

Port has big plans for Navy Station land

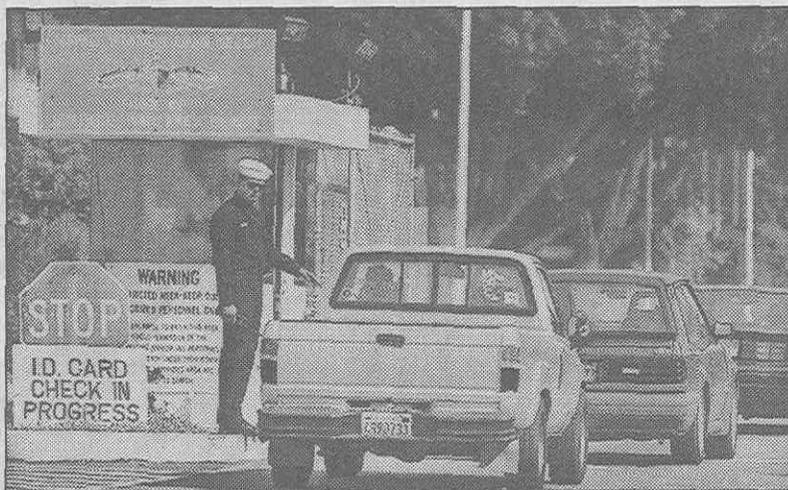
But buildings would fall to allow expansion

By Neil Strassman
Staff writer

LONG BEACH — The federal government spent \$138 million on improvements at the Long Beach Naval Station since 1985, and now the Port of Long Beach wants to bulldoze the base and spend \$98 million to rebuild part of it next to the Long Beach Naval Shipyard.

If the Navy approves the proposal, and there is a good chance it will, the Port will put a 104-acre container terminal and 23-acre rail yard at a cost of about \$70 million on the site of the historic Navy base within six years.

Port officials say the plan



The Long Beach Naval Station will close in September, and the Port of Long Beach wants the property. Press-Telegram photo / Juanito Holandez

would:

- Create up to 800 jobs by the year 2000, twice that number by 2010 and thousands more jobs for the region.

- Increase by \$271 million state and local tax revenues and up to \$372 million in customs receipts for the federal government.

The hope is the Port plan will help take the sting out of the base closure. California was hit hard by three rounds of closings, with 22 bases ordered shut.

- Expand the Port of Long Beach, adding up to eight new berths and 400 acres to meet an expected doubling of cargo volume by the first decade of the next century.

- Build a mini-naval station for sailors whose ships are repaired at the Naval Shipyard.

Facilities demolished

For 52 years the base was home port to dozens of warships, thousands of sailors and great battleships like the Missouri and New Jersey. But in 1991 it was ordered to close by the federal base closure commission, a victim of the end of the Cold War.

Under the Port plan, all buildings on the 247-acre naval station and the adjacent 48-acre Fleet Industrial Supply Center would be demolished.

The fancy wood-paneled Officers Club would be torn down. A 10-story barracks for sailors and a six-story officers' barracks completed in 1989 at a cost of \$23.6 million would be demolished, as would a \$6.1 million medical clinic.

Thousand-foot container ships would replace the warships, cranes, and forklifts would work

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the docks where mothers and wives stood, waiting anxiously to greet their sailors returning from World War II, Korea, Vietnam, Beirut and the Persian Gulf. A rainbow of brightly colored shipping containers would stand on the parade field over which the Stars and Stripes used to wave.

The base will shut its gates for the final time this September. The Long Beach Naval Shipyard stays open, though it has a vastly reduced workload and must itself survive the final round of base closings in 1995.

Preparation for new jobs

City officials estimate that the Long Beach community will lose nearly \$1 billion annually in economic benefits because of the closure of the Naval Station and its related facilities.

The hope is that the Port plan will help take some of the sting out of the base closure.

California was hit hard in the three rounds of base closings, with 22 bases ordered shut. A total of 40 percent of the base closures and 69 percent of the personnel reductions in the nation were here, a \$7 billion blow to the state's economy.

