

# MAGNOLIA

## TANK FARM

### PROJECT HIGHLIGHTS

1



211,000 square-foot lodge with 215 guest rooms, including 40 lower-cost rooms

2



19,000 square feet of retail/restaurant space within the lodge

3



250 for-sale & for-rent homes, including 20% affordable units/workforce housing

4



2.8 acres of Coastal Conservation area to provide a buffer for the adjacent wetlands

5



4.4 acres of new public parks, trails and viewpoints



The reuse plan draws inspiration from the adjacent wetland and ocean environments. A model for sustainable living in coastal Orange County, the land use plan features state-of-the-art housing, ample public passive recreation opportunities, affordable overnight lodging, and innovative environmental education programs.



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## PROJECT OVERVIEW

**Marsh Park** Within the project site, overlooking Magnolia Marsh, Marsh Park will be constructed to provide the public with views of the marsh and the ocean. Marsh Park will provide an observation area, a shade structure, passive recreation areas, and an amphitheater available for interpretive programs and docent-led tours of the marsh.



**Coastal Trail & Viewpoint** An elevated public coastal trail will be constructed along the western edge of the site, providing panoramic views of the Marsh and the ocean while connecting Magnolia Street with the Lodge and Marsh Park, increasing public access.

**Housing** A model for sustainable living in coastal Orange County, the land use plan features state-of-the-art housing with both market rate and affordable options offered, addressing the state's need for workforce and low-income housing.



**Magnolia Park** The existing, privately-owned greenbelt area, commonly referred to as "Squirrel Park," would be transformed into a passive, privately-maintained, public park. Landscaping will consist of a dry riparian woodland ecosystem concept that is climate appropriate and complements vegetation in the coastal conservation area. Magnolia Park would provide meandering pathways, small seating areas, lighting, and signage.



**Wetlands Interpretive Program** The Lodge operator will partner with the Huntington Beach Wetlands Conservancy to provide a Magnolia Marsh Wetlands Interpretive Program for the community to enjoy. The intent of the Interpretive Program is to provide organized, guided docent-led tours of the wetlands. Signage will include educational information about the Magnolia Marsh and the essential functions that wetlands perform in the ecosystem.

**The Lodge** In addition to the 215 rooms with wetland and ocean views, The Lodge provides restaurants, retail and accommodations for the local community including bicyclists utilizing the Coastal Trail. This visitor-serving use will provide a common area for residents and guests to enjoy activities with the opportunity to connect with the community and its surroundings. Forty rooms are dedicated as lower-cost accommodations to support social equity in lodging along the coast.

**Lower-Cost Visitor Serving Accommodations** Coastal Act Section 30213 states: "Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Development providing public recreational opportunities are preferred." Given the proximity of the Tank Farm property to Huntington State Beach, one of the most popular beaches in southern California, the opportunity exists to address the goals stated in Section 30213 by providing a variety of overnight accommodations. The Lodge will include a variety of guest rooms, including suites as well as rooms designed for business travelers and cost-conscious and budget-oriented families and non-profit groups. Forty of the rooms will be designed and configured specifically to permit flexible, family and group-focused overnight accommodations with each room having more than two beds. Lower cost room rates will be determined by an annual survey of all hotel/motel room rates in the Coastal Zone ten miles north and south of the project site. The lower cost room rates will then be within the bottom thirty percent of the hotel/motel room rates in the survey.



**Public access is an integral part of the Magnolia Tank Farm plan.  
This project provides space for nature and the community to co-exist.**

- Adds 2.84 acres of coastal conservation open space to protect the adjacent marsh from predators and human incursion
- Provides over 4 acres of new public parks, coastal trails and viewpoints
  - Magnolia Park — brings passive recreation amidst a riparian landscaping
  - Marsh Park — offers a public view corridor to the ocean and serves as a staging area for docent-led tours of the adjacent wetlands
- Coastal Trail and Viewpoints — provides access and connectivity between open spaces, commercial areas and residential uses, both existing and future
- Public walkways designed, constructed and/or improved along wetlands viewing area and throughout project
- Improvement to and extension of public sidewalks and crosswalks connecting existing neighborhoods and improving public access to the beach
- Expands sustainable transportation to reduce vehicle miles traveled and mobile emissions through mass transit: bus service, dedicated ride-share parking, bicycle rental service and racks, and options for a new shuttle stop
- Addition of more than 200 new, free, on-street public parking spaces both on and off-site
- Publicly accessible view decks



