



RON MILLER
Executive Secretary

*Los Angeles / Orange Counties
Building and Construction
Trades Council*

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January 15, 2021

Honorable Mayor Kim Carr, City Council Members and Staff
Huntington Beach City Council
(via email)

Re: Support for Proposed Magnolia Tank Farm Project and Specific Plan

Dear Mayor Carr, City Council Members, Staff and Honored Guests:

I am writing on behalf of the 140,000 members of the 14 Trades and 49 affiliated organizations of the Los Angeles Orange Counties Building and Construction Trades Council, urging your support for item #19 (Magnolia Tank Farm). We support the development plans for this project for many reasons. The transformation of this blighted property from its former use as an oil storage facility to a vibrant new mixed-use neighborhood will dramatically improve the aesthetics and value of that area of Huntington Beach while creating badly needed, new, housing supply, jobs and revenues for the city.

The Trades Council will be continuing discussions with the Proponents and their representatives to reach a mutually beneficial Agreement. This opportunity cannot happen unless this project is approved this Tuesday! As with successful Agreements in other cities in Orange County, they are the only manner for true preferential local Hire opportunities. The agreement will also provide preference to Veterans of the Armed Services through the Building Trades sponsored Helmets to Hardhats.

Building Trades partnerships create a pathway to middle class careers in Orange County for men and women through our Joint Labor Management Apprenticeship Programs into the construction trades. Furthermore, they provide a Skilled and Trained Workforce for this and all projects with the highest safety and industry standards. These and other Community Benefits will bring life changing situations for many working families in the area once adopted.

The economic benefits described in the development agreement presented at the previous planning commission are impressive. With approximately \$25 million dollars in developers' fees for city services such as labor public safety, roads, city employees, schools and more -- it's hard to reach any other conclusion than this is a badly needed, well thought out project at a critical time to support. It takes a previously blighted non performing asset and makes it a home run for all to live, visit and enjoy.

The next Community Benefit that this project provides is Housing. As we know, Housing is in high demand and the outcome of the development will be several fold. First the developer and/or representatives will be paying a considerable amount to promote affordable housing. There is a huge need for more affordable housing which does not mean low or inadequate housing. With a medium dollar amount so high for first-time homebuyer and families, this can be one of the few new house supplies at the lowest price point to be in reach for so many.

As we know more quality housing supply is not only a goal and need for many Huntington Beach and Orange County residents, but a clear mandate the state is driving with RHNA and other objectives for every city in the state to fulfill. In Huntington Beach, the per unit dollar amount, at approximately \$60,000 per home constructed, is a significant contribution toward affordable housing in the city. With 250 homes proposed in this high quality proposed development, just think of how many affordable homes, quality jobs and opportunities for all this can provide.

No one can say this project is not supported by labor and business and both sides of the aisle.

In closing, please look at all the community benefits outlined along with other Community Benefits such as trails and Open Space that is also coming with your approval. Now is the time and now we need your leadership and positive approval this Tuesday.

Again, as leaders of the Building Trades, we are excited at the opportunity to provide our voice and support so in the future the workforce to build this project is there. Thank you for your consideration and once again we urge the City Council to approve it this Tuesday.

Respectfully,

A handwritten signature in black ink, appearing to read "Ernesto Medrano".

Ernesto Medrano
Council Representative