Fort Ord, Alameda Naval Air Station and Mare Island Naval Shipyard, all in Northern California; and El Toro Marine Corps Air Station in Orange County, the Naval Training Center in San Diego and Norton Air Force base near San Bernardino were closed, as well as the Naval Station and Naval Hospital here.

"It (the Port plan) will benefit the entire region, not just the city of Long Beach," said City Manager James Hankla. "We've been wracked by the base closure, the lingering recession and the downturn in defense industries. This is imperative."

Hankla praised the Port's plan for its creativity, environmental sensitivity and long-range view. Building new berths on existing land makes more sense environmentally than filling in the outer harbor, he said.

"The station is in good shape for a terminal. It's a jewel of a property, that's for sure," said Geraldine Knatz, director of planning for the

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—Ken Pitts, Long Beach Navy Property Reuse Committee member

Port. The Navy land, along with 725 acres the Port is purchasing from Union Pacific Resources, would allow the Port to expand by the year 2020 without having to fill nearly 1,200 acres of the outer harbor as it had earlier proposed.

The Port also wants to build a 300-acre terminal by 2010, on landfill along the inside of the Navy mole, the hook-shaped projection of land in the harbor.

The city's Navy Property Reuse Committee, a city committee formed in July of 1992 to recommend the best reuse of the Naval Station land, the Long Beach Naval Hospital at 7500 E. Carson St. and the Navy housing in West Long Beach, has endorsed the Port plan. The committee decided against the only other proposal for reusing all the Naval Station land, construction of a commercial airport.

"Revenues and jobs, that was the basic reason we supported the Port proposal. We were looking at turning this thing around quickly, in two years," said Ken Pitts, a reuse committee member. The airport, he said, was a great project in concept, but the details were sketchy, and it would have placed the property on hold for too long a time.

The committee and the Long Beach City Council have forwarded their recommendation in favor of the Port's project to Navy officials in Washington.

"That's a strong endorsement," said Capt. Robert Kiesling, head of the Navy's base closure program in the southwest United States. The Navy, he said, puts a lot of stock in a community's preference for reuse of a closed base.

Kiesling said he expects the Navy to send the Port a letter in a few weeks saying it supports the Port's plan in concept.

The final decision on reuse of the base will be made by Secretary of the Navy John Dalton, and that won't come for at least a year, he said, after the environmental impact of the project has been studied.

Other requests

Requests by homeless agencies and state and local agencies for space at the base must also be considered before the Navy makes its decision, Kiesling said.

"The (Port's) plan looks reasonable, but this base closure is complicated," he said.

The shipyard, Kiesling said, still needs support facilities — like barracks, a commissary, medical clinic and recreational clubs — now on Naval Station property, for sailors whose ships are being repaired.

The Port's proposal to build those facilities, and some warehouses on 38 acres of Fleet Industrial Supply Center land next to the shipyard makes the land available for reuse, he said.

"The deal is basically an exchange of new buildings for property," said Kiesling.

There is also a chance the Port could get the Navy property for free, he said. Under the 1994 Defense Authorization Act, the Department of Defense can transfer property at fair market value or less if it helps economic development or creates jobs.

If the shipyard were ordered to close in 1995 by the base closure commission, then the Port wouldn't have

to build the support facilities.

"Ninety-eight million dollars would be a mere fraction of the negative economic impact the region would suffer if the Naval Shipyard were to close," said Hankla. The city is doing everything it can to save the shipyard, he said, pointing to early lobbying efforts by city officials in Washington to keep the yard off the 1995 base closure list.

What would happen

When the Navy base closes, there will be little immediate change in its appearance. Some buildings will be demolished, some mothballed, and some, like barracks, clinics and recreational clubs, will remain open. The shipyard will oversee the property.

Six environmentally contaminated sites on the base, none of which poses an immediate threat to human health, also need to be cleaned up, and that work has already begun. Some of the areas were dump sites for construction debris, and others were used as disposal pits for hazardous waste.

