

COASTAL CONSERVANCY

Staff Recommendation  
February 15, 2024

**LOS CERRITOS WETLANDS LAND SWAP PROJECT**

Project No. 98-015-11  
Project Manager: Sally Gee

**RECOMMENDED ACTION:** Authorization to approve a land swap involving the transfer of a five-acre parcel owned by Los Cerritos Wetlands Authority to Los Cerritos Wetlands, LLC in exchange for a 150-acre parcel for purposes of natural resource and wetland protection and restoration, open space, and public access that is compatible with those purposes, in the City of Long Beach, and adoption of findings under the California Environmental Quality Act.

**LOCATION:** City of Long Beach, Los Angeles County

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EXHIBITS

- Exhibit 1: [Project Location Map](#)
  - Exhibit 2: [Project Graphics](#)
  - Exhibit 3: [January 18, 2007 Staff Recommendation and Minutes](#)
  - Exhibit 4: [Option Agreement](#)
  - Exhibit 5: Los Cerritos Wetlands Oil Consolidation and Restoration Project Final Environmental Impact Report:  
<https://longbeach.gov/lbcd/planning/environmental/reports/>
  - Exhibit 6: [Project Mitigation and Monitoring Reporting Program](#)
  - Exhibit 7: [Project Letters](#)
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**RESOLUTION AND FINDINGS**

Staff recommends that the State Coastal Conservancy adopts the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby approves the transfer by the Los Cerritos Wetlands Authority (LCWA) of its five-acre parcel known as the “OTD parcel” to Los Cerritos Wetlands, LLC (LCWLLC) in exchange for LCWA’s receipt of the 150-acre parcel known as the “Synergy Oil

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Field” for purposes of natural resource and wetland protection and restoration, open space, and public access that is compatible with those purposes in the City of Long Beach, subject to the following conditions:

1. Prior to the transfer of the OTD parcel, the LCWA shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer):
  - a. All relevant documents for the land exchange including, without limitation, the appraisal or appraisals, the independent review of the appraisal or appraisals by the California Department of General Services, Land Exchange Agreement, deeds and irrevocable offers to dedicate, escrow instructions, and title report;
  - b. Evidence that the Synergy Oil Field has either the same or greater value as the OTD parcel, or, if the Synergy Oil Field has a lesser value than the OTD parcel, evidence that LCWA will receive additional financial benefits equal to the difference between the OTD parcel and the Synergy Oil Field. The value of the Synergy Oil Field and the OTD parcel must be the fair market value as established in an appraisal or appraisals approved by the California Department of General Services.
2. The Synergy Oil Field shall be managed and operated for the purposes of natural resource and wetland protection and restoration, open space, and public access that is compatible with those purposes.
3. Prior to or concurrent with the transfer of the OTD parcel, LCWA or LCWLLC shall record a deed restriction on the OTD Parcel that serves to permanently prohibit the extraction or production of oil or gas on or from the OTD parcel. The form and content of the deed restriction shall be approved by the Executive Officer of the Conservancy, which approval shall not be unreasonably withheld.

Findings:

Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed land exchange is consistent with Chapter 8 of Division 21 of the Public Resources Code, regarding reservation of significant coastal resource areas.
2. The proposed land exchange is consistent with the current Conservancy Project Selection Criteria.
3. The Conservancy has independently reviewed and considered the Los Cerritos Wetlands Oil Consolidation and Restoration Project Final Environmental Impact Report (EIR) certified by the City of Long Beach (“lead agency”) on January 16, 2018, pursuant to the California Environmental Quality Act (“CEQA”) and incorporated to the accompanying staff recommendation as Exhibit 5. The Conservancy has also reviewed the Mitigation Monitoring and Reporting Program adopted by the lead agency on January 16, 2018, and attached to the accompanying recommendation as Exhibit 6. The Conservancy finds, as described further in the accompanying staff recommendation, that:

- a. The Los Cerritos Wetlands Oil Consolidation and Restoration Project (“Consolidation Project”) will have potentially significant environmental effects in the areas of:
- Aesthetics
  - Air Quality
  - Biological Resources
  - Cultural Resources
  - Geology, Seismicity, and Soils
  - Greenhouse Gas (GHG) Emissions
  - Hazards and Hazardous Materials
  - Noise
  - Public Services
  - Tribal Cultural Resources
  - Energy Consumption

The Conservancy finds that the mitigation measures identified in the Final EIR will avoid, reduce, or mitigate these possible significant environmental effects to less-than-significant levels and that these mitigation measures have been required or incorporated into the project.

- b. The Conservancy further finds that the Consolidation Project will result in significant and unavoidable environmental effects in certain areas of Air Quality, but environmental and other benefits of the Consolidation Project as described in the accompanying staff recommendation outweigh or render acceptable these unavoidable adverse environmental effects.
- c. The Conservancy adopts the Findings regarding Significant Effects and Statement of Overriding Considerations set forth in the accompanying staff recommendation.

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## **STAFF RECOMMENDATION**

### **PROJECT SUMMARY:**

Staff recommends that the Conservancy approve the transfer by the Los Cerritos Wetlands Authority (LCWA) of its five-acre parcel known as the “OTD parcel” to Los Cerritos Wetlands, LLC (LCWLLC) in exchange for LCWA’s receipt of the 150-acre parcel known as the “Synergy Oil Field” for purposes of natural resource and wetland protection and restoration, open space, and public access that is compatible with those purposes, in the City of Long Beach (City). The term “project” in this staff recommendation refers to the land exchange involving the transfer of the OTD parcel from LCWA to LCWLLC in exchange for the Synergy Oil Field. The OTD parcel is included in the Los Cerritos Wetlands Restoration and Oil Consolidation Project (Consolidation Project) proposed by Beach Oil Minerals Partners (BOMP), an energy company with active oil operations in the Los Cerritos Wetlands Complex (LCW Complex). The Consolidation Project will consolidate existing oil operations, expand new oil operations, restore wetlands habitat, and construct new public access in the LCW Complex within the City. This will occur on four individual parcels: the Synergy Oil Field (150 acres) owned by LCWLLC -

affiliate of BOMP, the City Property (33 acres) owned by the City, the Pumpkin Patch (7 acres) owned by Lyon Living - affiliate of BOMP, and the OTD parcel (5 acres) owned by LCWA (Exhibit 2).