**The Magnolia Tank Farm expands opportunities for all Californians to stay on the coast by adding The Lodge, a visitor-serving use that includes low-cost accommodations.**

- Provides low-cost accommodations for families, groups and conventions, and special events
- Brings new visitor-serving commercial uses:
  - A boutique hotel (with up to 175 market-rate hotel rooms and 40 lower-cost rooms)
  - Shops, restaurants and other retail opportunities
- Promotes eco-tourism with overnight accommodations directly adjacent to the Magnolia Marsh and new public park areas:
  - Educational opportunities for students, residents and visitors
  - Passive activity trail system
  - Public view deck, including bird-watching staging areas
- Re-energizes Huntington Beach's coastal economy by:
  - Creating good-paying jobs for local workers, and
  - Delivering additional lodging, retail, and restaurants to support the local community, public access, and tourism in Orange County



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## TANK FARM

PROVIDING MUCH-NEEDED HOUSING

Like most coastal cities, Huntington Beach has struggled to meet statewide goals for moderate and affordable housing production. The city currently has a deficit of over 13,000 units needed to comply with California law. The Magnolia Tank Farm (MTF) would help Governor Gavin Newsom's efforts to tackle the state and region's housing shortage and provide equity for lower income individuals and families. The MTF plan provides 20 percent of the homes onsite as affordable to help Orange County serve its residents and fulfill the County's obligation to provide housing for residents in a variety of income brackets.

### MAKING HOUSING AFFORDABLE

- Nationally recognized affordable housing developer
- 20% affordable coastal units for Huntington Beach, including workforce housing
- Fifty percent of rental housing reserved for onsite hotel workers

### NEW MARKET AND AFFORDABLE HOUSING TO ADDRESS THE REGIONAL SHORTAGE

- 250 new medium-density homes for Orange County residents
- For sale and for rent—both market and affordable components to meet the needs of a wide range of income levels



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## TANK FARM

### DEVELOPMENT AGREEMENT COMMUNITY BENEFITS (NON-NEXUS)



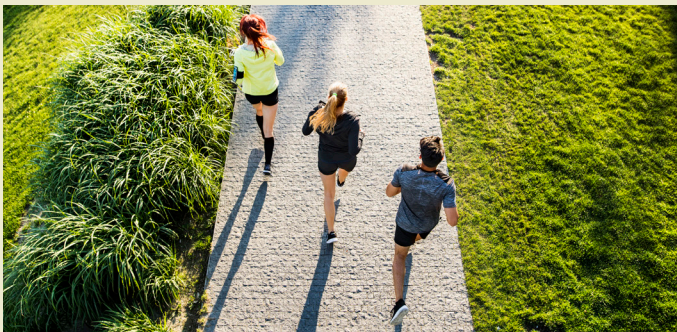
#### **BANNING BRANCH LIBRARY**

\$1,000,000 dollars to fund improvements to the Banning Branch Library.



#### **BANNING AVENUE BEAUTIFICATION**

\$300,000 dollars to fund the creation of landscape improvements along Banning Avenue.



#### **PASSIVE PARK SPACE**

\$400,000 dollars to fund the creation of passive public parkspace on Magnolia Street across from the Project site. This site would be maintained by OWNER or future development H.O.A.



#### **EDISON PARK IMPROVEMENTS**

\$800,000 dollars to fund the reconfiguration of the exterior of Edison Park, including but not limited to the relocation of some of the current amenities to a more functional location within Edison Park and construction of new patron serving amenities.



#### **PLAY EQUIPMENT AND PARK IMPROVEMENTS AT SEELY PARKS**

\$400,000 to fund play equipment and/or other park improvements at Seely Park, with any remaining funds after improvements have been completed to be used at Edison Park for park improvements.



