and refining. Though the city's oil resources have diminished over the years, pipelines, storage facilities, ocean-going tanker vessels and thousands of active, idle, and abandoned wells pollute the community. Emissions from oil and gas operations, which are mainly volatile organic compounds (VOCs)<sup>1</sup>, not only help form smog but also have health impacts such as respiratory distress, organ damage, mental impairment and cancer.<sup>2</sup> Further, the City of Long Beach is situated next to three large oil refineries located in Wilmington and Carson. The confluence of oil drilling, production, refining, and transportation makes the oil industry one of the leading facility-based sources of particulate matter and VOCs in the region.<sup>3</sup>

In addition to the oil industry, Long Beach has other major air quality challenges. The city is home to the busiest seaport complex in the United States. While the ports are a major part of the city's economy and provide gainful employment for many of Long Beach's residents, they are

---

<sup>1</sup> SCAQMD, *Community Emissions Reduction Plan: Wilmington, Carson and West Long Beach*, <http://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/wilmington/cefp/final-cep-wcwlb.pdf?sfvrsn=8>, pg. 5e-2 (accessed June 24, 2020.)

<sup>2</sup> United States Environmental Protection Agency, *Volatile Organic Compounds' Impact on Indoor Air Quality* <https://www.epa.gov/indoor-air-quality-iaq/volatile-organic-compounds-impact-indoor-air-quality> (accessed June 24, 2020.)

<sup>3</sup> SCAQMD, *Community Emissions Reduction Plan: Wilmington, Carson and West Long Beach*, <http://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/wilmington/cefp/final-cep-wcwlb.pdf?sfvrsn=8>, pg. 3b-6 (accessed June 24, 2020.)

also the largest sources of pollution in the region. Port operations, drayage trucks, locomotives and other activities emit smog-forming and toxic air pollutants into the local community, as well as climate-damaging greenhouse gases. According to the South Coast Air Quality Management District (SCAQMD), the primary toxic air contaminant affecting West Long Beach is diesel particulate matter,<sup>4</sup> which is comprised of more than 40 cancer causing substances. SCAQMD's Multiple Air Toxic Exposure Study (MATES) shows relative cancer risk in Long Beach is highest near the ports and railyards, as well as in proximity to Interstate 710 and Route 91.<sup>5</sup>

The oil and gas and goods movement industries represent just a portion of Long Beach's air quality challenges. And air quality is just one of the many environmental challenges facing the city, which must also contend with the Los Angeles River, the breakwater, historic land use decisions and urban planning, as well as the growing climate emergency. What must not be forgotten is low-income communities and communities of color bear a disproportionate impact from pollution and climate disruption, both in terms of exposure<sup>6, 7</sup> and effects.<sup>8</sup> Examining the California Office of Environmental Health Hazard Assessment's (OEHHA) CalEnviroScreen 3.0 tool reveals that Long Beach's most polluted areas overlap with its communities of color and low-income communities.<sup>9</sup>

We appreciate the City Council having this conversation and considering how to use the city's oil production tax revenues to begin the hard work of correcting environmental injustice. If Long Beach is to be successful in this work, the city must commit to sustained investment, empowerment, and transformation of its most environmentally burdened neighborhoods. To this end, we recommend the city consider the following policies and practices when deciding how to use the potential revenue:

- Specify a required minimum percentage of revenues to be spent directly within the city's disadvantaged and low-income communities. This reflects the SB 535 (de León, 2012) and AB 1550 (Gomez, 2016) requirements governing over California's Greenhouse Gas Reduction Fund revenues.<sup>10</sup> This requirement, however, should be treated as a policy

---

<sup>4</sup> SCAQMD, *Community Emissions Reduction Plan: Wilmington, Carson and West Long Beach*, <http://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/wilmington/cefp/final-cep-wcwlb.pdf?sfvrsn=8>, pg. 3a-9 (accessed June 24, 2020.)

<sup>5</sup> SCAQMD, *MATES IV Interactive Map*, <https://scaqmd-online.maps.arcgis.com/apps/webappviewer/index.html?id=470c30bc6daf4ef6a43f0082973ff45f> (accessed June 24, 2020.)

<sup>6</sup> Boyd-Barrett, Claudia, California Health Report, *People of Color and the Poor Disproportionately Exposed to Air Pollution, Study Finds*, <https://www.calhealthreport.org/2019/02/08/people-of-color-and-the-poor-disproportionately-exposed-to-air-pollution-study-finds/>, February 8, 2019 (accessed June 25, 2020.)

<sup>7</sup> American Lung Association, *Disparities in the Impact of Air Pollution*, <https://www.lung.org/clean-air/outdoors/who-is-at-risk/disparities> (accessed June 25, 2020.)

<sup>8</sup> Poon, Linda, Bloomberg, *Housing Discrimination Made Summers Even Hotter*, <https://www.bloomberg.com/news/articles/2020-01-22/the-link-between-redlining-and-extreme-urban-heat>, January 22, 2020 (accessed June 25, 2020.)

<sup>9</sup> OEHHA, *CalEnviroScreen 3.0 Map*, <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30> (accessed June 25, 2020.)

<sup>10</sup> California Air Resources Board, *California Climate Investments: Priority Populations*, <http://www.caclimateinvestments.ca.gov/priority-populations> (accessed July 7, 2020.)

floor rather than a ceiling, and the city should exceed any minimum investment requirement

- Work directly with the most impacted communities to develop collaborative solutions that have support from residents and other stakeholders through successful models such as, but not limited to, Participatory Budgeting
- Create grant programs to provide technical, outreach, programmatic and capacity support for nonprofit and community-based organizations seeking to organize, educate, or provide direct services to Long Beach's residents, particularly those living in disadvantaged and low-income communities
- Fund local projects that complement the AB 617 process being implemented by SCAQMD, which includes a localized Community Emissions Reduction and Monitoring Plans for West Long Beach, Carson, and Wilmington
- Maximize the effectiveness of the city's investments by requiring funded projects demonstrate climate, air quality, and public health benefits (as appropriate), and require funded projects to avoid potential harms to the community
- Support the aggressive deployment of zero-emissions transportation infrastructure for both light- and heavy-duty vehicles, as well as zero-emissions public transportation
- Support equity-focused active transportation and shared mobility projects and related infrastructure
- Create and maintain buffer zones and mitigation measures between pollution sources and residential areas and other sensitive receptors
- Help fund and support parks, green space, urban forestry, and urban farming projects in park-poor neighborhoods, as well as create safe active transportation routes to schools and other public spaces

Lastly, we urge the city to be consistent in its policies when addressing environmental injustices. While the desire to invest in disadvantaged communities is commendable, these communities will still be impacted by the pollution sources surrounding them. To truly rectify longstanding environmental injustices, the city must commit to reducing emissions at the source. Long Beach can take meaningful actions now that will yield real emissions reductions. These actions include:

- Opposing any Interstate 710 development project that fails to create zero-emissions truck lanes, protect residents from displacement, and hire local workers

- Incentivize the turnover of diesel-powered heavy-duty vehicles by instituting a higher port truck rate while protecting drivers from wage theft and employment misclassification
- Support near-term deployment of zero and near-zero emission heavy-duty trucks and shipping terminal equipment to maximize public health benefits and comply with state and federal air quality mandates
- Create and implement land use policies that will prevent and, over time, correct environmental injustices

Thank you for your consideration of our comments.