The City completed an Environmental Impact Report for the Consolidation Project in November 2017, State Clearinghouse #2016041083. The Coastal Development Permit (CDP) for the Consolidation Project was approved by the California Coastal Commission on December 13, 2018, [th14a-12-2018-report.pdf \(ca.gov\)](#), and the permit was issued in December 2021. The LCWA and the City are participating in the Consolidation Project. Additionally, a Bank Enabling Instrument (BEI) for the Upper Los Cerritos Wetlands Mitigation Bank (Mitigation Bank) has been approved and executed by the US. Army Corps of Engineers and California Coastal Commission.

Under the approved CDP for the Consolidation Project, existing oil extraction operations on the Synergy Oil Field and City Property will be phased out over a 20-year period, and new oil production, storage, or refinement facilities in the Coastal Zone is allowed to be constructed on the Pumpkin Patch and/or OTD parcel. The Synergy Oil Field is further divided into a northern portion and southern portion. The Mitigation Bank will be implemented in the northern Synergy Oil Field, roughly 77 acres, where no oil operations currently exist. This will protect Steamshovel Slough, approximately 45 acres of the northern portion, which is a remnant of the historic LCW Complex that has not been developed. Oil extraction will continue on the surfaces of the southern Synergy Oil Field and City Property and be phased out over a 20-year period. An above ground pipeline is allowed to be constructed to connect new oil extraction operations on the Pumpkin Patch to the OTD parcel, but this pipeline will not be constructed. A new office building will be constructed on the Pumpkin Patch, and public access amenities will be developed on the Synergy Oil Field.

Since issuance of the CDP, BOMP has shared that decommissioning of its oil extraction operations on the Synergy Oil Field is already occurring and is expected to be completed within 4 years, by December 2027, instead of the 20 years approved under the CDP. Additionally, LCWLLC has agreed to record a deed restriction that prohibits the use of the OTD parcel for extraction or production of oil or gas (see Board Resolution #3). Instead, BOMP will use the OTD parcel to store heavy equipment utilized in well abandonment, including but not limited to rigs, tubing, crane trucks, vacuum trucks, container tanks, tractors, and trailers. A total of up to 70 new wells were approved under the CDP for the OTD parcel, but these wells will no longer be built.

BOMP will limit all new oil production, water injection, and water sourcing wells to the Pumpkin Patch. Accordingly, BOMP will not construct an aboveground pipeline connecting the Pumpkin Patch and OTD parcel. Up to 50 wells for the Pumpkin Patch were approved under the CDP, but BOMP has stated that it will drill up to only 30 wells. This would produce 4,000 to 6,000 barrels per day of oil, which is less than the 24,000 barrels per day if all 120 wells approved under the CDP on the OTD parcel and Pumpkin Patch were in operation. At this time, BOMP's plans continue to change with pending legislation (SB 1137), and thus there is also the potential that no new oil and gas production will be developed on the Pumpkin Patch. BOMP is still planning on constructing the new office building to oversee other ongoing oil production facilities in the

area and other business operations. The Mitigation Bank and development of public access amenities will continue to be implemented. Cap and abandonment of oil and gas production on the City Property is occurring on a separate timeline.

Prior to LCWA's ownership of the OTD parcel, Southern California Edison Company owned the parcel. On May 30, 2001, Southern California Edison made an irrevocable offer to dedicate fee title of the OTD parcel to the Conservancy, pursuant to the settlement of the matter of *Earth Island Institute, Donald May and David Jeffries v. Southern California Edison Company* (US District Court, Southern District of California Case No. 90CV1535-B). The offer was made to "implement the Conservancy's resource enhancement program at the Los Cerritos Wetlands." Upon the Conservancy making a finding that the OTD parcel is suitable for wetland restoration, the offer required the Conservancy to either accept or designate a party to accept the offer. On January 18, 2007, the Conservancy approved the designation of LCWA to accept the offer, on the condition that "the Conservancy shall approve any transfer of the OTD property by the LCWA" (Exhibit 3).

A key component of the Consolidation Project is the proposed land exchange. On September 2, 2016, LCWA and LCWLLC entered into an Option Agreement to exchange the OTD parcel for the Synergy Oil Field (Exhibit 4). Under the Option Agreement, LCWLLC will retain the mineral rights 500 feet under the Synergy Oil Field. Pursuant to the Conservancy's January 18, 2007, authorization designating LCWA to accept the OTD parcel, the Conservancy must approve transfer of the OTD parcel by LCWA to LCWLLC.

The historic and existing wetlands in the LCW Complex have been sought by public agencies and environmentalists for habitat protection and restoration for many years. The Consolidation Project offers a unique opportunity to decommission oil extraction operations on 150 acres of land within the LCW Complex, place the property under public stewardship, restore and enhance tidal wetlands in the face of sea level rise, and provide new public access to open space in a densely populated area without public funding. Without this project, oil extraction operations on the 150 acres will continue as those operations are grandfathered onto the property. As sea levels rise, the 150 acres are vulnerable to flooding, and with dated infrastructure could threaten the health of the environment.

Restoration of the 150-acre Synergy Oil Field would advance over a decade of restoration planning in the northern area of the LCW Complex. Restoration of the Synergy Oil Field will be funded by LCWLLC and partially through its sale of mitigation credits. Contaminated soil on the property will be remediated prior to restoration, and existing tidal wetlands will be expanded. Steamshovel Slough will be preserved in perpetuity with the Mitigation Bank, protecting valuable acres that currently support a natural, healthy wetland system. LCWLLC will provide an endowment of \$2.2M to the LCWA to maintain the Mitigation Bank.

Due to the Synergy Oil Field being used for oil operations, public access to the site is currently not allowed, except through special permission by the landowner for specific events. As part of the Consolidation Project, an existing office building on the Synergy Oil Field will be renovated into a visitor center with associated visitor parking. A roughly 1 mile out-and-back trail will be constructed extending from the visitor center along the eastern perimeter of the property to the northern end of the property for the public to enjoy views of the restored wetlands.

Interpretive signage will be installed along the trail and in the visitor center. Once the public amenities are constructed, access to an inaccessible area of the LCW Complex will be made available and managed by the LCWA. In total, the public access amenities will total roughly 3 acres of the property.

Under the Option Agreement, LCWLLC may exercise the option after the completion of an appraisal, environmental review, all entitlements, and a Land Exchange Agreement. LCWLLC has met almost all the conditions precedent to exercise of the option listed in the Option Agreement. The final condition precedent is to obtain public agency review and approval of appraisals, from the Department of General Services (DGS), for the Synergy Oil Field and the OTD parcel to determine the fair market value of both properties. The appraisals have not been approved by DGS.