#### **MAGNOLIA/HAMILTON IMPROVEMENTS**

In addition, the project design includes extensive improvements to be constructed by OWNER to the intersection of Magnolia and Hamilton and along the adjacent ASCON property frontage (e.g., full width street improvements, sidewalk, curb, gutter, signalization improvements, etc.).

### **PUBLIC ACCESS/RECREATION**

- Magnolia Park
- Marsh Park Interpretive Staging Area
- Overlook Trail
- Additional Magnolia Parking
- Loop Road Parking
- Wetlands Interpretive Program
- Eco Tourism Lodge Overlooking Wetlands
- Public Gathering Areas within Lodge
- Enhanced Public Transit Stop
- Funding for Off-site Parks/Libraries
- Resource Protection
- Native Upland Habitat Conservation Area
- Expanded Wetland Habitat Buffer
- Wetland Restoration/Maintenance Funding
- Habitat Management Plan
- Marine Environment
- Removal of Oil Production Facilities
- Sea Level Rise Adaptation Measures
- State of the Art Water Quality Features
- Fundamental Support to the HBWC

### **AFFORDABLE HOUSING AND LOW-COST OVERNIGHT ACCOMMODATIONS**

- Forty Low-Cost Hotel Rooms
- High-Occupancy Rooms Designed for Families
- Affordable Housing
- Fifty Low-Income Rental Units
- 50% (25) Units Designated for Lodge Workers
- Nationally Recognized Affordable Housing Developer

### **ECONOMIC BENEFITS**

- Converts a former heavy industrial site to a new thriving mixed use neighborhood.
- 250 New Homes
- 215 Room Lodge/Hotel
- 1,500 Construction-related Jobs
- 400 Permanent Jobs
- \$18 Million in Labor Income
- \$47 Million of Economic Output
- \$3.5 Million in Gross Tax Revenue to City
- Social/Environmental Justice Features
- Partnerships with School Districts & NGOs in Disadvantaged Communities to Provide Free Interpretive Programs
- Elimination of Industrial Pollutants
- Outreach to Disadvantaged Communities Regarding Availability of Low-Cost Overnight Accommodations



### Magnolia Tank Farm Redevelopment Project

The 28.9-acre Magnolia Tank Farm project site, located at 21845 Magnolia Street in the southwestern area of Huntington Beach, California is planned for redevelopment with residential, hospitality and open space uses. Prior to the 1960s the Tank Farm Site was used for agricultural purposes. In the late 1960s, the Tank Farm Site was developed with three 25-million-gallon fuel oil aboveground storage tanks (ASTs) as part of the Huntington Beach Generating Station (HBGS). The Tank Farm Site was sold from Southern California Edison (SCE) to Pacific Energy Partners, L.P. in 2003, and in 2007 Pacific Energy Partners sold the Tank Farm Site to Plains All-American Pipeline. In August 2016 Plains All-American Pipeline sold the Tank Farm Site to SLF HB-Magnolia, LLC. In July 2017 the three fuel oil ASTs were demolished and removed from the Tank Farm Site under the oversight of the Huntington Beach Fire Department (HBFD). Thereafter, the Tank Farm Site was leased to AES Southland as a staging and parking area in support of the demolition and re-construction of the adjacent power plant. Currently, the site is being leased to a local car dealership for storage of new automobiles.

### Because SLF HB-Magnolia, LLC plans to redevelop the Tank Farm Site, this Project Fact Sheet was prepared to provide:

- the history of the Tank Farm Site and neighboring properties;
- a summary of on and off-site historical soil, soil gas, and groundwater investigations; and
- status of on-going on-site investigations, which are being conducted by the former owner operator of the ASTs, SCE, under the direct oversight of the California Department of Toxic Substances Control (DTSC).



### History of the Tank Farm Site

Historical records show that the Tank Farm Site was undeveloped and/or used for agriculture from at least 1938 until SCE constructed three 25-million-gallon fuel oil ASTs sometime between 1965 and 1972 as part of the HBGS. Three oil production wells were installed in 1955 and were abandoned under permit in 1971 and 1972. In 1995, the Department of Toxic Substance Control (DTSC) required SCE to investigate environmental conditions at numerous generating stations, including HBGS. Accordingly, DTSC oversaw environmental assessment of potential impacts to soil, soil gas, and groundwater which began at the Tank Farm Site in the mid-1990s and continued through 2019. Remedial excavation of petroleum-impacted soil was performed in 2020 under the oversight of DTSC. In 2021, DTSC deemed the subsurface assessment and remediation efforts complete and issued a Corrective Action Completion Determination dated August 12, 2021.