Sincerely,



Christopher Chavez  
Deputy Policy Director  
West Long Beach resident representative to  
the Wilmington, Carson, and West Long  
Beach AB 617 Community Steering  
Committee  
6<sup>th</sup> District resident



Jennifer A. Lentz, Ph.D., *EcoDistricts AP*,  
*LEED Green Associate*  
Program Manager  
Association of Energy Engineers of  
Southern California (AEE So Cal), Board of  
Directors  
LA County Significant Ecological Areas  
Technical Advisory Committee (SEATAC)  
Member  
National Adaptation Forum (2021 NAF) --  
Equity & Climate Justice Working Group  
7<sup>th</sup> District resident

From: Anna Christensen <[annachristensen259@gmail.com](mailto:annachristensen259@gmail.com)>

Date: Tue, Jul 7, 2020 at 6:09 PM

Subject: Comment, on Agenda Item 23, Long Beach City Council Meeting, July 7, 2020

To: <[cityclerk@longbeach.gov](mailto:cityclerk@longbeach.gov)>

Anna Christensen, Sierra Club, LB Area Group, Conservation Chair

Regarding Agenda Item 23, Potential Nov 2020 Ballot Measures

We have the following concerns regarding this Agenda Item:

1. We find the goal of ending long standing racial social injustice in our City to be both admirable and absolutely necessary. The City can and must take immediate action by directly funding measures to increase equity, and does not need to rely on the success of November ballot measures to do so. If equity, and environmental justice, matter to the mayor and the city council, that can come out of the general fund and out of councilmembers discretionary funding, immediately.
2. Additionally we are concerned that the Oil Production Tax is, like those on cigarettes and alcohol, a “sin tax” in which the City profits from a product that is destructive to the health and well-being of individuals and the community. As this Agenda Item points out, it is primarily low-income communities of color in Long Beach who are most impacted by GHG and other toxic emissions from importing, drilling, refining, oil as well as from vehicle emissions. Funding social and environmental justice should not involve doing harm to people and the environment.
3. Sierra Club takes the position that oil should be left in the ground and cannot help but wonder if increasing City revenues from drilling will dis-incentivize us to end oil operations in our community. Culver City is moving toward ending oi production and Long Beach must do the same. As stated in the Agenda Item, the Aquarium of the Pacific’s Climate Resiliency Assessment Report for Long Beach lists oil related industries, including oil extraction, as one of the biggest polluted sources **in the region**.
4. Sierra Club stands with Black Lives Matter with Defunding the Police, therefore we could support a ballot measure to repealing Prop H funding for police officers and the related costs of policing (equipment, facilities, training), and spending those monies to address equity concerns.
5. We would like to note also that the Los Cerritos Wetlands have the highest level of toxic emissions due to current oil operations by four oil companies. With regards to health equity we would like to point out that this area is part of the Sacred Site of Puvungna and that along with the Sierra Club, tribal leaders opposed the expansion of oil drilling operations from 300 to 24,000 barrels per which is projected to lead to 70,000 tons of additional GHG emissions in the immediate areas. Native Amercans suffer when the land suffers, both spiritually and physically, and we ask that you consider this reality when addressing issues of racial and environmental justice. We think its time to give the Los Cerritos Wetlands back to the original caretakers, starting with the City owned property behind Trader Joes.



**California Independent Petroleum Association**

1001 K Street, 6<sup>th</sup> Floor

Sacramento, CA 95814

Phone: (916) 447-1177

Fax: (916) 447-1144

July 07, 2020

Robert Garcia, Mayor  
Long Beach City  
411 W Ocean Blvd  
Long Beach, CA 90802

Long Beach City Council  
411 W Ocean Blvd  
Long Beach, CA 90802

Re: Council Item 23, Potential November 2020 Ballot Measures

Honorable Mayor Garcia and Councilmembers,

The California Independent Petroleum Association (CIPA) appreciates the opportunity to provide brief comments on today's Council Meeting Item 23 as it relates to potential November 2020 Ballot Measures. CIPA is a non-profit, non-partisan trade association representing approximately 350 independent oil and natural gas producers, royalty owners, and service and supply companies throughout the state of California.

We appreciate the goals outlined in the City of Long Beach's Reconciliation Framework to address racial inequality and promote an inclusive society and economy in Long Beach where all residents, regardless of their race, ethnicity, educational background or neighborhood, can live and thrive. In pursuing funding for this important effort, we believe the City should:

- Identify stable and broad-based revenue sources, particularly to address impacts on disadvantaged Long Beach communities that arise from regional industrial activity and transportation
- Evaluate objectively the implications of increased City taxes on local production, manufacturing, jobs and utility costs, as well as the City's anticipated revenues
- Maintain strong incentives for investment, balanced development and job growth in Long Beach, with opportunities focused on underserved communities

- Pursue greater self-sufficiency with local workers in Long Beach meeting more of our needs from local energy resources of all types, to reduce California's dependence on imported oil, natural gas and electricity.

The Long Beach Energy Resources Department is a significant enterprise for the City, generating over \$1 billion in revenue since 2003 that supports public safety, parks, libraries, beaches and a number of other services for Long Beach residents. As the City has noted, revenues from oil production have been reserved in past ballot measures primarily for community development in council districts where the production occurs and City-wide public safety. In addition to the Wilmington Oil Field, the Department operates the fifth largest municipally-owned natural gas utility in the United States, providing safe and reliable natural gas services to 142,000 residents and businesses of Long Beach and Signal Hill and maintaining 1,800 miles of pipeline. This local production and utility service helps keep energy affordable for the residents of Long Beach. We have attached a summary of the community, employment, fiscal and environmental attributes of the City's Wilmington Oil Field operations to put them in context with both foreign oil imports and other industrial activities in the region.

As your Council considers potential funding sources for the Reconciliation Framework, we would like to highlight the unprecedented commodity price environment faced by both the City as operator of the Wilmington Field and private producers and service providers in the City. Like most other sectors in the City, the COVID-19 pandemic has significantly decreased revenues by impacting local demand. The local oil sector was simultaneously hit with a global price war in which Saudi Arabia and other countries flooded the U.S. and California markets with supertankers of foreign oil designed to curtail local production. These combined effects caused U.S. oil index prices to hit historical lows in late April, and have significant implications for City programs and services that rely on oil revenues in the Tidelands Fund.

California is particularly vulnerable to foreign cartel actions or transportation disruptions since about 60% of the oil Californians consume is imported from foreign countries, chiefly Saudi Arabia. There are no interstate oil pipelines to California and very few railcar shipments, so essentially all oil not produced in California arrives by supertanker. The supertanker fleet is visible every day along the Long Beach coastline, and those foreign producers don't hire Long Beach residents, pay the City's oil production tax or apply California's safety, labor, human rights and environmental standards. The dominance of foreign oil in the California market means that Long Beach producers cannot readily pass along production taxes to their refinery customers, as these refineries can currently choose to import their crude oil supplies from foreign countries into the Port of Long Beach or neighboring ports. An increase to the City's current barrel tax would disproportionately affect local production and investment that provide essential Long Beach jobs. This could also cause an even greater increase in foreign supertankers arriving at the Port with corresponding emissions from these large ships.

As a result of the extreme challenges amidst the COVID-19 global pandemic, too many Long Beach residents are facing health and financial insecurity on a level we have never experienced



before. Even with businesses reopening, unemployment remains high with 1 in 5 workers still out of work in Los Angeles County. Unemployment in Long Beach reached 20.6% in mid-April, with more recent job losses expected to bring that total to more than 25% in May. In comparison, July 2010, at the peak of the Great Recession, Long Beach unemployment reached 14.3%. One year ago, in May 2019, the City achieved a historic low of 4%.

Oil production in Long Beach is a longstanding generator of stable, long-term jobs with benefits for working families, in addition to driving economic activity and tax revenue in the City. It would be unfortunate if a tax increase were to put these jobs in jeopardy in the face of ongoing COVID-19 hardships.

Therefore, we urge the City to seriously evaluate broader revenue solutions beyond locally produced oil and cannabis to include commodities that pass through the City and not single out Long Beach businesses and production for increased taxation.

We look forward to discussing this issue with you further and playing an active role in the process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rock Zierman', with a stylized flourish extending to the right.

Rock Zierman  
Chief Executive Officer  
California Independent Petroleum Association

Cc:  
Thomas B. Modica, City Manager  
Charles Parkin, City Attorney  
Linda F. Tatum, Assistant City Manager  
Kevin Jackson, Deputy City Manager  
Teresa Chandler, Deputy City Manager  
Monique De La Garza, City Clerk (Ref. File #20-0604)

Attachment

**SUMMARY OF COMMUNITY, EMPLOYMENT, FISCAL AND ENVIRONMENTAL ATTRIBUTES  
OF THE CITY OF LONG BEACH OPERATIONS OF THE WILMINGTON OIL FIELD**

California is an energy island, importing more than 70% of its crude oil, 90% of its natural gas and 30% of its electricity. The vast majority of oil consumed by Southern California refineries is imported from foreign countries -- chiefly Saudi Arabia, Iraq, Colombia and Ecuador. The City of Long Beach has a unique role in Southern California's energy infrastructure. The Port of Long Beach is the primary West Coast port to receive foreign crude oil imports by supertanker. The City's Energy Resources Department operates the world-class Wilmington Oil Field, the largest in Southern California, and also distributes natural gas to customers through the City.