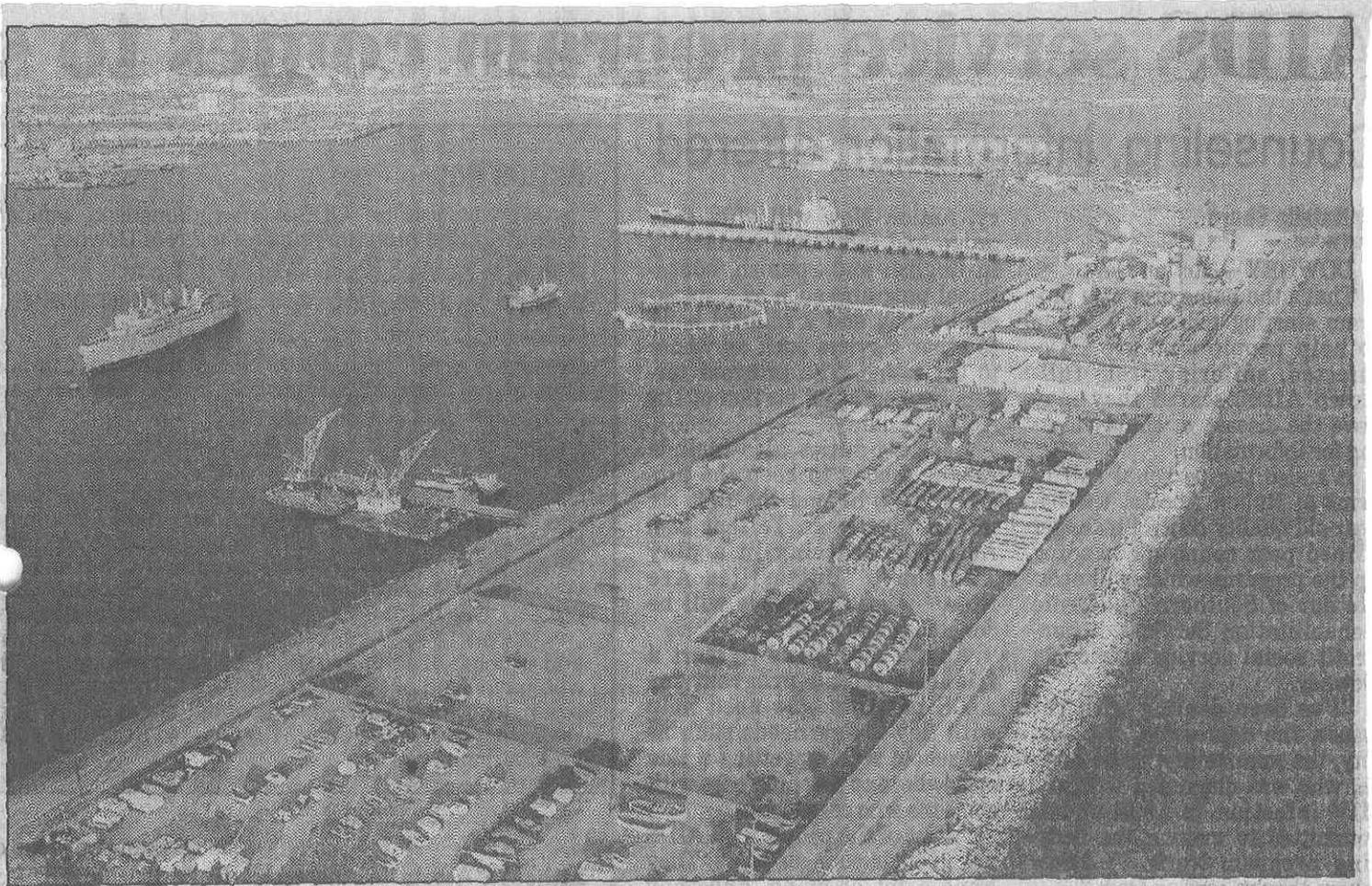
The Navy estimates it will cost \$210 million to clean up the base, paid for by the Pentagon's Installation Restoration Program.

