

LONG BEACH BUSINESS JOURNAL

An edition of the Long Beach Post



Brandon Richardson / Business Journal

A small crew works on a new tilt-up building in Bixby Knolls that will eventually open as a Harbor Freight Tools location.

Memorial faces investigations after 2 patient deaths

By Brandon Richardson

Severe lapses in patient care at Long Beach Memorial Medical Center earlier this year spurred multiple investigations of the hospital, one of which led the medical center to temporarily fall afoul of U.S. Centers for Medicare & Medicaid Services requirements.

The federal agency, known as CMS, has since restored the hospital's good standing, but investigations by two other agencies—The Joint Commission, which is an independent nonprofit that accredits hospitals (though accreditation

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San Pedro Bay to benefit from state's 1st inland port

By Brandon Richardson

As supply chain congestion continues to wreak havoc across the country, California's first inland port is working its way through the Kern County permitting processes, with site plans zoned and approved and building permits on the way.

On Aug. 9, the Kern County Board of Supervisors voted to issue a proclamation in support of Pioneer Partners' Mojave Inland Port. The 400-acre facility will be just outside the city of Mojave where State Routes 14 and 58 meet, 90 miles from the San Pedro Bay ports in Long Beach and Los Angeles.

While the two highways make the facility easily accessible by truck, the Union Pacific Railroad runs directly through the site. The port also will be directly adjacent to the Mojave Air & Space Port, meaning cargo can

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Rising interest rates cool local commercial real estate market

By Brandon Richardson

With the Federal Reserve increasing interest rates four times so far this year, the local commercial real estate market—including industrial, office and retail—is cooling, with properties sitting vacant longer. Asking rents, however, remain strong as uncertainty remains, according to experts.

At the onset of the coronavirus pandemic, the Fed slashed its target rate to 0%-to-0.25%, where it stayed for two years. On March 17 of this year, the board began increasing the

target rates starting with a 25 basis point bump to 0.25%-to-0.5%.

After three more increases of 50, 75 and 75 basis points in May, June and July, respectively, the rate currently sits at 2.25%-to-2.5%, its highest point since the summer of 2019. Fed Chair Jerome Powell in June said the rate is expected to reach upward of 3.8% by the end of next year.

Industrial

Despite the upward pressure on interest rates caused by inflation, the local industrial real estate market remains strong, if stifled slightly,

according to Lee & Associates Principal Brandon Carrillo.

"What's amazing is seeing how quickly things shifted upon the interest rate increase," Carrillo said. "Usually, these types of things take time to trickle down to our local markets, but it's crazy how instantaneously it impacted deals right out of the gate."

Before the rate hikes, Carrillo said industrial buildings were being bought up quickly, mostly with seasoned institutional buyers paying all cash and closing deals fast. Those groups, however, began to scrutinize deals more as rates went up, he said.

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Blackstone acquires dozens of properties in Signal Hill

By Brandon Richardson

Industry giant Blackstone Real Estate purchased PS Business Parks, which includes two dozen properties in Signal Hill, for \$7.6 billion, the companies announced earlier this year.

The two firms entered into a definitive agreement in late April in which Blackstone would acquire all outstanding shares of common PSB stock for \$187.50 per share in an all-cash transaction. The sale was approved by the PSB board and stockholders and closed on July 20.

“I am extremely proud of everything we have accomplished at PS Business Parks,” President and CEO Stephen Wilson said in a statement. “This transaction is an exceptional outcome for our stockholders and a testament to the incredible company and portfolio of high-quality assets our team has built, acquired and enhanced over the years.”

At the end of last year, the firm reported its assets under management had grown to nearly \$881 billion—up 42% year-over-year, according to PitchBook. The company had originally projected surpassing \$1 trillion in assets in

2026 but now say that goal will be reached before the end of this year.

In January, the firm’s real estate arm agreed to buy an apartment portfolio of more than 12,600 units from Resource REIT for about \$3.6 billion. Last year, the firm spent nearly \$10 billion purchasing 18,000 rental units from Bluerock Residential and Home Partners of America.

Blackstone Real Estate also recently spent \$505 million on seven hotels, including two Sunnyvale business hotels, in a deal with Hersh Hospitality Trust, The Real Deal reports.

The firm’s PSB deal includes 24 properties in Signal Hill that account for about \$175 million of the total purchase price and nearly 414,000 square feet of the total 27 million square feet.

“We are excited to add [PSB’s] business park, office and industrial assets to our portfolio and look forward to leveraging our expertise to provide the best possible service and experience for PSB’s customers,” David Levine, co-head of Americas acquisitions for Blackstone Real Estate, said in a statement.

Brian Russell, vice president of Kinnergy’s Brokerage House in Long Beach, said the purchase will

likely be a mixed bag for current and prospective tenants of the properties. On the plus side, the sale will likely be followed by capital improvements by Blackstone.

The continued consolidation of properties under Blackstone, however, could result in higher lease

rates as tenants have fewer landlords to choose from, Russell said.