The City serves as the operator and an owner of the Wilmington Oil Field, acting in trust for the State Lands Commission, the primary mineral owner. The City's operations include the onshore Tidelands area primarily within the Port of Long Beach, and the offshore THUMS area in the Port and four islands in Long Beach Harbor. These operations are located in two of the City's more affluent council districts. The operations are conducted entirely in industrial areas, and are not adjacent to residential communities. In addition to the State and the City, there are thousands of property owners in Long Beach who have an individual ownership interest in minerals in the Wilmington Oil Field.

The City's operations employ a workforce of about 1,000, including City staff from the Energy Resources Department, employees of the field contractors including union members of the United Steelworkers, and service providers including union members of the Building and Construction Trades. When drilling or major facility maintenance occur, the workforce can grow by 500 or more. The Wilmington Field's workforce reflects this diversity of Long Beach. These operations provide good-paying local jobs with benefits that enable workers without a college degree to afford to live in Long Beach. In addition, the field contractors and unions have actively supported local non-profit organizations that invest in education, community empowerment and job training for disadvantaged communities for years.

The City's Wilmington Field operations have several distinguishing features which provide added safeguards not applied in other countries and other states:

- the facilities are built and maintained by a highly-qualified union workforce
- the facilities are operated and monitored 24 hours per day, 365 days for year by an on-site qualified workforce
- the Wilmington Field is one of the only two major fields in California that have lower carbon intensity than typical Saudi Arabia crude imports – the leading source of imported crude oil to California – according to the California Air Resources Board<sup>1</sup>
- the Wilmington Field is a mature waterflood, in which 97% of the fluid produced is water, with 3% oil

---

<sup>1</sup> The California Air Resources Board uses a measure of carbon intensity under its Low Carbon Fuel Standard to reflect carbon dioxide equivalent emissions per unit of energy produced and supplied from fields around the world to California refineries or consumed. "Calculation of 2018 Crude Average Carbon Intensity Value, November 27, 2019.

<https://ww3.arb.ca.gov/fuels/lcfs/crude-oil/2018draft-crude-ave-ci.pdf>

- the field has low energy and low pressure, meaning that the fluid does not flow freely to surface and must be pumped from the oil-bearing formation to the surface
- the City's operations are among the leading users of electric submersible pumps in the world, providing an energy-efficient way to lift fluid in this world-class waterflood field
- the fluid produced in a closed loop process where oil and water are pumped to separators and the oil is sent by pipelines directly to local refineries while the water is reinjected into subsurface oil reservoirs for pressure maintenance and further oil recovery
- the field uses production equipment such as separators, tanks and compressors that are regulated under specific South Coast Air Quality Management District permits that mandate vapor recovery to capture emissions
- the field is subject to rigorous Air District regulations that require valves and fittings at the wellhead and throughout the production process to be inspected quarterly with air monitoring for leak detection, repair and reporting
- the Wilmington Field has a dedicated power plant that uses natural gas from the field to generate electricity that provides base load power to the field and reduces demand from the grid
- delegations from other states and countries visit the City's operations to learn about these innovative waterflood techniques and environmental safeguards that have enabled the recovery of far more of the original oil in place than primary production and dramatically extended the productive life of the Wilmington Field.

The Wilmington Oil Field is also a unique public-private partnership, in which the State is the primary mineral owner, the City of Long Beach is the field operator and owner of the facilities, and field contractors provide investments to maintain and develop the field and share in the proceeds. As a result of these investments and the City's unique role as operator, the City has earned over \$1 billion in revenues from direct oil production revenues and multiple fees and taxes in the Wilmington Field since 2003. As such, the City's overall fiscal take from oil operations is considerably larger than other oil producing cities in California and throughout the U.S. These City revenues from Wilmington Field operations include the following, in addition to an oil production tax:

- A direct base ownership interest in the minerals
- A share of incremental profits under production sharing agreements
- Direct management charges for the Long Beach Energy Resources Department
- An additional administrative overhead fee
- Utility users tax
- Sales taxes from field contractor purchases of goods
- Franchise fee
- Reclaimed water usage fees
- 20% share of County property taxes

Changes to these funding sources, including to the existing oil production tax, require approval from the State Lands Commission, and production sharing agreements cannot be modified without approval of the field contractors.

While the Wilmington Field is the largest source of local oil production in Southern California, oil imports in the Long Beach are significantly greater than local production. For example, on July 2, 2020 alone, there were 12

supertankers of foreign crude oil floating offshore Southern California and destined for Long Beach. These supertankers have a capacity of 11.7 million barrels of oil, which exceeds the total Long Beach oil production of 10.4 million barrels for the entire year of 2019. The foreign governments that export crude oil to Long Beach do not apply California's leading safety, labor, human rights and environmental standards, and do not mitigate global greenhouse gas emissions. During their month-long journey to Long Beach and until they dock and offload at the Port, these supertankers do not have emission controls and vapor recovery like the City's Wilmington Field operations.

While oil production in the City occurs within the Port and in offshore islands that are closer to wealthier communities in Long Beach, refining occurs in Carson, El Segundo, Torrance or Los Angeles but closer to the disadvantaged and low-income communities in Long Beach. Similarly, end use of petroleum occurs throughout Southern California, much of it along transportation corridors that pass closer to disadvantaged communities. These sources far exceed emissions from the City's local oil production.

For example, the Aquarium of the Pacific's Climate Resiliency Assessment Report for Long Beach stated that "The biggest polluting sources are **vehicles and industries such as oil refineries** and industrial facilities," and did not attribute significant emissions to the Wilmington Field or other upstream operations.<sup>2</sup> The City of Long Beach's Draft Climate Action and Adaptation Plan estimated that only 5% of lifecycle greenhouse gas emissions from products generated in the City are associated with extraction of oil & gas, including the City's Wilmington Field operations as well as those of other local producers.<sup>3</sup> Importantly, however, that report did not address the far larger global emissions footprint from production and transportation of imported crude oil from foreign countries, which do not apply California's emission controls or greenhouse gas mitigation, that arrives at Long Beach before shipment to Southern California refineries.

Finally, the California Council on Science and Technology noted that: "In the South Coast air district (including all of Orange County, the non-desert regions of Los Angeles and Los Angeles County, San Bernardino County, and Riverside County), upstream oil and gas sources represent small proportions (<1%) of criteria air pollutant and toxic air contaminant emissions."<sup>4</sup> This quotation reflects that impacts on the City's disadvantaged communities come from stationary and mobile sources, mostly from outside the City of Long Beach, and not from the City's Wilmington Field operations.

---

<sup>2</sup> Aquarium of the Pacific. "City of Long Beach Climate Resiliency Assessment Report", pages 34-35 (emphasis added), 2015. [http://www.aquariumofpacific.org/downloads/AOPs\\_2015\\_Report\\_on\\_Resiliency\\_\(1-7-16\).pdf](http://www.aquariumofpacific.org/downloads/AOPs_2015_Report_on_Resiliency_(1-7-16).pdf)

<sup>3</sup> "Climate Action and Adaptation Plan Greenhouse Gas (GHG) Emissions, Forecasts and Targets – Draft." July 2019. <http://www.longbeach.gov/globalassets/lbds/media-library/documents/planning/caap/caap-greenhouse-gas--ghg--emissions-forecasts-and-targets--draft-released-053119-logos>

<sup>4</sup> California Council on Science and Technology. "An Independent Scientific Assessment of Well Stimulation in California Summary Report: An Examination of Hydraulic Fracturing and Acid Stimulations in the Oil and Gas Industry", page 61, July 2015.

**CALIFORNIA STATE LANDS COMMISSION**

100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202



*Established in 1938*

JENNIFER LUCCHESI, *Executive Officer*  
**(916) 574-1800** Fax **(916) 574-1810**  
*California Relay Service TDD Phone 1-800-735-2929*  
*from Voice Phone 1-800-735-2922*

**Contact Phone: (916) 574-0393**  
**Contact Fax: (916) 574-1855**

July 7, 2020

Honorable Mayor Robert Garcia  
411 W. Ocean Blvd.  
Long Beach, CA 90802  
[mayor@longbeach.gov](mailto:mayor@longbeach.gov)

Long Beach City Council  
411 W. Ocean Blvd.  
Long Beach, CA 90802

RE: Agenda Item NB-23 – Oil Barrel Production Tax


Dear Mayor Garcia and Members of the City Council:

On July 3, 2020, California State Lands Commission (Commission) staff received notice that the Long Beach City Council scheduled Agenda Item NB-23 for the Tuesday, July 7, 2020 City Council meeting. Agenda item NB-23 recommends that the City Council request that the City Manager engage the Commission and other stakeholders regarding potential modifications to the Oil Barrel Production Tax. Commission staff appreciates the recommendation and acknowledgment of the necessity of conferring with the Commission, especially given the City's role as the State's trustee and operator of the Long Beach Unit and West Wilmington operation. Of immediate concern to staff is the fact that the agenda item also requests that the City Attorney take immediate steps to prepare all necessary documents by August 4, 2020 to place a ballot measure on the November 2020 ballot for an increase in the Oil Barrel Production Tax. This latter request is concerning because Commission staff only just received notice of this agenda item and has not had an opportunity to fully analyze the legal issues presented by City staff's recommendation.

