



City of Huntington Beach

File #: 22-961

MEETING DATE: 11/15/2022

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Al Zelinka, City Manager

VIA: Ursula Luna-Reynosa, Director of Community Development

PREPARED BY: Ricky Ramos, Principal Planner

Subject:

Adopt Resolution No. 2022-77 approving the decertification of Subsequent Environmental Impact Report (SEIR) No. 10-001; rescission of Conditional Use Permit (CUP) No. 02-004, Entitlement Plan Amendment (EPA) No. 10-001, Coastal Development Permit (CDP) No. 10-014, and Tentative Parcel Map (TPM) No. 10-130; and termination of related agreements (Poseidon)

Statement of Issue:

In May 2022, the California Coastal Commission denied a Coastal Development Permit for the Poseidon Desalination Plant proposed at 21730 Newland Street. This denial effectively prevents the plan's construction and operation in Huntington Beach. As such, City Council is requested to adopt Resolution No. 2022-77, which would rescind local project approvals: decertify SEIR No. 10-001; rescind CUP No. 02-004, EPA No. 10-001, CDP No. 10-014, and TPM No. 10-130; and terminate related agreements for the Poseidon seawater desalination project.

Financial Impact:

Not applicable.

Recommended Action:

Approve decertification of SEIR No. 10-001; rescission of CUP No. 02-004, EPA No. 10-001, CDP No. 10-014, and TPM No. 10-130; and termination of related agreements by adopting Resolution No. 2022-77 "A Resolution of the City Council of the City of Huntington Beach Decertifying Final Subsequent Environmental Impact Report No. 10-001 and Repealing Resolution No. 2010-63 and Rescinding all City Entitlement Approvals and Terminating All Agreements (Attachment No. 1)."

Alternative Action(s):

The City Council may make the following alternative motion(s):

Do not approve the recommended action, and direct staff accordingly. This may include not accepting any or all of the recommendations listed above.

Analysis:

In May 2022, the California Coastal Commission denied a CDP for the Poseidon Desalination Plant, ending its bid to construct and operate in Huntington Beach. On November 1, 2022, the City Council directed staff to prepare an agenda item to decertify the EIR and withdraw all local approvals issued by the City for the Poseidon project. On November 7, 2022 Poseidon Water submitted a letter requesting termination of all City agreements and permits (see Attachment 2), which include:

- SEIR No. 10-001
- Conditional Use Permit No. 02-004
- Entitlement Plan Amendment No. 10-001
- Coastal Development Permit No. 10-014
- Tentative Parcel Map No. 10-130
- Franchise agreement
- Owner participation agreement
- Exchange agreement and escrow instructions and lease agreement for water storage purposes

As such, staff has prepared Resolution No. 2022-77, which will withdraw local approvals for each of the items above, since the subject project is no longer viable on the proposed project site.

Environmental Status:

The recommended action is not subject to further environmental review because there is no project being approved.

Strategic Plan Goal:

Financial Sustainability, Public Safety or Other

Attachment(s):

1. Resolution No. 2022-77
2. November 7, 2022 Poseidon Water Letter