A downside to the base closure and Port plan is that military retirees in the Los Angeles area who have used the large exchange and commissary in Long Beach might have to shop elsewhere.

The commissary, a grocery store, had gross sales of \$24.7 million in fiscal 1993, and the exchange, a department store, had sales of \$33.2 million. Both would be demolished by the Port, but the exchange would be rebuilt and stay open as long as the shipyard is open.

Several federal agencies — the 63rd Army Reserve Engineers, the Maritime Administration and the Defense Contract Management Command — have also requested space on the base.

The Port plan calls for those agencies to be located in offices at the shipyard or in downtown Long Beach, or at the six-acre naval reserve center, which will remain, for the time being, at Ocean Boulevard and Navy Way.

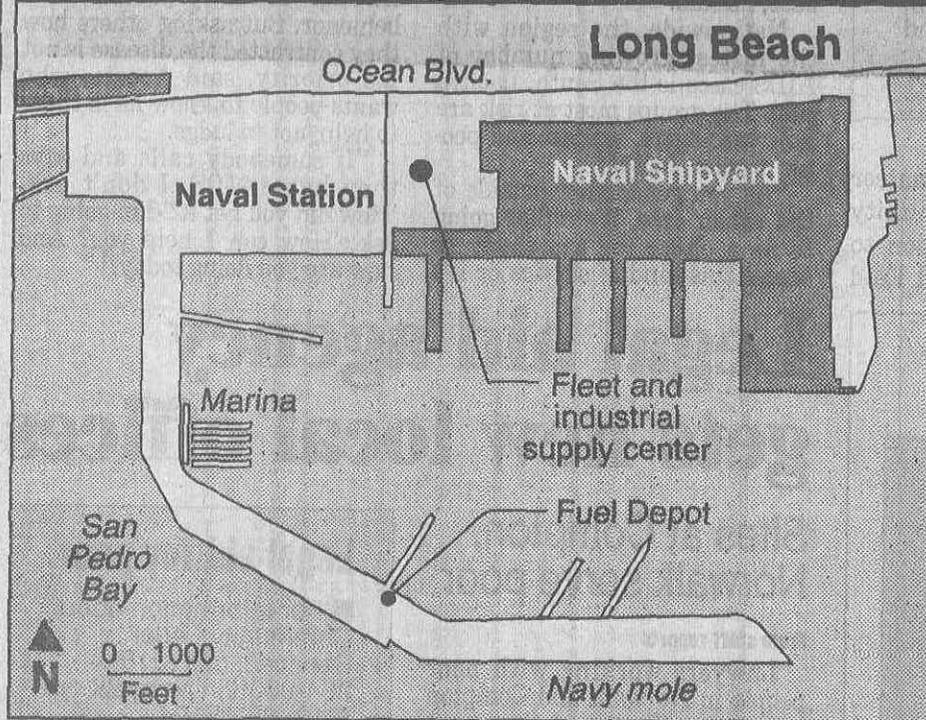


The Port of Long Beach wants to build a 300-acre container terminal along this Navy mole.

