



PRESS RELEASE

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Long Beach City Auditor's Report Shows Harbor Initiative Results in \$135 Million for Tidelands Area at No Cost to the Taxpayers ***City Auditor Doud's Initiative Results in More Funding to Improve Safety, Water Quality & Infrastructure Along the Coast***

Long Beach, CA – Long Beach City Auditor Laura Doud today released the [City Auditor's Harbor Initiative Impact Report](#). In 2010, City Auditor Doud found that the calculation of the Harbor Department's annual transfer into the City's Tidelands Fund resulted in fluctuating transfer amounts. To stabilize the revenue source, City Auditor Doud recommended changing the basis of the transfer from 10% of the increase in net assets to 5% of gross operating revenue. This required a City Charter change, and City Auditor Doud advocated for the Long Beach Harbor Department and Oil Properties, Measure D 2010 (Harbor Initiative) to reform the transfer basis and redirect the control of oil properties to the City. It was passed by Long Beach voters, creating a more transparent and reliable source of funding for the Tidelands Fund. From Fiscal Year 2011 to 2016, the Harbor Initiative generated \$135 million for the Tidelands Fund, making a significant impact by funding projects and activities that have improved safety and security, beach cleanliness and water quality, and infrastructure along Long Beach's coast.

"The Harbor Initiative is an important on-going source of revenue to the City as recently reflected in the Harbor's record-breaking \$20 million transfer to the City this year," said City Auditor Laura Doud. "I am pleased to provide this status report on the Harbor Initiative funded accomplishments. The Harbor Initiative has provided funds to the Tidelands area at no cost to the taxpayers. Over the past decade Long Beach has faced budget challenges and constraints, and these additional funds were vital for the improvements along our beautiful coastline which residents and visitors frequent throughout the year."

City Auditor Doud found that Tidelands Funds have been used for public safety and increased security. Tidelands Funds have been dedicated to year-round beach patrol as lifeguards and members of the certified Dive and Swiftwater Rescue Teams keep beachgoers and boaters safe. In addition, the Tidelands Fund supported safety and security projects at Alamitos Bay and Rainbow Harbor. Alamitos Bay improvements included a new ADA-accessible ramp and safety signs, while Rainbow Harbor added lighting, security cameras and a new 514 ft. ADA-accessible dock.

The Harbor Initiative also helped support important environmental projects. For example, Tidelands Funds were used for the Colorado Lagoon Restoration project where natural habitat was restored and water quality was improved through dredging and the addition of native plants. Since restoration, the Colorado Lagoon has been removed from Heal the Bay's most polluted beaches list.

In addition, the Harbor Initiative has been integral to supporting infrastructure enhancing projects along the coast. This includes:

- a new 3.1-mile shoreline walking path and a new 1.5 mile Queensway bike path;
- improved beach facilities including 13 upgraded or new restrooms and 9 renovated beach parking lots; and
- a new dock project for the Leeway Sailing and Aquatics Center.

"The Harbor Department is proud to see this funding used for projects along the coast that are enjoyed by so many residents and visitors to our City," said Board of Harbor Commissioners President Tracy Egoscue. "When the Board sees bicyclists heading over to the Queen Mary from Downtown on the Queensway Bike Path, or hears about the progress of the Colorado Lagoon restoration, we are proud the Port played a role in making those and the other

projects happen. The Port of Long Beach looks forward to continuing to help the Tidelands Fund remain a stable source of revenue for vital improvements.”

“We are very pleased that our City Auditor Laura Doud has issued this report to show the impact of the new funds that brought significant safety, water quality and infrastructure investments to our residents at no cost to the taxpayer,” said Mayor Robert Garcia. “The Harbor Initiative has been vital to our coast and we are proud of the great work they are doing.”

The complete visual City Auditor’s Harbor Initiative Impact Report can be viewed [here](#). Printed copies can be requested by e-mail Auditor@longbeach.gov or by phone 562-570-6751.

Background

Prior to 2010, per the City Charter, the Harbor Department transferred 10% of the increase in net assets annually to the City. In 2010 City Auditor Doud conducted a comprehensive analysis and discovered that the calculation of the Harbor Department's annual transfer into the City's Tidelands Fund resulted in fluctuating transfer amounts. To stabilize this revenue source to the City, City Auditor Doud recommended a change to the basis of the transfer from 10% of the increase in net assets to 5% of gross operating revenue, which required a change to the City Charter. This recommendation led to the Long Beach Harbor Department and Oil Properties, Measure D 2010 (Harbor Initiative) which was passed by voters in November 2010, creating a more transparent and reliable source of funding for the Tidelands Fund. The Harbor Initiative also transferred the control of oil properties to the City. From Fiscal Year 2011 to 2016, the Harbor Initiative generated \$135 million for the Tidelands area covering seven miles of coastline and beaches.

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