In the interim, LCWA and LCWLLC are negotiating a Land Exchange Agreement that will include the major details highlighted in the following. Upon exercise of the option:

- LCWLLC will transfer the northern portion of the Synergy Oil Field, approximately 77 acres, which includes Steamshovel Slough and the Mitigation Bank site to the LCWA.
- LCWA will transfer the OTD parcel located at the northeast corner of Studebaker Road and Westminster Blvd to LCWLLC.
- LCWA or LCWLLC shall record a deed restriction on the OTD parcel that serves to permanently prohibit extraction or production (meaning processing, refining, storage, and/or distribution) of oil or gas on or from the OTD parcel.
- BOMP will retain the right to establish and sell mitigation credits on the Mitigation Bank, approximately 68 acres, in accordance with the approved BEI. Operating the Mitigation Bank will involve BOMP restoring tidal wetlands and native uplands on the property and LCWA maintaining the restored wetlands in the long-term. A conservation easement will be recorded on this portion of the property, and an endowment of \$2.2M for LCWA to maintain the Mitigation Bank must be fully funded. LCWA, as the new property owner of the Mitigation Bank site, will be obligated to maintain the property for perpetuity once the standards of the mitigation credits have been met.
- LCWLLC will make an irrevocable offer to dedicate to LCWA the approximately 3 acres of the Synergy Oil Field upon which the public access facilities will be constructed, described above. LCWA will be able to accept the offer after BOMP's new office building is constructed on the Pumpkin Patch and the visitor center with the trail and related amenities are complete.
- LCWLLC will make an irrevocable offer to dedicate the southern portion of the Synergy Oil Field to LWCA, approximately 70 acres. BOMP will cap and abandon oil and gas production on the southern portion of the Synergy Oil Field. Upon the cessation of oil production activities, clean up and remediation, LCWA may accept the offer and acquire title to the southern Synergy Oil Field. The option to establish a mitigation bank on the southern Synergy Oil Field will be retained by LCWLLC.

- LCWLLC will provide an insurance policy naming LCWA as an additional insured party covering pollution and environmental liability of the properties, and cover all costs associated with the transfer of the properties.
- If an appraisal approved by DGS supports that the OTD parcel's appraised value is greater than the value of the Synergy Oil Field, LCWLLC will compensate LCWA the difference in value between the OTD parcel and the Synergy Oil Field or demonstrate offset costs in an amount equal to or more than the difference in value.
  - Potential Offsets:
    - Costs for development of the visitor center and public amenities, including the trail, interpretive signage, and parking lot.
    - Additional funding provided into an endowment for the Mitigation Bank above what is required by the approving agencies.
    - Estimated wetlands restoration costs for the southern portion of the Synergy Oil Field once oil operations are capped and abandoned, and remediation is completed. If LCWLLC decides to establish a mitigation bank on the southern Synergy Oil Field, then this value must be paid to the LCWA.

**Site Description:**

The LCW Complex is a 500-acre mosaic of public and privately-owned properties located along Pacific Coast Highway, the lower reach of the San Gabriel River, and the Los Angeles-Orange Counties' border. The LCW Complex once spanned 2,400 acres and functioned as the estuary for the San Gabriel River. It has been greatly reduced in size due to development and industrialization, especially in the form of oil operations, but the LCW Complex retains tremendous potential for enhancement and restoration. The Conservancy has had a long history of involvement in the LCW Complex and has been actively pursuing protection and restoration efforts in the region for decades.

**Synergy Oil Field:** The Synergy Oil Field consists of an approximately 150-acre property located at 6433 East 2nd Street. The site is bounded by Pacific Coast Highway to the west, 2nd Street to the south, Studebaker Road to the east, and the Los Cerritos Channel to the north. The site is owned by LCWLLC. The Synergy Oil Field is an active oil field with oil production and wells, tank farms, and a network of roads, pipelines, and other oil field-related amenities including an office building. There are 39 oil wells on site; 22 are active and 17 are idle. (APNs: 7237-017-010, 7237-017-011, 7237-017-012, 7237-017-013, 7237-017-014, and 7237-017-019)

**OTD parcel:** The OTD parcel consists of an approximately 5-acre parcel located at the northeast corner of Studebaker Road and 2nd Street. The site is bounded by 2<sup>nd</sup> Street to the south and Studebaker Road to the west and is adjacent to industrial development to the north and east. The site is owned by the LCWA. The OTD parcel is mostly uplands, bordered to the north and east by industrial uses. The parcel and its surroundings are generally flat with little vegetation and is not immediately adjacent to sources of water. The past use of the area has been an oil field, and an equipment storage area and maintenance facility consisting of office trailers and

steel storage containers. The site is suitable for commercial/industrial use and is currently leased for highway equipment storage. (APN: 7237-019-809)

**City Property:** The City Property is an approximately 33-acre site located at 2nd Street and Shopkeeper Road. The site is bounded by Shopkeeper Road to the west, 2nd Street to the north, undeveloped land to the east, and the San Gabriel River to the south. The site is owned by the City. Synergy Oil and Gas has a surface use agreement and easement with the City to operate oil production facilities on the City Property. (APNs: 7237-020-903 and 7237-020-904)

**Pumpkin Patch:** The Pumpkin Patch comprises an approximately 7-acre property located at 6701 Pacific Coast Highway. The site is undeveloped except for an oil well and associated pipeline and is used seasonally as a pumpkin patch and Christmas tree lot. The site is bounded by Pacific Coast Highway to the west, the San Gabriel River to the south, the commercial-retail uses at the Marketplace to the north, and the undeveloped land associated with the City Property to the east. A Lyon Living owns the site. (APNs: 7237-010-043, 7237-010-044, and 7237-010-045)

**Grant Applicant Qualifications:**

The LCWA was formed in 2006 as a joint powers authority made up of the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, and the two cities of Seal Beach and Long Beach for the purpose of acquisition, protection, and management of the LCW Complex. Each member agency holds one seat on the Governing Board. The LCWA combines resources of the local and state agencies to develop an integrated approach to wetlands restoration and protection across a complex landscape of land ownership. The LCWA now owns and operates several parcels of land in the LCW Complex totaling roughly 172 acres. The LCWA is advancing the Southern Los Cerritos Wetlands Restoration Project on its property, totaling 103.5 acres, in the City of Seal Beach, on the southern area of the LCW Complex.

**CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:**

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following:

**Selection Criteria**

**1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.**

See the "Consistency with Conservancy's Strategic Plan" section below.

**2. Project is a good investment of state resources.**

The project will require no public investment to protect and restore wetlands on 150 acres of former wetlands, in exchange for 5 acres of land. This would advance 30x30 goals and is consistent with the City's Local Coastal Program.