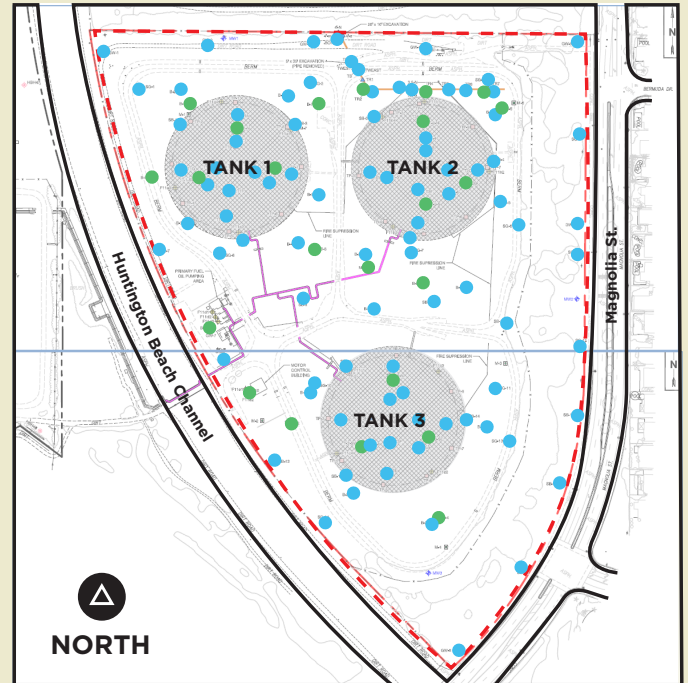
**Figure 1** - Tank Farm Site and Surrounding Properties Prior to Tank Removal. Reference = 1972 Aerial photo from Phase I report dated December 11, 2015



### Environmental Investigations at the Tank Farm Site

Numerous environmental investigations were conducted on the Tank Farm Site under the oversight of the DTSC. During the investigations, soil samples were collected from over 150 locations; soil vapor samples were collected from over 20 locations; and multiple groundwater samples were collected from throughout the Tank Farm Site. Because the Tank Farm Site was only developed with large ASTs and formerly had three oil production wells, fuel oil and petroleum, which are generally heavy and viscous were the only primary contaminants of potential concern. These contaminants were remediated under DTSC oversight, and the Site was approved for unrestricted/residential use.

**Figure 2** - Tank Farm Site Historical Soil, Soil Vapor and Groundwater Sampling Locations. Reference = Figures 3 and 4 from the January 5, 2018 EnvApps RTC document



### Ascon Landfill North of the Tank Farm Site

Ascon Landfill is located to the immediate north of the Tank Farm Site and operated as a permitted landfill from 1938 to 1984. A separate branch of the DTSC (as compared with the Tank Farm Site) has overseen numerous environmental investigations and interim remedial actions, and recently approved a Final Remedy, which will include reconsolidation of wastes, capping, and future long-term monitoring operations (for both soil gas and groundwater).



Because of its proximity to the Tank Farm Site, both Ascon and SCE have conducted numerous environmental investigations near their common property boundaries. All of the investigation results for soil, soil gas, and groundwater have shown that Ascon Landfill has not impacted the Tank Farm Site. Groundwater is present below the Ascon Landfill at depths between 10 to 20 feet below ground surface and the groundwater flow direction has consistently been shown to be away from the Tank Farm Site (to the north or northeast). Additionally, historical aerial photographs and other publicly available information has confirmed that Ascon Landfill never operated on the Tank Farm Site. Lagoon 4 Lagoon 5 Lagoon 3 Lagoon 2 Pit

**Figure 3** - Ascon Landfill Site Features. Reference = Ascon Landfill fact sheet #10 dated October 1, 2009

### Environmental Condition and Future Expected Regulatory Requirements for the Tank Farm Site

After receiving DTSC concurrence that no further assessment or remedial action was required at the Site, SLF HB-Magnolia, LLC engaged with the City of Huntington Beach Fire Department and has completed the requirements needed at this time for City Specifications 429 and 431-92. In the future, the three on-Site oil wells will be abandoned to current State of California standards and future on-Site buildings will be designed with methane building protection systems.