While Commission staff understands the City's rationale for the proposed tax, staff is concerned that the proposed tax increase may improperly affect the City's fiduciary responsibilities as trustee for the State, as well as its contractual obligations as the unit operator for the Long Beach Unit and West Wilmington. More specifically, staff is concerned that the tax may already have resulted in an inappropriate redirection of State funds, that any increase in the existing tax may exacerbate the injury, and the increase may not be in the best interests of the State. This isn't the first time that staff

has registered its concerns. When the City Council considered a similar tax increase at its July 3, 2012 council meeting (Agenda Item NB-33), Commission legal staff submitted the enclosed comment letter. Many of the same legal concerns apply to the presently proposed ballot measure, and Commission legal staff needs the opportunity to analyze the proposal, in full, and consult with the California Attorney General's Office before a ballot measure is considered for the November 2020 ballot.

Commission staff thanks City Council Member Richardson and City Staff for taking time on the afternoon of July 7, 2020 to discuss the proposed ballot measure. Commission staff appreciates the long-standing collaborative relationship with City staff and the work that the City does as trustee and unit operator. Commission staff looks forward to working with the City on the issues presented therein.

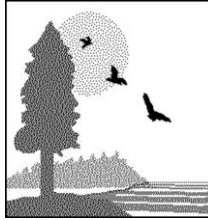
Sincerely,  
DocuSigned by:  
  
D4AAC71802234D2...  
Seth Blackmon  
Chief Counsel

cc: Charles Parkin, City Attorney  
Andrew Vogel, Supervising Deputy Attorney General

Enc. July 3, 2012 Letter from Jessica Rader, Staff Counsel, California State Lands Commission, to Honorable Mayor Bob Foster and Long Beach City Council

**CALIFORNIA STATE LANDS COMMISSION**

100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202

**CURTIS L. FOSSUM**, Executive Officer

(916) 574-1800 FAX (916) 574-1810  
California Relay Service from TDD Phone 1-800-735-2929  
from Voice Phone 1-800-735-2922

**Contact Phone: (916) 574-1850****Contact FAX: (916) 574-1855****SENT VIA ELECTRONIC MAIL**

July 3, 2012

File Ref: G05-03

Honorable Mayor Bob Foster  
City of Long Beach  
333 West Ocean Boulevard  
Long Beach, CA 90802

City Council  
City of Long Beach  
333 West Ocean Boulevard  
Long Beach, CA 90802

RE: Agenda Item NB-33: Public Safety and Infrastructure Oil Production Fee

Dear Mayor and Members of the City Council:

The California State Lands Commission staff understands that the city of Long Beach City Council has scheduled an agenda item, Agenda Item NB-33, for the July 3, 2012 council meeting that seeks to have the City Attorney draft a local ballot measure for the November ballot that would significantly increase the City's tax on oil production within the city limits. While Commission staff has had only limited time to review the item, it appears that the Council is considering combining and significantly increasing two flat taxes into a single tax on each barrel of oil produced that is tied to posted oil prices. Commission staff would like to take this opportunity to express our concern about how this tax on oil production could affect the City's fiduciary responsibilities as a trustee for the state and contractual obligations as the unit operator for both the Long Beach Unit and West Wilmington oil and gas operations. Commission staff also wants to offer our availability and assistance should the Council want additional information. Commission staff urges the Council to either not approve Item NB-33 or to reschedule a vote until such time after the staff of the City and Commission have had a chance to discuss this matter further.

The state's sovereign tide and submerged lands within the City were legislatively granted, in trust, to the City pursuant to Chapter 676, Statutes of 1911, as amended. As a result of these legislative grants, the City holds these sovereign tide and submerged lands, in trust, pursuant to both the common law Public Trust Doctrine and the

statutorily created trust grants, for the benefit of all the citizens of California. *Mallon v. City of Long Beach* (1955) 44 Cal. 2d 199, 209. This also includes those assets held by the Port of Long Beach. As with a private trust, the City, as trustee, must manage and utilize the state and Port's lands and their revenues solely for trust purposes and needs. The City is a trustee, both as to the lands themselves and as to the proceeds derived therefrom. *City of Long Beach v. Morse* (1947) 31 Cal. 2d 254, 257.

In addition to the City's role as a trustee over sovereign assets, including those that are held by the Port, the City is also the unit operator for both the Long Beach Unit and West Wilmington oil operations. As a result of being the unit operator, the City has legal obligations to the units that is separate from, and in addition to, its obligations as a trustee. Increasing the tax on the magnitude of what is proposed might very well conflict with the City's contractual legal obligations to both units as an operator if such an increase in the costs associated with development of the units distorts the economics of the development for the two units such that the unit contractor no longer finds it economical to develop. The state and the Port are the two primary participants of the operations, which mean that the direct and indirect effects of the tax will primarily affect state and Port revenues.

With this background, Commission staff offers the following comments for the Council's consideration.

First, from Commission staff's initial research, at least 60% of the oil that will be subject to this tax is produced from lands managed by the City as trustee either for the state or the Port. Commission staff is concerned that this appears to be an attempt by the City, in conflict with the City's duties as a trustee, to tax the state's tidelands trust revenues and to divert those revenues that are otherwise trust-restricted to the City's general fund. The net profits generated from the Port's portions of the units are required to go into the tidelands trust fund, whereas those generated from the state's portions are required to go to the state's General Fund. At today's prices, the proposed oil production tax is an approximate 400% increase over the existing production tax, which will have a deleterious effect on the net profits received by the state and the Port.

Second, the scenario mentioned in the City's staff report discusses the possibility of oil prices dropping significantly which would result in a tax of \$1.00 per barrel. It seems highly unlikely that the tax assessed would ever be the \$1.00 per barrel, as adjusted, as that would require oil prices dropping to \$50 per barrel. If oil prices drop that low (or lower), it is unlikely that oil, at least at the two units where the City is the unit operator, will continue to be economical to produce. The enactment of the \$1.00 per barrel tax will only serve to tilt the economics in favor of terminating production and thus terminating whatever revenue that the City is intending to capture with this tax. The cessation of production will not only remove the City's proposed production tax revenue, it will also terminate the many other sources of revenue that the two units produce for the tidelands trust, the City, and the state.

Third, it is not clear what the production fee, particularly when applied to the oil produced from the units, is intended to "appropriately compensate the City" for as stated at Agenda Item NB-33, page 3. The City is already well compensated. Just from the state's share of the West Wilmington operations alone, over the next ten years at \$100



per barrel oil, the City will receive approximately \$85 million for its general fund through current assessed taxes, management fees and cost overrides paid to the City. This is separate from and in addition to what the City receives from the Port's share of the West Wilmington operation and the Long Beach Unit operation.

Commission staff is appreciative of its relationship with the City's staff and the work that the City does in managing the public trust lands, trust assets and both oil operation units. As the Legislature's delegated trustee of these public trust lands and trust assets, the City has the primary responsibility and authority to administer the trust on a day-to-day basis and to manage its granted public trust lands and assets for the benefit of all the people of California. Thank you for the opportunity to comment on Agenda Item NB-33.

Sincerely,



JESSICA RADER  
Staff Counsel

cc: Christopher Garner  
J. Charles Parkin



*Fighting for Life*

---

East Yard Communities for Environmental Justice – 2317 Atlantic Blvd. Commerce, CA. 90040

July 7, 2020  
City of Long Beach  
411 W. Ocean Blvd.,  
Long Beach, CA 90802

To the City Council, Manager, and Staff,

East Yard Communities for Environmental Justice (EYCEJ) submits these comments regarding Agenda Item no. 23. We support ending dependency on oil. We support having funds directed into equity. We support polluters having to pay for the harms they create. However, though increasing the oil barrel tax on its own is not a poor idea, there are a few pieces missing or misunderstood within this effort that must be considered in moving this forward.

