

Los Cerritos Wetlands Authority

Date: August 2, 2018

To: Governing Board Members

From: Mark Stanley, Executive Officer

Subject: Item 8: Status Report and Update on the Los Cerritos Wetlands Oil Consolidation and Restoration Project.

BACKGROUND: The Los Cerritos Wetlands Authority (LCWA) authorized the Executive Officer to enter into an Option Agreement with Los Cerritos Wetlands, LLC for the conveyance of real property. The Executive Officer received Board authorization to enter into this agreement on August 4, 2016. The Option Agreement outlines the terms through which the LCWA would transfer their approximately 5-acre "OTD Parcel" property in exchange for Los Cerritos Wetlands, LLC's 154-acre "Synergy Site" property. The agreement also includes terms for how the proposed mitigation bank would be managed. Beach Oil Minerals Partners (BOMP) has been identified as the project applicant and since the approval of the Option Agreement, BOMP is actively seeking various permits, approvals, and/or entitlements for the project, which includes the completion of an Environmental Impact Report (EIR).

STATUS REPORT AND UPDATE:

Following are the updates regarding the Los Cerritos Wetlands Oil Consolidation and Restoration Project.

1. EIR - The Final EIR and associated Mitigation Monitoring and Reporting Program was approved by City of Long Beach City Council on January 16th, 2018.
2. Local Coastal Plan Amendment and Coastal Development Permit – The application to approve the Local Coastal Plan Amendment was approved by Long Beach City Council on January 16th, 2018 and ratified by the Los Cerritos Wetlands Authority Board of Directors on February 1st, 2018. An application for the Local Coastal Plan Amendment was submitted to the California Coastal Commission (CCC) in March 2018 and was subsequently returned to the applicant as it was deemed incomplete. The applicant and CCC staff worked together to address the application's deficiencies and this item is now on the agenda for the Wednesday August 8th, 2018 Coastal Commission hearing in Redondo Beach.

In addition, BOMP received a Letter of Incompleteness from the Coastal Commission on the project's Coastal Development Permit application. This letter includes 8 main items with numerous subitems that require more information for the application to be deemed complete. The applicant and CCC staff are working together to address the application's deficiencies in an attempt to get it on an agenda for a Coastal Commission hearing in October 2018.

3. Mitigation Bank – BOMP submitted the Mitigation Bank's Draft Bank Enabling Instrument (BEI) in May 2018. The Draft BEI is currently under review by the Interagency Review Team (IRT) who has 90 days to provide comments on the Draft BEI. The LCWA is closely tracking the progress of this mitigation bank and will be involved in all discussion between the IRT and BOMP. How soon the Final BEI could be approved will be determined by the

IRT responses to the Draft BEI. The Final BEI cannot be officially approved by Coastal Commission until the project's Coastal Development Permit is approved.

4. Option Agreement – The LCWA secondary review of the real estate appraisals for the OTD parcel and Synergy Site property was completed and the results will be discussed in detail during this board meeting under agenda item #11.
5. Outreach - BOMP continues to successfully engage the community in regard to this project including numerous focused meetings with critical stakeholders and outreach to officials with the State of California in preparation for the upcoming Coastal Commission hearings..