Finally, SLF HB-Magnolia, LLC is in communication with DTSC and Ascon Landfill with respect to future soil gas and groundwater monitoring, which are required in perpetuity by DTSC as part of Operation and Maintenance (O&M) for Ascon's Final Remedy.

#### Who to Contact for Additional Information:

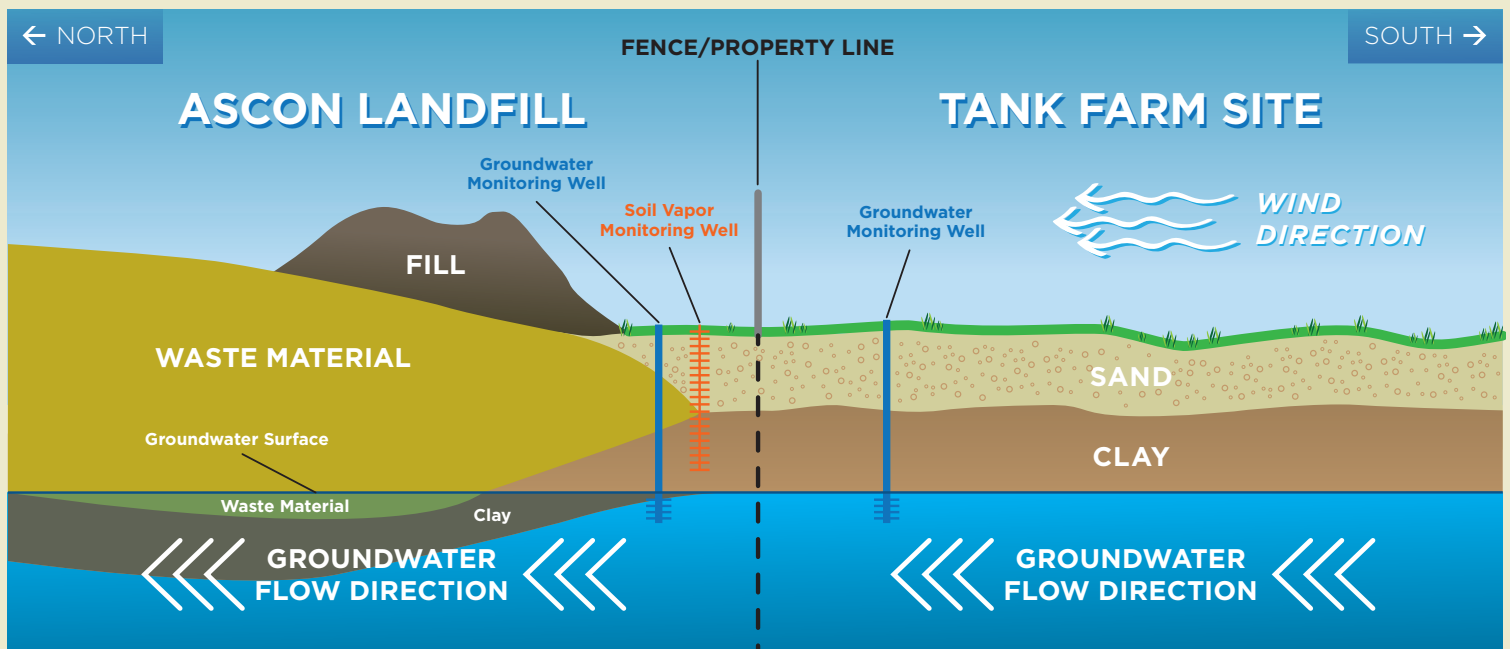
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**Figure 4** - Groundwater Flow from Tank Farm Site to Ascon Landfill. Reference = Attachment I from Tait's March 15, 2019 Ascon Summary doc



**Figure 5** - Cross Section of Boundary with Ascon Landfill. Reference = Hand drawn by Roux

Environmental and community organizations, labor, local business, law enforcement and emergency services, local government, and residents in the community support Magnolia Tank Farm and call on the California Coastal Commission to approve the application by the City of Huntington Beach to amend their local coastal plan to include Magnolia Tank Farm.