“They are on the march with a seemingly endless acquisition budget,” Russell said. “Lease rates will stay strong and may indeed continue to rise. But will we have stable ownership in return? Yes, we will.” ■



Real estate giant Blackstone purchased PS Business Parks, including two dozen Signal Hill properties, for \$7.6 billion.

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Inland Port

Continued from cover

be easily moved by road, rail and air—and space should the need arise.

After being offloaded at the San Pedro Bay ports, containers would be transported by shuttle trains along the underutilized Alameda corridor, directly to Mojave. This will result in an economic benefit of more than \$100 million along the Alameda Corridor, according to Pioneer.

The facility is expected to provide an annual economic benefit of half a billion dollars, locally and statewide, the company added.

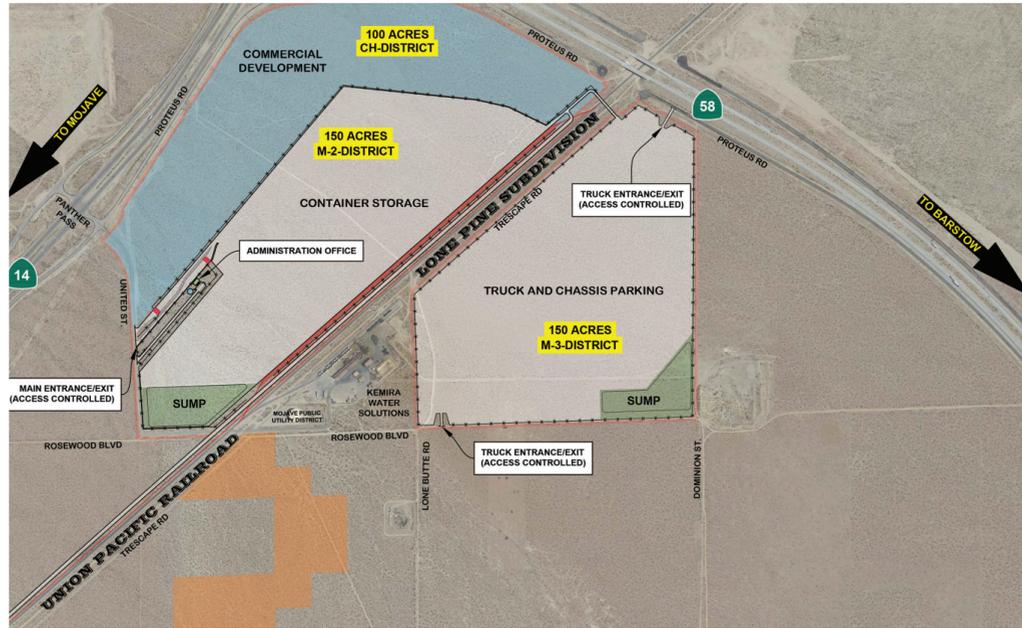
“This one-of-a-kind project will help unsnarl the congestion in the twin ports,” Richard Kellogg, chair of Pioneer Partners, said in a statement. “It will help the national economy by reducing pressure on the supply chain; it will help the local economy through job creation. Goods will get to businesses and consumers faster and more efficiently.”

Individually, the ports of Los Angeles and Long Beach are the first and second busiest container ports in the U.S., respectively. Combined, after each set numerous monthly records, last year the ports moved over 20.8 million 20-foot-equivalent units (the standard measure of a shipping container), more than any other year in their more than a century-long history.

Despite a historic 2021, the ports have continued to set monthly records throughout this year. In fact, with ever-increasing e-commerce, port executives anticipate cargo volumes to continue to increase into the next decade. Goods-movement experts project container volumes at San Pedro Bay to increase to 34 million by 2030, Pioneer stated.

Crews are expected to break ground on the inland port next year, with it being fully operational in 2024.

As it is, the twin ports have experienced unprecedented backlogs of ships and containers for nearly two years. According to the Marine Exchange of Southern California,



A site map of the Mojave Inland Port, the state's first inland port that will help alleviate congestion at the San Pedro Bay ports. Courtesy of Pioneer Partners

the backlog of ships officially began on Oct. 15, 2020, and reached a peak of 109 in January of this year.

As of Aug. 10, the backlog reached a record low of nine, the Marine Exchange reported.

Similarly, the number of containers dwelling for extended periods on dock has fluctuated wildly since the backlog began. The problem got so bad that the ports announced a new fee in October 2021 for containers that sat for too long, though the fee has yet to be enacted.

The number of containers languishing on dock is now 29% below where it was when the fee was first announced, according to port data.

“We are very good at ship-to-shore movement—getting the containers on and off the vessel,” Port of Long Beach Executive Director Mario Cordero told the Business Journal. “What we need to work on is continuing that momentum of velocity through the terminal and out of the region.”