**3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.**

Tribal consultation was conducted by the City and the California Coastal Commission during the environmental review process and coastal development permit application process. The LCW Complex is a significant tribal cultural landscape significant to multiple tribes, as described in the Coastal Commission staff report dated December 13, 2018. One tribe was supportive of the wetlands restoration component of the Consolidation Project, and supported the inclusion of a tribal education component to the visitor center and interpretive elements. Other tribes were not supportive of the Consolidation Project due to concerns about environmental damage from the development of new oil extraction operations and wished to see all four parcels restored.

**4. Project benefits will be sustainable or resilient over the project lifespan.**

Restoration of wetlands on the Synergy Oil Field is a more sustainable and resilient land use in the face of sea level rise and will provide habitat for sensitive wetland species. An endowment will be provided to manage the restored areas under the Mitigation Bank. Oil operations will be relocated out of the flood zone.

**5. Project delivers multiple benefits and significant positive impact.**

The Consolidation Project and land transfer will decommission oil operations on 150 acres of land within the LCW Complex, place the property under public stewardship, restore and enhance tidal wetlands in the face of sea level rise, and provide new public access (visitor center and trails) in a densely populated area. New oil drilling technology will be used in place of older technology, which could reduce environmental hazards.

**6. Project planned with meaningful community engagement and broad community support.**

Outreach was conducted by BOMP and the City during the environmental review process and the Coastal Development Permit process. The Consolidation Project was met with significant public and tribal opposition but was also supported by some community groups and individuals. The public opposition from environmental groups and individuals centered around expanded oil drilling within the Coastal Zone and exacerbating climate change impacts by increasing the amount of fossil fuels extracted. Public support came from members of the community who saw the benefit of placing 150 acres of private property in public hands and restoring wetlands habitat. During the Coastal Commission hearing, individuals and community groups expressed the desire to see the oil rigs removed from the landscape, the wetlands restored, and the ability to access the site.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	<b>\$0</b>
<b>Project Total</b>	<b>\$0</b>

The Conservancy is not providing any funding for this project. In addition, because this project is a land exchange between the LCWA and LCWLLC, there is no purchase price for either parcel.

To the extent the OTD parcel is appraised at a higher fair market value than the Synergy Oil Field, LCWLLC will provide additional financial benefits to LCWA equal to the difference between the OTD parcel and the Synergy Oil Field.

**CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:**

The project is authorized pursuant to Chapter 8 of Division 21. Pursuant to Section 31350 the Conservancy may reserve significant coastal resource lands that would otherwise be lost to public use. The project would acquire 150 acres of wetlands for public use in exchange for 5 acres and would provide new public access to an inaccessible area.

In accordance with Section 31351, the Conservancy is working with the LCWA, a public agency, to implement a resource enhancement program at the LCW Complex for park, recreation, fish and wildlife habitat, and historical preservation. The project meets the policies and objectives of a certified local coastal plan (LCP).

In May 2018, BOMP submitted the CDP application to the California Coastal Commission. In August 2018, the California Coastal Commission approved an LCP amendment submitted by the City to update its LCP policies for the Southeast Area Development and Improvement Plan (SEADIP), the planning area that includes the Synergy Oil Field and the LCW Complex. The LCP update was necessary to ensure that LCP policies related to oil and gas development within SEADIP are consistent with Coastal Act policies requiring consolidation of existing oil and gas facilities, protection of coastal resources including marine resources, wetlands, Environmentally Sensitive Habitat Area, and cultural resources, and avoidance or minimization of risks associated with oil spills and hazards.

**CONSISTENCY WITH CONSERVANCY'S [2023-2027 STRATEGIC PLAN](#):**

Consistent with **Goal 2.5 Recreation Facilities & Amenities**, the proposed project will support enhancement of facilities, such as a visitor center, parking lot, trail, and interpretive signage.

Consistent with **Goal 3.1 Conserve Land**, the proposed project will protect 150 acres of wetland resource lands.

Consistent with **Goal 3.2 Restore or Enhance Habitats**, the proposed project will support restoration and enhancement of 150 acres of wetlands habitat.

**CEQA COMPLIANCE:**

On January 16, 2018, the City of Long Beach certified the Los Cerritos Wetlands Oil Consolidation and Restoration Project Final Environmental Impact Report (Final EIR) (Exhibit 5), approved the Consolidation Project, and adopted a Mitigation Monitoring and Reporting Program. The Final EIR analyzes the foreseeable potential impacts that could result from the land swap, which is a component of the Consolidation Project. Under the Consolidation Project as described in the Final EIR, existing oil extraction operations on the Synergy Oil Field and City Property will be phased out over a period of up to 40 years, and new oil extraction production

facilities will be constructed and operated on the Pumpkin Patch and/or the OTD parcel. The northern Synergy Oil Field will be remediated, if necessary, and restored to a natural wetland area that will be operated as a wetlands mitigation bank. Revegetation of the approximately 70 acres of the southern Synergy Oil Field will occur as oil equipment, wells, and related facilities are removed over time. The Consolidation Project also includes the construction of a new office building and storage structure on the Pumpkin Patch site to support the oil extraction operations. Once the offices are relocated to the Pumpkin Patch, the proposed Consolidation Project will relocate the existing office building on the Synergy Oil Field to another location on the Synergy Oil Field, repurpose it for use as a visitor center, and construct a new parking area and perimeter trail to provide public access to this portion of the Los Cerritos Wetlands.

For the following resource areas, the Final EIR indicated that the Consolidation Project will have potentially significant environmental effects, however changes or alterations have been required in, or incorporated into, the Consolidation Project that mitigate to less than significant each of the potentially significant effects:

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Geology, Seismicity, and Soils
- Greenhouse Gas (GHG) Emissions
- Hazards and Hazardous Materials
- Noise
- Public Services
- Tribal Cultural Resources
- Energy Consumption

For the following resource areas, the Final EIR indicated that the Consolidation Project will have significant environmental effects that, although minimized or reduced by mitigation measures, will not be a less than significant level, either because no mitigations measures are available or mitigation measures were considered but identified as infeasible due to specific economic, legal, social, technological, or other considerations:

- Air Quality

These impacts will remain significant and unavoidable. A Statement of Overriding Considerations (see below) is being adopted to address these significant and unmitigated impacts.

## **1. Findings for Significant Effects that can be Mitigated to Less-Than-Significant Levels**

### **Aesthetics**

Impact: There could be potential visual distractions with construction activities. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**AES-1** will be implemented to control the staging and cleanliness of construction equipment stored on the project site and screen the view at street level with solid wood fencing or green fencing. Construction worker vehicles will be parked on the Synergy Oil Field site and transported to the construction site, and all vehicles will be kept clean and free of mud and dust before leaving the project site.