- **Building Industry Association**
- **Building Industry Association of Southern California**
- **Huntington Beach Chamber of Commerce**
- **Huntington Beach Police Officers' Association**
- **Huntington Beach Wetlands Conservancy**
- **Los Angeles/Orange Counties Building and Construction Trades Council**
- **Black Chamber of Commerce of Orange County**
- **Orange County Hispanic Chamber of Commerce of Orange County**
- **Orange County Business Council**
- **Orange County Council of Governments**
- **Orange County Board of Supervisors**
- **Orange County Realtors® Association of Professionals**
- **Orange County Taxpayers' Association**
- **Southwest Regional Council of Carpenters**
- **CA Hispanic Chamber of Commerce**
- **California African American Chamber of Commerce**
- **General Truck Drivers, Office, Food & Warehouse Union, Local 952**
- **IBEW Orange County, Local Union 441**
- **International Association of Bridge, Structural, Ornamental, and Reinforcing Ironworkers Local Union 416**
- **International Association of Heat & Frost Insulators & Asbestos Workers**
- **International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers, Local Lodge 92**
- **Iron Workers Local 433**
- **Los Angeles / Orange Counties Building and Construction Trades Council**
- **Painters & Allied Trades District Council 36**
- **Sprinkler Fitters Local 709**
- **Steam - Refrigeration - Air Conditioning - Pipe Fitters, Welders and Apprentices of the United Association of the United States and Canada, Local Union 250**
- **Teamsters Local Union No. 986**
- **United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada**
- **United Union of Roofers, Waterproofers and Allied Workers**

### **Former Mayor Barbara Delgleize, City of Huntington Beach**

*"In 2020, we approved this exciting project in the city's coastal zone that will transform a blighted industrial property into a vibrant mixed-use community with a variety of land uses including visitor-serving overnight accommodations, open space, conservation, and much-needed residential uses. The owner had the vision to work with the city to repurpose the Magnolia Tank Farm for uses more in keeping with the Coastal Act. This plan will transform this eyesore into a valuable coastal asset."*

### **Andrew Do, Orange County Supervisor**

*"The Magnolia Tank Farm project is a model by which we can compare future development and land use applications. Just like the rest of the State, Orange County is facing an ongoing crisis in housing availability. To meet this obligation, our County must accommodate almost 184,000 new housing units in a matter of years. I have full confidence in our local and regional planning authorities and our flood control infrastructure to protect existing and future developments to meet our Regional Housing Needs Assessment obligations."*

### **John Villa, Huntington Beach Wetlands Conservancy Executive Director**

*"Ecotourism is an important platform, if not the most important platform, for launching public education programs. As a part of the Tank Farm development, Shopoff Realty Investments is proposing a partnership between Shopoff and the Huntington Beach Wetlands Conservancy (HBWC) that will provide public access and wetlands education for both visitors and residents. We are excited to partner with them in this effort."*

### **Francis Engler, UNITE HERE Local 11**

*"Representing over 32,000 workers throughout Southern California and Arizona, UNITE HERE Local 11 is a proud supporter of the Magnolia Tank Farm project. The project provides four things working people most need: housing, green space, transportation, and good jobs. It improves coastal access for the families of hospitality workers and includes a Lodge with lower-cost accommodations that provide public access to coastal resources. The project will be a regional model for green jobs: It provides free transit passes for employees at the hotel, participation in the Orange County Emergency Ride Home program, and other ridesharing/carpooling incentives to encourage public transit and alternatives to single-occupancy vehicles; it creates a local hiring program with a goal of hiring Huntington Beach residents for jobs at the project; it preserves mature trees along Magnolia Street and plants native, non-invasive trees and landscaping; it builds bike trails or bike spaces that improve community connectivity to the Magnolia Marsh. Our members are the first to be impacted by climate change, so it's important to us that this project connects jobs, housing, transportation and green space to build a sustainable future."*