



Los Angeles / Orange Counties Building and Construction Trades Council

Affiliated with the Building & Construction Trades Dept., AFL-CIO

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April 6, 2023

Honorable Donne Brownsey and Members of the CA Coastal Commission
(via email)

Re: Support for Proposed Magnolia Tank Farm Project LCP-A

Dear Chair Brownsey and Commissioners:

I am writing on behalf of the 140,000 hard working men and women of the Los Angeles and Orange Counties Building and Construction Trades Council urging your support of the Magnolia Tank Farm Local Coastal Program in the city of Huntington Beach. 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 southwest Huntington Beach while creating new coastal public open space and access, affordable and market rate housing, good paying jobs, and tax revenues for the city.

The Los Angeles and Orange Counties Building and Construction Trades Council and affiliated Local Unions have signed a Project Labor Agreement (PLA) with the owners of the property that guarantees high wages with good benefits and local hires. This opportunity cannot happen unless this project is approved by your Commission. Our Agreement also provides preference to Veterans of the Armed Services through the Building Trades sponsored “Helmets to Hardhats” program. These 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. The PLA also provides for a Skilled and Trained Workforce to be on site with the highest safety and industry standards. These benefits will bring life changing opportunities for local working families during the construction process and operation of the project.

For the local community, the economic benefits required by the development agreement are impressive. Nearly \$25 million dollars in developer’s fees for city services including public safety, roads, city employees, schools, libraries and more. As important, it will transform a blighted property into a desired residential and productive commercial visitor destination while providing exceptional public access where none exists today.

More quality housing supply is a need for Huntington Beach, and a clear mandate has been placed on the city through the state’s RHNA process. Huntington Beach needs approximately 13,500 new housing units to comply with state law. That’s why this project is so critical as it represents the largest “ready to build” parcel in the city. Not only has the owner decided to provide all the proposed affordable units onsite, but a significant portion of the homes will also be set aside for limited income hotel workers employed at the hotel – an innovative approach to workforce housing.

We have been following this project since its inception and are encouraged by the evolution of the plan based on comments from Coastal Commission Staff. The owner has taken great care, effort and expense to address staff concerns and as a result, the site is resilient against sea level rise and provides increased public open space and access – all priorities of the California Coastal Act.

As leaders within 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. Please consider all the community and coastal benefits this proposal offers. We ask that you enthusiastically support the Magnolia Tank Farm Local Coastal Program Amendment.

Respectfully,

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

Ernesto Medrano
Council Representative

EM: ag/OPEIU#537/afl-cio