Impact: External lighting may affect adjacent habitats. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**AES-2** requires a Lighting Plan that all exterior lighting to be directed downward and focused away from adjacent sensitive uses and habitats to encourage wayfinding and provide security and safety for individuals walking to and from parking areas.

With these mitigation efforts incorporated, potential impacts to aesthetics will be reduced to a less than significant level. In addition, with restoration of native vegetation and wetlands habitat, and consolidation of oil operations, the visual quality of the project area would actually increase.

### **Air Quality**

Impact: Air pollutants would be emitted from operation of the oil infrastructure, energy production, office and visitor center space heating, and worker and visitor vehicle trips to the site which would generate NO<sub>x</sub> greater than the SCAQMD threshold both locally and regionally. Routine painting of all sites would also contribute VOC emissions, but the VOC emissions are within the SCAQMD threshold. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**AQ-3** requires use of diesel-powered drilling rigs for oil well operations to comply with TIER 4 emissions control standards, and be outfitted with the Best Available Control Technology (BACT). This would lower the overall operational NO<sub>x</sub> emission to be under the SCAQMD threshold.

Impact: Construction of the Consolidation Project would expose sensitive receptors to substantial pollutant concentrations in excess of localized significance thresholders that increase health risks. The Synergy Oil Field is the closest site to any sensitive receptor and, together, the Synergy Oil Field and Pumpkin Patch account for the greatest levels of construction and operational activity. Health impacts during construction would be generated from construction equipment due to combustion of diesel fuel, which releases Toxic Air Contaminants (TAC) that contribute to cancer risk related to exposure to air toxins in California. Health impacts from operations would be generated by TAC emission from the gas-powered turbines that generate electricity for on-site use, diesel-powered workover drill rigs, fugitive emissions from oil-containing tanks, and mobile vehicle visits to the site. The Final EIR identifies the following mitigation measures to reduce or avoid this impact:

**AQ-2** requires use of construction equipment (e.g. excavators, graders, dozers, scrappers, tractors, loaders, etc) certified to the Tier 4 emissions standards (most stringent requirement) to the extent commercially available.

**AQ-3:** see explanation above.

Impact: During the construction of the Consolidation Project, exhaust from construction equipment may produce discernible odors affecting people. These odors would be typical of most construction sites and would be temporary. During operations, odors are not expected to be released by the new facilities with modern designs that will reduce fugitive emissions. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**AQ-1** requires use of low volatile organic compound (VOC) paints be used, less or equal to 75 gram/liter, to reduce VOC emissions.

**AQ-2:** See explanation above.

With these mitigation efforts incorporated, these potential impacts to air quality will be reduced to a less than significant level. The Final EIR also identifies impacts to air quality that cannot be mitigated to a less than significant level, which are discussed below.

### **Biological Resources**

Impact: Potentially significant impacts to special status plants present on the project sites may be impacted either directly or indirectly during grading, installation of the pipeline corridor, removal of pipelines and other oil field infrastructure, and restoration activities. Southern tarplant is found on the Synergy Oil Field, Pumpkin Patch, and City Property, around oil infrastructure, and therefore would likely be impacted. Estuary seablite and woolly seablite are only present on the Synergy Oil Field and can be avoided. The OTD parcel does not have habitat that supports special status plants. The Final EIR identifies the following mitigation measures to reduce or avoid this impact:

**BIO-1** requires surveying and flagging special status plants, including southern tarplant, estuary seablite, and woolly seablite, prior to ground disturbance, and placing a minimum 10 feet buffer around marked plants (individuals or clusters).

**BIO-2** requires restoration of southern tarplant, both temporary and permanent impacted, that cannot be avoided during ground disturbance, and requires development of a Southern Tarplant Restoration Plan to be approved by the California Department of Fish and Wildlife prior to ground disturbance.

Impact: Potentially significant impacts to special status wildlife present or with the potential to occur on the project sites may be impacted either directly or indirectly during grading, installation of the pipeline corridor, removal of pipelines and other oil field infrastructure, development of a sheet pile wall and restoration activities. Six invertebrate, one reptilian, and

nine avian special status wildlife species were analyzed to potentially be impacted. Not all species have been observed on site, but suitable habitat is located on site. Most suitable habitat areas are located on the northern area of the Synergy Oil Field along Steamshovel Slough, and most of the species present in the project area have been observed here. The OTD parcel is the least sensitive site, with potential for only two avian species occurring on site and contains no jurisdictional wetlands.

Nesting avian species may also be impacted during construction from noise and dust, and disturbance to their nesting sites. During operation of the project, maintenance of vegetation and trails could indirectly impact nesting birds. Light trespass during construction and operation is also a concern.

The Final EIR identifies the following mitigation measures to reduce or avoid this impact:

**BIO-3** requires biological monitoring during project implementation to ensure maximum avoidance and minimization of impacts to wildlife and wetlands vegetation on the Synergy Oil Field, Pumpkin Patch, and City Property. If any special-status wildlife is observed prior to and during any vegetation and ground-disturbance activities, the biologist may halt work until the biologist determines appropriate actions to avoid and minimize impacts. Species may be relocated to more suitable habitat adjacent to the habitat where the species is found. Take permits would be required for special-status species to do so.

**BIO-4** requires replacement of impacted Belding's Savannah Sparrow Breeding Habitat at a minimum acreage of 1:1.

**BIO-5** requires that **prior** to any vegetation or ground disturbance associated with the Synergy Oil Field or City Property, comprehensive restoration plans shall be prepared and implemented within 1 year of impacts to sensitive natural communities. The plans will be approved by the US Army Corps of Engineers and California Coastal Commission, respectively, and will include areas to be restored, restoration actions, performance goals, and reporting and maintenance requirements. Permanent impacts will be restored at a minimum of 2:1, and temporary impacts restored at minimum 1:1.

**BIO-6** limits construction and maintenance activities to the non-breeding season (September 1 – December 31) to the extent feasible. If construction occurs during the breeding season, a qualified biologist shall conduct pre-construction nesting bird surveys within 5 days of initiation of work. A buffer of 500 feet demarcated with exclusion fencing shall be in place to avoid disturbance to nesting bird.

**BIO-7** requires preconstruction burrowing owl surveys of the project site, and if detected, a management plan shall be prepared.

**BIO-8** requires removal of trees on site outside the white-tailed kite nesting season, and if during the nesting season, then pre-removal surveys for active nests shall be conducted no more than 5 days prior. BIO-6 would also apply.