EYCEJ is a community-based organization that has been fighting issues of land, water, air, and soil pollution, transportation, freight and goods movement, energy, and food sovereignty for close to two decades in East Los Angeles, Southeast Los Angeles, and Long Beach. Our members, staff, and board are residents who are at the frontline of exposure from pollution and environmental racism. We have engaged in countless policies and programs throughout the years aimed at addressing environmental racism. We are not new to these types of efforts and have a wealth of historical knowledge and lived experience. And it is because of our experience that we take issue with this proposal in its current form as it is absent clearly defined metrics, targets, and strategies for addressing equity.

Tying revenue-funded equity programs together is a misstep. This sets up a poor practice of programs living or dying based on the amount of money a business can generate. Even worse when the business is polluting our air, water, and soil. We are seeing the failures of this on the statewide level with our Cap and Trade program. With revenues from the program drastically reduced due to COVID-19, several of the programs aimed at mitigating climate issues have seen sharp declines in their budgets, with some being put on hold altogether. Given that this ballot initiative will potentially make the tax increase progressively over time, it makes even less sense to have it be a funding stream for addressing racial justice in the city.



*Fighting for Life*

---

East Yard Communities for Environmental Justice – 2317 Atlantic Blvd. Commerce, CA. 90040

If the City wants to be serious about addressing the deep harms and oppressions that poor, working-class, communities of color experience here, then it needs to open up its existing purse and provide funds from there, rather than focusing on creating new unproven streams of funding that will inevitably decrease over time due to a lowering demand in oil and gas consumption. Taxing polluters to the highest extent possible is wonderful and we support it. But relying on them to fix these systemic issues doesn't make sense, especially if you are like us and are working incredibly hard to ensure these industries are brought to an end and are replaced with community-centered, renewable, and regenerative economies. This will not actually reduce our dependence on oil but instead creates an incentive to keep it going, which runs completely counter to the state's climate goals, as well as the goals outlined in the CAAP.

We invite the politicians involved in spearheading this, and all interested in supporting this, to spend some time investigating this approach. The analysis for the basis of this concept is incomplete and while well intentioned will end up causing more harm than ending it.

We are open to discussions on the topic and ready to engage in fruitful dialogue. A good practice that is good to embody is to allow the folks who are most impacted by something to be the leaders and drivers of solutions to address said issue. Frontline communities are our greatest teachers, and we make the best changes when they are put in the driver's seat.

Please don't hesitate to reach out respectfully.

Sincerely,

Taylor Thomas  
Research and Policy Analyst,  
East Yard Communities for Environmental Justice

**From:** Padric Gleason Gonzales [<mailto:padric.gleason@gmail.com>]

**Sent:** Thursday, July 2, 2020 5:46 PM

**To:** CityClerk <[CityClerk@longbeach.gov](mailto:CityClerk@longbeach.gov)>

**Subject:** Public comment for Agenda Item #23 for 7/7 City Council Meeting re: Oil Barrel Production tax

**-EXTERNAL-**

Hello, my name is Padric Gleason Gonzales. I'm a resident of District 1 in beautiful downtown Long Beach! I'm writing in SUPPORT of this motion toward a November ballot measure to increase taxes on oil production in Long Beach. For over one hundred years, fossil fuel extraction produced unprecedented wealth and innovation. In Long Beach and Signal Hill, we have some of the most productive oil fields in the world, as companies destroyed the Earth and profited off our land. Too few know that the harbor islands hide an ugly industry that accelerates climate change and externalizes the negative effects of oil production into high-risk communities. The least they can do is pay a few cents more in taxes to help us address the disparities that are produced alongside their dirty profits.

--

Padric Gleason Gonzales  
Long Beach, CA 90802

Fulbright Mexico '12  
MBA, St. Mary's University '12  
B.A., Wheaton College '10

# California State Senate

SENATOR  
**LENA A. GONZALEZ**  
THIRTY-THIRD SENATE DISTRICT



July 6, 2020

The Honorable Robert Garcia and City Council Members  
Mayor of the City of Long Beach and City Council  
411 West Ocean Blvd, 11th Floor  
Long Beach, California 90802

Honorable Mayor and Members of the Long Beach City Council,

I write to express my strong support for Item 23 on the July 7, 2020 agenda. This item requests the City Manager to engage the California Lands Commission and other stakeholders regarding potential modifications to the Oil Barrel Production Tax, and requests the City Attorney to prepare all necessary documents to place a ballot question on the November 2020 ballot for an increase in the Oil Barrel Production Tax. In addition, this item explores the feasibility of preparing a ballot advisory question to reinvest future cannabis revenue into equity programs.

Long Beach is home to several on and off shore oil wells and has a history of oil production that goes back to the early 1900s. This funding still contributes to the city's general fund as well as tidelands area services. This long history of oil production however has long affected communities and in particular, low-income communities of color. The Aquarium of the Pacific's Climate Resiliency Assessment Report for Long Beach lists oil-related industries as one of the biggest polluting sources within the region. Further, the City of Long Beach's Draft Climate Action and Adaptation Plan concluded that the resulting emissions from oil production, which include refining, transportation and end user fuel, has disproportionately impacted disadvantaged communities.

In 2018, the Long Beach City Council adopted the adult-use cannabis ordinance, which has allowed 32 dispensaries to operate. While the city has already adopted a cannabis social equity program to address the long-term impacts of federal and state cannabis enforcement on low-income communities of color, there is still a severe lack of ownership by African-American and Latino residents within this new industry.

CAPITOL OFFICE  
STATE CAPITOL, ROOM 2068  
SACRAMENTO, CA 95814  
TEL (916) 651-4033  
FAX (916) 651-4933

LONG BEACH DISTRICT OFFICE  
3939 ATLANTIC AVE., STE. 107  
LONG BEACH, CA 90807  
TEL (562) 256-7921  
FAX (562) 256-9991

HUNTINGTON PARK DISTRICT OFFICE  
6550 MILES AVE., 2ND FL.  
HUNTINGTON PARK, CA 90255  
TEL (323) 277-4560  
FAX (323) 277-4528

Both oil production and the ramifications of the war on drugs still affect our community in Long Beach. It is time for us to take steps to ensure that polluters pay their fair share by investing their earnings into citywide equity efforts, and in addition, investing future cannabis revenue in these types of programs to better support our most impacted community members.

Please do not hesitate to reach out to Cynthia Alvarez in my office at (562) 256-7921 should you have any questions.

Sincerely,



Lena Gonzalez  
Senator, Senate District 33

CAPITOL OFFICE  
STATE CAPITOL, ROOM 2068  
SACRAMENTO, CA 95814  
TEL (916) 651-4033  
FAX (916) 651-4933

LONG BEACH DISTRICT OFFICE  
3939 ATLANTIC AVE., STE. 107  
LONG BEACH, CA 90807  
TEL (562) 256-7921  
FAX (562) 256-9991

HUNTINGTON PARK DISTRICT OFFICE  
6550 MILES AVE., 2ND FL.  
HUNTINGTON PARK, CA 90255  
TEL (323) 277-4560  
FAX (323) 277-4528

July 7, 2020

Mayor Dr. Robert García  
Members of the City Council  
City of Long Beach  
411 Ocean Blvd. Long Beach, CA 90802  
Sent Via Email: Cityclerk@longbeach.gov

**Subject: Potential November 2020 Ballot Measures - Agenda Item #23**

Dear Mayor García and Members of City Council:

I write to you on behalf of the Long Beach Area Chamber of Commerce, our 773 members, representatives, and community stakeholders. We applaud the City Council for seeking potential revenue sources to support “programs that expand equity, opportunity, and justice across the City: including a youth investment fund, economic equity fund, and a health and environmental equity fund.” While we encourage identifying sources of revenue to bolster our local community, we are concerned with yet another increase levied against Long Beach businesses – and ultimately consumers.

The COVID-19 pandemic has thrust Long Beach residents into a level of unemployment that is the highest in our city’s history. Long Beach businesses are struggling. For some, it is remaining open despite barely making the bottom line. For others, it is re-opening under ever-changing health orders, further contributing to the loss of revenue and jobs. We would like the Council to consider the following points when discussing this potential ballot measure:

1. Our economy is in decline, and industrial activity is reduced, therefore this is not the time to raise taxes for business;
2. Increased taxes for business impacts jobs, in this case locally;
3. Increased taxes for business are often passed on to the consumer; and
4. This tax only applies locally and will encourage foreign investment and imports.