Press-Telegram photo / Juanito Holandez

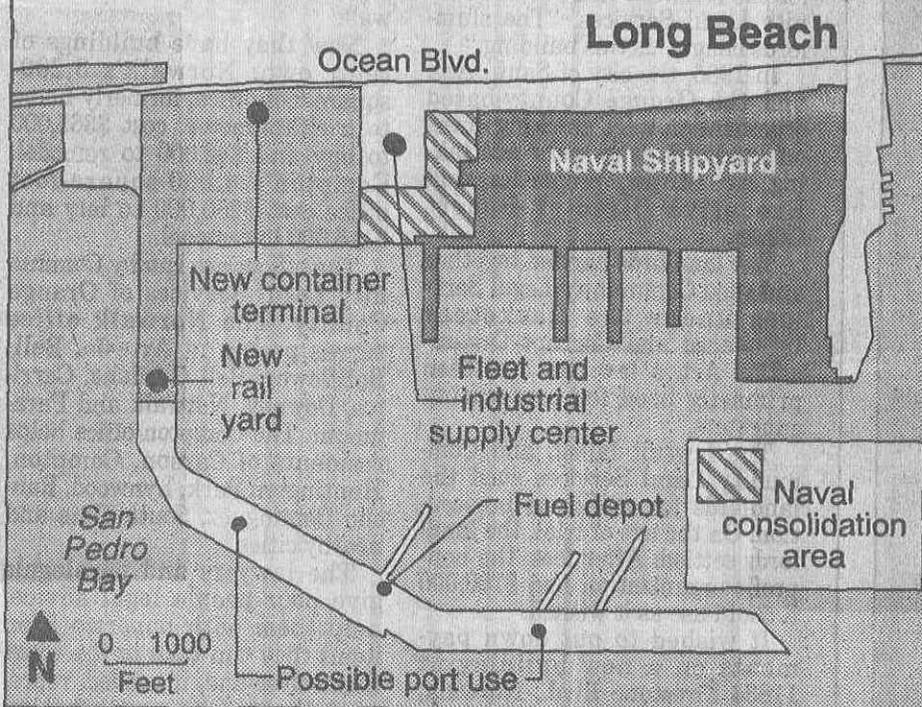
L.B. Port plans for Naval Station

Existing features



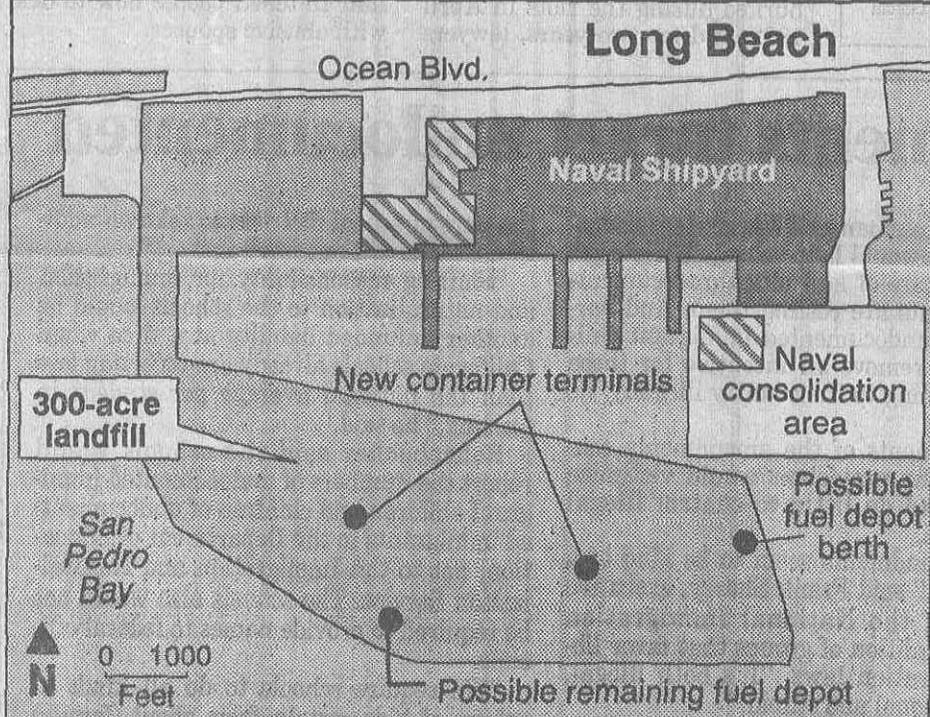
Phase one

The plan includes a 104-acre container terminal and a 23-acre rail transfer yard, the rebuilt naval support services on the FISC property and the Naval Shipyard.



Phase two

Includes the 104-acre container terminal and the 300-acre landfill and container terminal inside the Navy mole.



SOURCE: Port of Long Beach