**BIO-9** requires a light plan to minimize light trespass and glare into the wetlands habitat.

Impact: The Consolidation Project may potentially impact sensitive natural communities that make up existing wetlands habitat during removal of oil pipelines in wetlands habitat, construction of the pipeline corridor, and construction of sidewalks on the Synergy Oil Field and City Property. No impacts are expected on the Pumpkin Patch and OTD parcel. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**BIO-5:** see explanation above.

Impact: The Consolidation Project may potentially impact jurisdictional waters and wetlands on the Synergy Oil Field and City Property. There may be temporary impacts from implementation of restoration on the Synergy Oil Field because of the need to increase tidal flows to currently disconnected areas. There is a minimal level of permanent impact from construction of the sheet pile wall. Overall wetlands acres would increase. On the City Property, construction of the sidewalks and pipeline corridor may result in temporary (0.74 ac) and permanent (0.46ac) impacts. No impacts to jurisdictional waters and wetlands are expected on Pumpkin Patch and OTD parcel.

During operation of the Consolidation Project, including any continued oil well abandonment over time, inadvertent and temporary impacts may occur. The establishment of the mitigation bank may also have inadvertent impacts to jurisdictional waters and wetlands.

The Final EIR identifies the following mitigation measures to reduce or avoid this impact:

**BIO-10** requires that the Consolidation Project avoid temporary and permanent impacts to aquatic habitat to the maximum extent feasible. All staging areas will be located away from aquatic habitat to the extent practicable, and any abutting habitat will be demarcated with fencing and signage.

**BIO-11** requires demonstration of no net loss of aquatic resource functions and demonstration of a substantial increase in wetland functions and values throughout the entire site. An assessment of habitat functions, such as biotic structure and hydrology, shall be conducted as part of the project's monitoring and reporting program outlined in the Final Restoration Plan for the Upper Los Cerritos Wetlands Mitigation Bank, so that these agencies can verify that the functional values have been achieved and/or provide measures that need to be implemented to meet the appropriate level of functionality.

With these mitigation efforts incorporated, potential impacts to biological resources will be reduced to a less than significant level.

### **Cultural Resources**

Impact: Impacts to cultural resources may result from ground-disturbing activities and/or damage, destruction, or alteration of historic structures. Ground-disturbing activities include project-related excavation, grading, trenching, vegetation clearance, the operation of heavy equipment, or other surface and sub-surface disturbance that may damage or destroy surficial or buried cultural resources including prehistoric or historic-period archaeological resources, paleontological resources, or human burials.

The Consolidation Project will relocate and rehabilitate the Bixby Ranch Field Office for use as a visitors center. The building will be moved southwest of its current location, rotated 180 degrees to the east, raised to address potential impacts of sea-level rise, and rehabilitated and adapted into a visitors center. Landscape, hardscape, and parking lots will be improved around the Bixby Ranch Field Office. This will change the visual character of the building and its association with the oil industry as captured in historic photographs.

Bixby No. 2 Discovery Well retains character-defining features of an early oil well and maintains historical integrity with its ties to the surrounding oil field. Since the Consolidation Project will remove oil infrastructure from the Synergy Oil Field, including this well, the character-defining features and historical association will not be retained.

Tribal consultations have indicated that the project area is considered to have high sensitivity to tribal cultural resources. Thus, there is the potential for impacts to unknown cultural resources that might be discovered during ground-disturbing activities during construction.

The Final EIR identifies the following mitigation measures to reduce or avoid this impact:

**CUL-1** requires that the Bixby Ranch Field Office and Bixby No. 2 Discovery Well be recorded in accordance with the Historic American Landscape Survey and Historic Building Survey Level II requirements. The documents shall clearly describe and capture the historical significance of these resources and be provided to official archival libraries.

**CUL-2** requires that the Bixby No.2 Discovery Well and its sign be retained and preserved, along with a 5-foot buffer. A visitor path and interpretive signage prepared by a historian shall also be installed.

**CUL-3** requires an architectural historian prepare a relocation plan of the Bixby Ranch Field Office in accordance with National Park Service recommendations on moving historic buildings, which must be approved by the City of Long Beach prior to implementation. Any maintenance of the building after relocation shall be conducted in accordance with the appropriate standards and guidelines for preserving historic buildings. Lastly, a permanent metal plaque shall be installed to explain the original location of the building.



**CUL-4** requires interpretation materials about the significant history of the Synergy Oil Field and oil industry of the region to be developed by a historian and placed along the proposed walking trails. Oral history interviews of previous employees or experts in this theme shall also be conducted.

**CUL-5** requires retention of a qualified archaeologist prior to grading and that cultural resources sensitivity training be provided to all construction personnel. This would include procedures in the event of an inadvertent discovery of archeological resources or human remains.

**CUL-6** requires Native American monitoring from the Gabrieleno Band of Mission Indians – Kizh Nation to be present during all earth-moving construction activities, and that a monitoring agreement be entered into between the City and Tribe detailing monitoring requirements and treatment of discovered cultural resources and human remains.

**CUL-7** states that in the event of a discovery of cultural resources, all work within 100 feet of the discovery shall be halted until a plan for treatment of the resource (avoidance, preservation in place, or data recovery through excavation) is prepared.

Impact: No fossils have been documented within or immediately adjacent to the project sites, but the underlying sediments have high sensitivity for preservation of paleontological resources below 15 feet. Thus, there is potential to encounter paleontological resources during ground disturbance activities. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**CUL-8** requires paleontological monitoring of all excavation activities and other ground disturbance activities that reach a depth of 15 feet or greater below the modern ground surface. The monitor shall be able to participate in the sensitivity training under **CUL-5** and have the ability to halt work in the area of the discovery until documentation and collection of the find is completed.

Impact: No known human remains have been identified in the project sites, but there is a possibility that ground-disturbing activities could encounter undocumented human remains. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**CUL-9** requires that human remain discoveries be treated in accordance with California Health and Safety Code Section 7050.5, and no further disturbance of the site or nearby area shall occur. If the remains are determined to be of Native American decent, the Native American Heritage Commission shall be notified, and the Most Likely Descendant shall be consulted on the disposition of the human remains.

With these mitigation efforts incorporated, potential impacts to cultural resources will be reduced to a less than significant level.