We ask that as the Council discusses this item at the July 7<sup>th</sup> Council meeting, the items mentioned above are seriously deliberated and considered. If the Council decides to move forward with the requests for the City Attorney and City Manager, we ask that the Chamber and all relevant stakeholders are consulted with and included in the modifications to the Oil Barrel Production tax. There will be significant financial impacts and stakeholder input is the only way to create the best policy that is fair and equitable. We stand ready to assist.

Sincerely,



Jeremy Harris  
President/CEO  
Long Beach Area Chamber of Commerce



Tuesday, July 7th 2020

Mayor Dr. Robert Garcia  
Members of the City Council  
City of Long Beach  
411 Ocean Blvd.  
Long Beach, CA 90802

**Subject: Agenda Item #23: SUPPORT**

Honorable Mayor and City Council,

Agenda Item 23 on tonight's City Council agenda proposes a ballot measure that would increase the oil barrel production tax in line with the effective tax rate currently paid by Signal Hill. We support this attempt to address current current health inequities and environmental burdens associated with local oil extraction, refinement, and use. We know that Long Beach is a large municipal producer and wholesaler of oil and gas, and that while very profitable, these sectors of the society have for too long operated without paying for the pollution or health impacts their products generate. The City of Long Beach has every reason to raise the oil production tax in line with Signal Hill's effective tax rate, and to specify that the monies generated – potentially in the millions of dollars annually – be used for local infrastructure and investment in historically under-invested and under-resourced areas of Long Beach.

There are many reasons to support Agenda Item #23 tonight. There are also many reasons to request specificity in the Council discussion of the item tonight, and throughout the process of developing the specific language for this Ballot Measure. We look forward to the process of adopting a resolution on this particular ballot measure by August 4th.

Mention must be made here of the toxic legacy the past century of quick and easy development of dirty energy resources Long Beach has inherited. Statewide and here in Long Beach, the discovery and exploitation of oil in the 1910s and 1920s, cannot be separated from the cultural issues of those times. The system of oil production is profoundly racist, here at home where certain groups were redlined into living for instance, and abroad where each barrel of oil sold from Long Beach helps sink islands where people who look like us we never met and never had a problem have lived for generations. This fair town of ours bears a tremendous degree of historical responsibility for attributable climate change, and resultant social vulnerability and health impacts.

We thus applaud the sponsors of this Agenda Item, especially as it is attentive to the concurrent Framework on Reconciliation being undertaken by the City. We ask the Mayor and Council to consider the following concerns during the process of adopting a resolution on this sort of ballot measure:

1. The oil industry has for too long avoided the externalized costs of their product –



localized pollution burdens and attributable climate change share are but two components of the Social Cost of Carbon that we need to specify for the life-cycle oil operations in the City of Long Beach's territorial boundaries;

2. The Climate Action and Adaptation Plan referenced in the staff report on this item relies on Long Beach Emissions Inventory Data from 2015 – this excludes the tremendous growth in construction and economic activity in Long Beach from 2016 to the present – and could be as much as 20% lower than our current annual emissions load;
3. Taxing 'bads' to fund 'goods' has a long history of empirical support in North America, including specifically on oil. This measure is specifically about responding to health, education, economic, and environmental burden gaps experienced by certain groups as a result of long-standing inequities and structural gaps – this includes how Tidelands Fund expenditures have been concentrated in predominantly affluent and white neighborhoods in the Coastal Zone.
4. Every climate scientist is currently updating their climate stabilization scenario planning to account for the tremendous growth in emissions and resultant Arctic temperature increases due to the ongoing Siberian Wildfires – the window for effective action on climate change will likely close in this decade;
5. Internationally, the fossil fuel economy is experiencing a historic and incontrovertible disinvestment as the externalized social costs of this product and its impacts have been quantified and understood. The oil industry, globally, has responded to this historical call not with corresponding social responsibility or production drawdowns, but instead shifting oils into beauty care products, clothing and “fast fashion”, packaging, even foods. The industry cannot be expected to regulate itself.
6. Any call for “energy resources of all types” or a “mix of energy resources” is akin to the juvenile “All Lives Matter” objection to the non-threatening observation that Black folks are people too and indeed their Lives should Matter. Fossil Fuels, particularly oil over the past 100 years, are directly responsible for the overwhelming majority of anthropogenic forcing on the carbon cycle. These fuels – oil, coal, and natural gas and its variants – all need to be phased out at the earliest practicable opportunity. Tomorrow if possible.
7. This agenda item identifies the concurrent Framework of Reconciliation process, but makes no mention of the tremendous environmental justice issues in town resultant from extant oil and gas infrastructure. Note that the second map included in the staff report, based on CES 3.0 Pollution Burden Percentile by Census Tract, shows that the eastern part of town adjacent to the 22/405/6045 interchange and the power plants on Studebaker are *just as environmentally burdened as the Westside*. This should not surprise us, for this is where the circuit of oil production in town starts – we pipe in the gas to burn for electricity to push water to pump oil out of the sea floor to fill ships to sell for our operating budget, which after Proposition H, goes in the majority now to Public Safety functions that can only be understood as “the police are the public policy option of last resort, instead of social services”. This neoliberal impulse to austerity needs to change.

Thanking you for your consideration of this item,

Tiffany Semoy Davy, Executive Director of the Long Beach Alliance for Clean Energy.



July 7, 2020

**RE: Support Initiation of November 2020 Ballot Measures to Fund Racial Equity Initiatives (Item 23, July 7, 2020 City Council agenda; Council File 20-0636)**

Honorable Mayor and City Councilmembers:

Thank you for bringing forward Item 23 on the July 7, 2020 City Council agenda to begin drafting ballot measures for the November 2020 ballot to fund racial equity initiatives. Item 23 outlines two ballot measure proposals: (1) Oil Barrel Production Tax and (2) a ballot advisory question on whether to reinvest future cannabis revenue into economic equity, health equity, and youth investments. Long Beach Forward supports these two proposals in concept and believes that critical questions need to be answered regarding specific details and the community input process given the short timeline (Council adoption required by August 4, 2020).

Regarding the Oil Production Tax (OPT), it is important to balance the new revenue generation and distribution opportunity with the City's continued fiscal dependency on oil, which the City must ultimately transition away from to mitigate the climate crisis. That said, increasing the OPT is an opportunity to bring the City's oil tax in alignment with other jurisdictions. Long Beach's current OPT is \$0.47 per barrel, which includes the \$0.15 per barrel flat rate and the CPI-adjusted Prop H (2007) tax at \$0.32 per barrel. In comparison, our neighboring City of Signal Hill currently charges \$0.67 per barrel, 42% higher than Long Beach. Therefore, Long Beach should increase its per barrel OPT to match Signal Hill's, including an annual adjustment according to the most relevant index.

Regarding cannabis revenue reinvestment, as stated in the People's Budget Proposal for FY 2021, Long Beach must prioritize for all social and economic opportunities the Black and Brown families directly impacted and criminalized by the decades-long War on Drugs, especially in the equitable ownership of cultivation and distribution in the cannabis industry.

Revenue from both of these ballot measures must directly invest in racial justice and opportunity for Black and people of color communities that have borne the brunt of systemic racism and persistent disinvestment. These investments should be organized into new City funds, including a youth investment fund, an economic equity fund, and a health and environmental equity fund - all of which should be made permanent and ultimately independent of oil production revenue.

These proposals present important opportunities to invest in equity. In order to ensure that the ballot measure is as impactful as possible, we request that you address the following questions in your discussion:

- What is the projected total annual revenue from the increase in Long Beach's OPT?
- What is the projected total annual revenue from cannabis taxation?
- What will be the public process during the month of July 2020 to ensure community and stakeholder input in the prioritization of investments?
- What are the specific investment plans to ensure investments will be directed to the communities that have been most impacted by environmental racism and the War on Drugs?
- What will be the community oversight mechanisms for any new City funds to be created?

We urge the Council to adopt Item 23 and address the questions outlined above to ensure that investments are prioritized for and targeted to the low-income communities of color that need them the most. We look forward to continuing to partner with you in this work.

Sincerely,



Christine E. Petit, Ph.D.  
Executive Director



July 7, 2020

Dear Mayor Garcia and Long Beach Councilmembers:

Since 2017, the Long Beach Invest in Youth Coalition has been working with young residents in our community to change the status quo of our City by advocating for a budget that reflects equity for Long Beach's most vulnerable residents.