**Geology, Seismicity, and Soils**

Impact: The Newport-Inglewood Fault Zone crosses the Synergy Oil Field and City Property, and there are numerous other active faults in the region. The region will likely experience a large regional earthquake within the operational life of the Consolidation Project. Intense ground shaking and high ground accelerations would affect the entire area around the proposed facilities, wells, and associated infrastructure. The primary and secondary effects of ground shaking could damage structural foundations, distort or break wells or pipelines, and place people at risk of injury or death. During construction, partially constructed or removed aboveground structures and construction workers could be exposed to ground shaking; however, the construction period is short term, with most construction workers located outside of any structures. The Final EIR identifies the following mitigation measure to reduce or avoid this impact:

**GEO-1** requires that project structures be designed to withstand seismic ground shaking and seismic-related ground failures in accordance with the California Building Code (CBC), Department of Conservation’s Division of Oil, Gas, and Geothermal Resources (DOGGR), and local building code regulations and recommendations from site-specific geotechnical investigations, thereby reducing the potential for structural damage and risks to workers and public safety. This would apply to the new visitor center, office building, well cellars and tanks.

With these mitigation efforts incorporated, potential impacts from geology, seismicity, and soil will be reduced to a less than significant level.

**Greenhouse Gas (GHG) Emissions**

Impact: Impacts from GHG emissions may result from the construction and operation of the Synergy Oil Field, City Property, Pumpkin Patch, and OTD parcel. Additionally, emissions may be produced from ongoing well plugging and abandonment activities and implementation of turbines. The total construction emissions are calculated at 157 MTCO<sub>2e</sub>/year amortized over a 30-year period as directed by SCAQMD guidance. The Consolidation Project’s GHG emissions during operations would exceed the Southern California Air Quality Management District’s (SCAQMD) 10,000 MTCO<sub>2e</sub>/year significance threshold for GHG emissions generated by industrial facilities. As analyzed in the Final EIR, the majority of estimated GHG emissions (67,581 MTCO<sub>2e</sub>) would result from firing of turbines on the OTD parcel to recapture by-products from oil extraction (e.g. natural gas, water, heat) to produce electricity to power all operations associated with the Consolidation Project. A smaller amount of operational emissions (2,775 MTCO<sub>2e</sub>) would result from vehicle trips of visitors and workers to the site, use of drill rigs, and electric consumption for lighting and space heating in buildings.

The California Air Resources Board (CARB) administers the Cap-and-Trade Program. Under the Cap-and-Trade Program, CARB requires entities that emit more than 25,000 MTCO<sub>2e</sub>/year to

obtain GHG allowances or offsets for total emissions. The Cap-and-Trade Program is expected to continue under CARB as part of California's strategy to reduce greenhouse gas emissions. In addition to other regional, State, and Federal regulatory standards that the Consolidation Project must comply with, the Final EIR identifies the following mitigation measure to reduce or avoid the impact of GHG emissions:

**GHG-1** requires compliance with the Cap-and-Trade Program to mitigate the project's GHG emissions. The project shall also comply with all applicable Cap-and-Trade regulations as they continue to evolve, such as revisions to the Climate Change Scoping Plan, and become adopted by the California Legislature and/or through CARB's rulemaking process.

With these mitigation efforts incorporated, potential impacts from GHG emissions will be reduced to a less than significant level.

### **Hazards and Hazardous Materials**

Impact: All four individual sites are listed on one or more hazardous materials lists for the presence of active, idle, or plugged oil wells; historical releases of petroleum or PCBs; and/or the presence of landfill materials. Several of the individual sites have been used in the past as landfills. However, based upon preliminary investigations these landfills appear to have been used for limited periods of time for primarily municipal and construction waste. The construction activities could encounter hazardous materials associated with these issues, exposing workers or the environment to hazardous materials.

During long-term operation of the Consolidation Project, rigorous safety mechanisms, ongoing inspection, and maintenance in compliance with existing regulations will be implemented. Though, locations of oil production wells and pipelines would change, the Consolidation Project would not result in significant changes with respect to the use of hazardous materials between present operations and future operations. In addition to implementation of safety mechanisms, ongoing inspection, and maintenance in compliance with existing regulations, the Final EIR identifies the following mitigation measures to reduce or avoid the impact of hazards and hazardous materials:

**HAZ-1** requires that the construction contractor prepare and implement Health and Safety Plans for each project site to protect construction workers and the public during all excavation and grading activities. The plan should include the risks, personal protective procedures, and procedures following discovery of hazardous materials, and be approved by the Long Beach Hazardous Materials Division.

**HAZ-2** requires that a Soil, Landfill Materials, and Groundwater Management Plan be developed with the plan in HAZ-1. This should include a materials disposal plan for safe, appropriate, and lawful removal, handling, transport, and disposal of all materials and groundwater encountered during excavation. Approved disposal sites should also be pre-identified.

With these mitigation efforts incorporated, potential impacts from hazards and hazardous materials will be reduced to a less than significant level.

### **Noise**

Impact: Operation of the Consolidation Project may generate off-site vehicle traffic noise from vehicle traffic on area roadways in support of site operations and may generate on-site noise from operating oil wells and production facilities. The noise impact from oil production operations at the site would result in a less-than significant impact, if the facility is properly designed. The Final EIR identifies the following mitigation measure to reduce or avoid these impacts:

**NOI-1** requires a detailed noise assessment be prepared to demonstrate that the resultant noise levels from oil production activities will meet the City of Long Beach Noise Ordinance limits prior to issuance of permits and drilling. Once the sites are in operation, noise measurements should be conducted within 60 days to demonstrate both oil production sites are in compliance with the City's Noise Ordinance. If any exceedances are detected, the City shall require that noise attenuation measures (eg. enclosures, mufflers, etc) be taken.

Impact: A sheet pile wall will be constructed to separate the northern restoration area and the ongoing oil operations in the southern Synergy Oil Field. Vibratory sheet pile driving construction noise may result in a significant impact to ambient conditions and may result in speech interference when residents are outside at the nearby mobile home park. Construction noise may also impact sensitive animal species, specifically special-status bird species during nesting and breeding activity. The Final EIR identifies the following mitigation measures to reduce or avoid these impacts:

**NOI-2** requires staging areas for construction be located away from existing off-site residences, all construction equipment need to use properly operating mufflers, and shall be requirements included in construction contracts.

**NOI-3** limits all grading and sheet pile driving activities during the nesting season (March 1 to August 15) for sensitive bird species.

**NOI-4** requires that only vibratory sheet pile driving (less impactful) be employed and prohibit impact sheet pile driving on the Synergy Oil Field.

With these mitigation efforts incorporated, potential impacts from noise will be reduced to a less than significant level.

### **Public Services**

Impact: Construction of the proposed facilities, particularly oil-related facilities, could result in fire hazards on site that could have a potential need for firefighting and emergency medical services. This is a temporary need for the duration of construction, estimated at 4 years.

With respect to operations of the oil production facilities and energy systems, there is potential for fire due to a risk of explosion. This is mitigated through the use of blowout prevention equipment (BOPE) systems on all wells. A BOPE system is a safety system used during drilling to prevent uncontrolled release of formation fluids and allows for the shut off of flow to prevent spills and release of materials. BOPE is required on all oil and gas wells in California. The turbine system will also be equipped with fire detection and automatic suppression technology.

The Final EIR identifies the following mitigation measure to reduce or avoid these impacts:

**PS-1** requires that fire safety prevention training be given to construction workers, prior to construction regarding activities that pose a potential fire risk, such as handling of oil and other flammable liquids and welding and cutting. Personal protective measures and evacuation routes should also be disclosed.

With these mitigation efforts incorporated, potential impacts to public services will be reduced to a less than significant level.

### **Tribal Cultural Resources**

Impact: During tribal consultation, Tribes stressed the cultural resource sensitivity of the project area as ancestral village sites and stated that tribal use areas are known to have been located in the area. Tribes recommended Native American monitoring on all ground-disturbing activities. There is the potential for impacts to unknown tribal cultural resources, such as those that might be discovered during ground-disturbing activities during project construction. The Final EIR identifies the following mitigation measures to reduce or avoid these impacts:

**CUL-5:** see explanation above.

**CUL-6:** see explanation above.

**CUL-7:** see explanation above.

With these mitigation efforts incorporated, potential impacts to Tribal Cultural Resources will be reduced to a less than significant level.

### **Energy Consumption**

Impact: Construction and operation of the Consolidation Project will require energy primarily for the use of off-road equipment, on-road trucks and vehicles, workover rigs for well maintenance, the operations of the visitors center and on the Synergy Oil Field, the operation of the new office building and warehouse, and oil drilling and the operation of the oil production facilities on the Pumpkin Patch and OTD Parcel.

The Consolidation Project will be implemented in an energy efficient manner by utilizing equipment and haul trucks that are certified to current, stringent emissions standards, complying with existing standards, policies and regulations. The Consolidation Project will incorporate energy efficient features including the use of generating power from oil extraction by-products, resulting in substantial electricity and natural gas energy savings from the use of waste heat from the turbine exhaust to heat oil and water, and cool gas as part of the oil production/separation process. The Final EIR identifies the following mitigation measures to reduce or avoid these impacts:

**AQ-2:** see explanation above.

**AQ-3:** see explanation above.

With these mitigation efforts incorporated, potential impacts from energy consumption will be reduced to a less than significant level.

## **2. Findings for Potentially Significant and Unavoidable Effects**

### **Air Quality**

Impact: The Consolidation Project will violate the air quality standard and contribute substantially to an existing air quality violation for construction related VOC and NOx emissions. If all construction of new well cellars, process equipment construction, tank construction, off-site construction, and office/warehouse construction occurred at the same time, the NOx emissions generated would total 224.5 pounds per day, which violates the SCAQMD NOx threshold of 100 pounds per day.

The Consolidation Project is also located within the South Coast Air Basin (SCAB), which is currently classified as a nonattainment area for ozone, particulate matter (PM<sub>10</sub>) and fine particulate matter (PM<sub>2.5</sub>). Because this project construction would have emissions of criteria pollutants VOC and NOx that exceed SCAQMD's recommended daily thresholds in a nonattainment area, even with mitigation, it would result in a cumulatively considerable net increase, and impacts would be significant and unavoidable with mitigation.

The Final EIR identified following mitigation measures to reduce these impacts:

**AQ-1** requires use of low volatile organic compound (VOC) paints be used, less or equal to 75 gram/liter, to reduce VOC emissions. As mitigated construction VOC emissions would be below the SCAQMD threshold.

**AQ-2** requires use of construction equipment (e.g. excavators, graders, dozers, scrapers, tractors, loaders, etc) certified to the Tier 4 emissions standards (most stringent requirement) to the extent commercially available. As mitigated construction NOx emissions would still be above the SCAQMD threshold.

### **3. Statement of Overriding Considerations**

In the event a project has unavoidable significant environmental effects, the CEQA Guidelines require the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project (Title 14 California Code of Regulations Section 15093). If the specific project benefits outweigh the unavoidable significant environmental effects of the project, a Statement of Overriding Considerations may be adopted and the project approved, despite its significant environmental effects. The overall environmental benefits of the project, as detailed in the Project Summary section of this staff recommendation and described in the Final EIR Exhibit 5, warrant the Conservancy's decision to approve the project. The project's public benefits that justify proceeding with the project despite the environmental cost of the unavoidable significant environmental effects include:

- Restore tidal wetlands, expand sensitive species habitat, and improve flood protection of the surrounding developed area;
- Provide a new public access trail and amenities (ie. Visitor Center, interpretive signage, overlook) in an urban environment;
- Converting 150 acres of privately owned land with rights to oil extraction into restored wetlands;
- Reduce the footprint of oil production operations on both privately owned and City-owned portions of the LCW complex;
- Improve the efficiency of oil production operations through the eventual phase-out of early-20<sup>th</sup> century oil production equipment and replacement with more efficient and modern equipment and operations that would utilize the latest technology and operational advancements related to safety, energy, and production efficiency and concentrate production;
- Protect coastal dependent energy development by optimizing oil and gas production from the oil reserves within the City's jurisdiction that will help fund the costs of wetlands restoration and continue to provide a source of revenue to the City of Long Beach as well as short-term and long-term employment opportunities.
- Help implement the Los Cerritos Wetlands Conceptual Restoration Plan by relocating existing oil production activities and making available the former oil field for wetlands restoration and future transfer of the property from private ownership to LCWA stewardship;
- Provide environmental clean-up of old landfills on private property proposed for oil production and wetlands protection, and contaminated soils on the oil field site.

For these reasons, Conservancy staff recommends that the Conservancy find that the Consolidation Project, as mitigated, avoids or reduces to less than significant all potentially significant environmental effects, except for the unavoidable significant environmental effects to Air Quality. With respect to these unavoidable significant environmental effects, Conservancy staff recommends that the Conservancy find that the social, technological, and

other benefits of the project outweigh the unavoidable significant environmental effects, thereby warranting its approval.

In addition, pursuant to this project, BOMP will be prohibited from extraction or production of oil or gas on or from the OTD parcel. Since such extraction or production is allowed and considered under the Final EIR, this project further reduces the impacts identified in the Final EIR. Accordingly, to the extent the Consolidation Project has changed from its description in the Final EIR, it has changed to have a lesser impact on the environment. Thus, no new environmental information or change in circumstances require a re-evaluation of the potential environmental effects of the project (14 Cal Code. Regs. Section 15162(b)).

Upon approval of the project, Conservancy staff will file a Notice of Determination.