Black, Brown, Southeast Asian youth who live in historically and systemically under-resourced neighborhoods have been hit hard by the War on Drugs, violence and trauma of intergenerational poverty and systemic racism.

Instead of benefitting from equitable programs and public infrastructure to support strong, healthy, whole communities, youth and their families who live in deeply divested neighborhoods, have had to pay the price:

- A closer look at how our city spends down public dollars shows that only \$204 is spent on positive development programs per youth but an overwhelming \$10,500 is spent on suppression for each youth arrest.
- Prior to the pandemic, close to one-third of our City's youth population lived in poverty with over 6,000 students from LBUSD reporting homelessness.

If this crisis has shown us anything, it's that the systems put in place to govern our lives can be quickly changed for our collective good, because our health and well-being are interconnected with each other.

As solutions are proposed tonight, we ask that you discuss and consider these criteria: Does it solve the problem at the root cause? Are the solutions equitable, long-term and does it restore justice to those most impacted by systemic racism and poverty?



Now more than ever our communities need resources to heal from systemic racism as we recover from impacts of the pandemic and the recession. Therefore, we urge you to adopt Item 23, which lists two ballot measures ( a proposal for an oil production tax and a ballot advisory question on reinvesting cannabis revenue). While both offer a means to help capture revenue and create an infrastructure to support economic and health equity, housing, environment and youth funds, we also uplift the following recommendations:

- We recommend the Oil Barrel Production tax to be temporary because it is a short- term fix to long-term systemic environmental issues; oil drilling and climate change disproportionately impact poor people and communities of color. Leaders in environmental and climate justice should be called in to advise on future revenues on this issue.
- Additionally, should voters pass a cannabis revenue to reinvest in communities, we recommend for those most impacted by the War on Drugs to be at the forefront in shaping the use of those funds.

These proposals are a step in the right direction and will pave the way for more equitable and just funding that centers our highest needs community members. We look forward for you to lead boldly and courageously, alongside our youth leaders.

Sincerely,

The Long Beach Invest in Youth Coalition

**From:** Brian Mathison [<mailto:bmathison@earthlink.net>]

**Sent:** Tuesday, July 7, 2020 11:40 AM

**To:** CityClerk <[CityClerk@longbeach.gov](mailto:CityClerk@longbeach.gov)>

**Cc:** Council District 1 <[District1@longbeach.gov](mailto:District1@longbeach.gov)>; Council District 2 <[District2@longbeach.gov](mailto:District2@longbeach.gov)>; Council District 3 <[District3@longbeach.gov](mailto:District3@longbeach.gov)>; Council District 4 <[District4@longbeach.gov](mailto:District4@longbeach.gov)>; Council District 5 <[District5@longbeach.gov](mailto:District5@longbeach.gov)>; Council District 6 <[District6@longbeach.gov](mailto:District6@longbeach.gov)>; Council District 7 <[District7@longbeach.gov](mailto:District7@longbeach.gov)>; Council District 8 <[District8@longbeach.gov](mailto:District8@longbeach.gov)>; Council District 9 <[District9@longbeach.gov](mailto:District9@longbeach.gov)>; Mayor <[Mayor@longbeach.gov](mailto:Mayor@longbeach.gov)>

**Subject:** NB 23 July 7,2020 not good

**-EXTERNAL-**

Honorable Mayor and City Council Members,

Reference: July 7, 2020, Potential November 2020 Ballot Measures.

NB-23: This seems like an easy item to get accepted. Tell the voters this new tax will be for much needed services and will be paid for by the polluting oil companies. Mission accomplished. But there are a few other sides to this scenario:

The July 7, 2020 date on the memorandum "Potential November ballot measures" is compelling on a tax the bad guys and help the citizens level. But the memorandum is flawed in its analytics and timing. Referencing the Aquarium of the Pacific's climate resiliency assessment report" (2015) it states "oil related industries as one of the biggest polluting sources..." But in the breakdown of oil related industries the actual drilling for oil only accounts for 5% of the pollution. It's the refining and subsequent vehicle emissions, plus the Port of Long Beach producing the remaining 95%.

Next is the comparison of 7 data points regarding the production tax a few other cities impose. Are there more cities that charge less or more? Seven data points is woefully low for any type of meaningful statistical analysis.

Fiscal Impact: Sadly, I don't think this means any consideration of the current price of oil or the impact on the specific business. Long Beach has a business partner, Tidelands, that is not currently paying oil royalties and is \$6,000,000 short of its expected contribution to the Tidelands revenue this year. Not having the funds for the Belmont Pool is another clue things are bad in the oil field business. The following links indicate oil is at an all time low. In fact if you look out your top floor windows you will probably

see a large group of oil tankers, out by the Break Wall, storing oil they cannot sell. The links below have a more complete picture.

<https://www.lbbusinessjournal.com/long-beach-stops-drilling-wells-expects-budget-shortfall-amid-worldwide-oil-futures-collapse/>

<https://www.sandiegouniontribune.com/business/energy-green/story/2020-04-20/domestic-oil-prices-fall-below-zero-for-the-first-time-in-history>

There are a couple of other problems that may pop up. Will business, having a choice, want to consider Long Beach as a place to operate? Taxing a business at the height of the pandemic and the low of the market price of oil will not bode well for the cities business reputation. Just Google “why are companies leaving California” to get a feel for your current reputation. And will voters ever figure out that raising a tax on a business simply gets passed on to the consumer –as an increase in the price of gas?

My suggestion is to pass on this idea.

Sincerely,  
Brian Mathison



CHRISTOPHER ROBSON

Tuesday, July 7, 2020

Honorable Mayor and City Council of Long Beach  
411 W. Ocean Blvd  
Long Beach, CA 90802

Honorable Mayor and City Councilmembers,

I urge you to pass Agenda Item 23 for the July 7th City Council Meeting. Passing this item is needed to give the voters of Long Beach an opportunity to prioritize closing the health, income, and climate gaps for our Black community members and others that have consistently been left behind.

We are in unprecedented times, suffering 3 intertwined crises that each deserve our full attention and swift action: Systematic and overt Racism, a pandemic that has affected nearly 3 million Americans to date, and a climate crisis that deepens the divide between our Black Community members and others, and decreases life expectancy rates for poor people and people of color living in environmentally burdened and socially vulnerable neighborhoods.

**This past week, The New York Times stated that** “Black Lives Matter May Be the Largest Movement in U.S. History”.<sup>1</sup> The United States is going through a second round of quarantine, and our climate crisis is speeding up faster than scientists believed would. The Arctic is warming up at least twice as fast as the rest of the world – the permafrost is now thawing for the first time since before the last ice age, potentially freeing pathogens the likes of which modern humans have never before grappled with.<sup>2</sup>

The city of Long Beach has made some positive progress addressing these three crises. We thank the Long Beach City council for its efforts in establishing the **“Framework for Reconciliation in Long Beach,”** a process to address racial inequities and systemic racism in Long Beach. Environmental justice and economic equity are prevalent themes that have emerged from this process.

In Long Beach, African-Americans have the highest rates of hospitalization for heart disease, diabetes, and asthma compared to other races and ethnicities.<sup>3</sup> Similarly, African-Americans

---

<sup>1</sup> Black Lives Matter May Be the Largest Movement in U.S. History [Larry Buchanan, Quoc Trung Bui and Jugal K. Patel](https://www.nytimes.com/interactive/2020/07/03/us/george-floyd-protests-crowd-size.html) July 3, 2020 <https://www.nytimes.com/interactive/2020/07/03/us/george-floyd-protests-crowd-size.html>

<sup>2</sup> Climate crisis: Thawing Arctic permafrost could release deadly waves of ancient diseases, scientists suggest <https://www.independent.co.uk/environment/permafrost-release-diseases-virus-bacteria-arctic-climate-crisis-a9601431.html>

<sup>3</sup> “Community Health Assessment.” July 2013. <http://www.longbeach.gov/globalassets/health/media-library/documents/planning-and-research/reports/community-health-assessment/community-health-assessment>



and Latinos are disproportionately represented in the number of positive COVID-19 cases and hospitalizations. These health disparities are exacerbated by climate change, increasing the vulnerability of the poor, elderly (who are socially isolated), the very young, homeless, and those with compromised health.

Last month the Joint Environmental Committee and Sustainability Commission convened and reviewed the City of Long Beach’s Draft Climate Action and Adaptation Plan, which has been shelved for the last year. We understand there are many opportunities in the Draft Plan to address the climate crisis and our unemployment crisis if the council takes bold action. **The joint committee gave direction to staff to bring a report supporting passing the CAAP this year, and to include a resilient jobs program as well as bring a report on the status of joining the Community Choice Aggregation program.**

The city has invested in plans like the Climate Action and Adaptation Plan, the Youth Strategic Plan, the Everyone IN plan, and yet has lacked the resources to fund these plans to scale. This moment is critical.

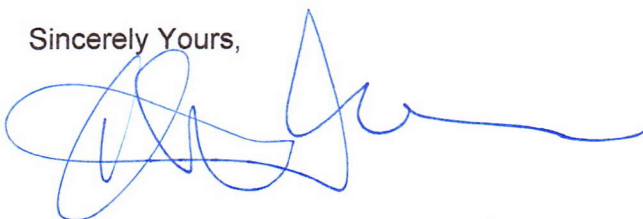
Currently, Long Beach has the third highest OPT rate at \$0.47, which includes the \$0.15 per barrel flat rate and the CPI adjusted Prop H tax at \$0.32 per barrel. Recognizing that lower producing cities, such as Signal Hill charge more per barrel, this is an opportunity to bring the City’s oil tax in alignment with other jurisdictions.

City	Oil Barrel Tax
Signal Hill	\$0.67
La Habra Heights	\$0.60
Long Beach	\$0.47
Seal Beach	\$0.45
Beverly Hills	\$0.42
Santa Fe Springs	\$0.41
Huntington Beach	\$0.37

Proceeds from these efforts should support programs that expand equity, opportunity, and justice across the City: including a youth investment fund, an economic equity fund, and a health and environmental equity fund. These funds can and should be designed to be made permanent in the city, and ultimately independent of revenue streams from oil or gas sales.

I thank the Council members and the Mayor for bringing this opportunity to council. **I ask that Long Beach match the Signal Hill Tax Rate**, and that these funds be used to directly impact the communities that suffer the highest unemployment, the greatest health disparities, the greatest environmental burden where they live, and thus should first be given every opportunity to address persistent gaps in opportunity and outcome.

Sincerely Yours,



**Christopher Robson**

President YES WE CAN Democratic Club

Vice President

California Democratic Council

Elected ADEM 70

California Democratic Central Committee

[vp@cdc-ca.org](mailto:vp@cdc-ca.org)

Alternate Member LA County

Democratic Party Central Committee

Captain

BLUE REVOLUTION

Director Long Beach

Board of Health and Human Services

Director Rose Park Neighborhood Association

[chrisprob@gmail.com](mailto:chrisprob@gmail.com)

805-490-8851

Tuesday, July 7, 2020  
Honorable Mayor and City Council of Long Beach  
411 W. Ocean Blvd  
Long Beach, CA 90802

Honorable Mayor and City Councilmembers,

We urge you to pass Agenda Item 23 for the July 7th City Council Meeting. Passing this item is needed to give the voters of Long Beach an opportunity to prioritize closing the health, income, and climate gaps for our Black community members and others that have consistently been left behind.

We are in unprecedented times, suffering 3 intertwined crises that each deserve our full attention and swift action. Systematic and overt Racism, a pandemic that has affected nearly 3 million Americans to date, and a climate crisis that deepens the divide between our Black Community members and others, and decreases life expectancy rates for poor people and people of color living in environmentally burdened and socially vulnerable neighborhoods.

**This past week, The New York Times stated that** “Black Lives Matter May Be the Largest Movement in U.S. History”.<sup>1</sup> The United States is going through a second round of quarantine, and our climate crisis is speeding up faster than scientists believed would. The Arctic is warming up at least twice as fast as the rest of the world – the permafrost is now thawing for the first time since before the last ice age, potentially freeing pathogens the likes of which modern humans have never before grappled with.<sup>2</sup>

The city of Long Beach has made some positive progress addressing these three crises. We thank the Long Beach City council for its efforts in establishing the “**Framework for Reconciliation in Long Beach,**” a process to address racial inequities and systemic racism in Long Beach. Environmental justice and economic equity are prevalent themes that have emerged from this process.

In Long Beach, African-Americans have the highest rates of hospitalization for heart disease, diabetes, and asthma compared to other races and ethnicities.<sup>3</sup> Similarly, African-Americans and Latinos are disproportionately represented in the number of positive COVID-19 cases and hospitalizations. These health disparities are exacerbated by climate change, increasing the

---

<sup>1</sup> Black Lives Matter May Be the Largest Movement in U.S. History [Larry Buchanan, Quoc Trung Bui and Jugal K. Patel July 3, 2020](https://www.nytimes.com/interactive/2020/07/03/us/george-floyd-protests-crowd-size.html)<https://www.nytimes.com/interactive/2020/07/03/us/george-floyd-protests-crowd-size.html>

<sup>2</sup>Climate crisis: Thawing Arctic permafrost could release deadly waves of ancient diseases, scientists suggest <https://www.independent.co.uk/environment/permafrost-release-diseases-virus-bacteria-arctic-climate-crisis-a9601431.html>

<sup>3</sup> “Community Health Assessment.” July 2013. <http://www.longbeach.gov/globalassets/health/media-library/documents/planning-and-research/reports/community-health-assessment/community-health-assessment>

vulnerability of the poor, elderly (who are socially isolated), the very young, homeless, and those with compromised health.

Last month the Joint Environmental Committee and Sustainability Commission convened and reviewed the City of Long Beach’s Draft Climate Action and Adaptation Plan, which has been shelved for the last year. We understand there are many opportunities in the Draft Plan to address the climate crisis and our unemployment crisis if the council takes bold action. **The joint committee gave direction to staff to bring a report supporting passing the CAAP this year, and to include a resilient jobs program as well as bring a report on the status of joining the Community Choice Aggregation program.**

The city has invested in plans like the Climate Action and Adaptation Plan, the Youth Strategic Plan, the Everyone IN plan, and yet has lacked the resources to fund these plans to scale. This moment is critical.

Currently, Long Beach has the third highest OPT rate at \$0.47, which includes the \$0.15 per barrel flat rate and the CPI adjusted Prop H tax at \$0.32 per barrel. Recognizing that lower producing cities, such as Signal Hill charge more per barrel, this is an opportunity to bring the City’s oil tax in alignment with other jurisdictions.

City	Oil Barrel Tax
Signal Hill	\$0.67
La Habra Heights	\$0.60
Long Beach	\$0.47
Seal Beach	\$0.45
Beverly Hills	\$0.42
Santa Fe Springs	\$0.41
Huntington Beach	\$0.37

Proceeds from these efforts should support programs that expand equity, opportunity, and justice across the City: including a youth investment fund, an economic equity fund, and a health and environmental equity fund. These funds can and should be designed to be made permanent in the city, and ultimately independent of revenue streams from oil or gas sales.

We thank the Councilmembers and the Mayor for bringing this opportunity to council. **We ask that Long Beach match the Signal Hill Tax Rate**, and that these funds be used to directly impact the communities that suffer the highest unemployment, the greatest health disparities, the greatest environmental burden where they live, and thus should first be given every opportunity to address persistent gaps.

Sincerely Yours,

Organizations Signed On as of 7/7/2020:

AOC7 Neighborhood Group  
California League of Conservation Voters  
California-Mexico Studies Center  
Earth Justice  
Green Education Inc.+  
GRID Alternatives--Greater Los Angeles  
Long Beach 350  
Long Beach Alliance for Clean Energy  
Long Beach Coalition for Good Jobs and a Healthy Community  
Long Beach Community Choice Energy Working Group  
Long Beach Environmental Alliance  
Long Beach Sacred Resistance  
Los Angeles Alliance for a New Economy  
Small World Strategy  
350 South Bay Los Angeles

*Community Leaders:*

Annette Quintero, 4th District Resident  
Dolores Ramos, 2nd District Resident  
Ennette Morgan, 2nd District Resident  
Luz Vazquez-Ramos, 2nd District Resident  
Nancy Valencia, 3rd District Resident  
Grace Lorentzen, 7th District Resident  
Sandra Kroll, 3rd District Resident  
Jane Seymour, 2nd District Resident  
Armando Vazquez-Ramos, 3rd District  
Dr. Juan M. Benitez, 1st District  
Marion Nguli, 7th District