Both of the San Pedro Bay ports have

emphasized the need for increased rail capacity, which is a more efficient and more environmentally friendly way of moving containers compared to trucks. Each agency has undertaken numerous capital improvement projects to increase rail capacity, with Long Beach's long-awaited centerpiece, the Pier B On-Dock Rail Support Facility, moving closer to reality.

The combination of increased rail capacity at the ports and a new inland port facility that can handle upward of 3 million TEUs annually would greatly increase the velocity of container movement, Cordero said. From the inland port, goods will then be more quickly disseminated to their final destinations.

“Crisis brings opportunities,” Cordero said. “This crisis of supply chain constraints and how people now recognize how vital it is to have a resilient and fluid supply chain, has really elevated some ideas, one of them being inland ports.”

Pioneer's announcement of the port noted that the Mojave Air & Space Port is open 24/7, indicating the new inland port could be looking at similar operating hours, Cordero said. For years, Cordero has been an advocate for the ports to transition to 24/7 operations for numerous reasons, not least of which is that most Asian ports, which account for the lion's share of goods coming into the San Pedro Bay ports, already operate with those hours.

While he would ultimately like to see all port operations working around the clock, Cordero acknowledged that rail is the easiest aspect to make the transition, as it requires far less personnel than moving containers one at a time by truck.

“It also coincides with ... our quest for zero emissions and our parallel approach to reduce truck traffic,” Cordero said. “Rail serves a dual function: velocity ... and continuing with environmental stewardship.” ■



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Courtesy of Carolyn Faber and Kristi Vento

This Los Cerritos ranch-style home on Chestnut Avenue is listed at \$3.388 million.



Courtesy of Carolyn Faber and Kristi Vento

The home's "flex room" features windows that open up to the backyard.



Thomas R. Cordova / Business Journal

The office, where three sides of the room have open doors or windows.



Thomas R. Cordova / Business Journal

The Los Cerritos home on Chestnut Avenue has a calming water wall feature.



Thomas R. Cordova / Business Journal

A big backyard at the home on Chestnut Avenue in Los Cerritos.

COLUMNIST: TIM GROBATY

A once-'organ-ized' Los Cerritos home now offers silence and space

Even by the serene standards of Los Cerritos, the home at 4255 Chestnut Ave. is extraordinarily peaceful. Bracketed by a brace of massive sycamores and fronted by a comparatively diminutive magnolia tree, the home is on a huge lot of a bit more than a half-acre, and its sprawling verdant backyard is as close to Elysian as I've seen in my years nosing around Long Beach properties.

A large statue of the Virgin Mary stands in one corner of the yard that's dotted with dozens of flowering bushes, roses, a crape myrtle, a rosemary bush beneath an arbor, a small orchard of citrus trees, all shaded at least partially by a towering century-old pine.

Along a narrow outdoor walkway with bench seating is a long, maybe 30-foot stacked-stone wall with water gently trickling down its face. Overall, you can pick a place to relax or meditate nearly anywhere on the property and perhaps attempt to read a book before dozing off.

It wasn't always this quiet in the 4,800-square-foot house. It was built in 1949 for Dr. Carlyle Ahrens and his wife. Its architect, Hollywood art director Henry Larrecq, designed it to be built around an electric organ. That sounds (and is) weird, but an article about the house in the Press-Telegram's Southland section explained, after a fashion, that year:

"The tone cabinet was built into a hollow partition between the entry and sunroom and the organ was in the corner of the sunroom, some

distance away from the tone cabinet. The sound is enhanced by reflections against the walls before it reaches the listener."

You're curious to hear it, but, alas, every trace of the organ and its connection to the walls of the house have long since disappeared.

But it's fair to say that, aesthetically, the home has not suffered for its absence.

In the years since it was built, other owners have added bedrooms and other rooms to the house in addition to upgrading the original parts.

The floors throughout most of the house are lustrous three-quarter-inch cherrywood. If the generous use of windows in the house doesn't introduce enough of the outdoors to the home's interior, there's a lot more to pull some of the gathering rooms into the backyard, most notably an expansive "flex room," meaning use your imagination, that runs for a long way along the back of the house with floor-to-ceiling, wall-to-wall windows that fold back and recede to allow complete access to the yard. The previous owners used it as a game room, with both table tennis and a pool table. While the house already has an inviting sunroom, one would still be tempted to use the flex room as another space to bring in comfortable chairs and sofas to just sit and enjoy the view, or perhaps turn it into an entertainment space. It's flex; do what you want.

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Carolyn Faber and Kristi Vento at \$3,388 million, it enters the list of the top 10 most expensive homes listed in Long Beach, just behind the Alison White restoration home at 4131 Cedar Ave., as Los Cerritos tries to keep pace with the more expensive homes in and around Naples. The two neighborhoods have both been leaders in expensive home sales, and there's much to recommend the quiet and stately Virginia Country Club neighborhoods over the more vibrant and active waterfront areas, with one of the key advantages being the much greater sized lots in Los Cerritos.

This home on Chestnut typifies the best of Los Cerritos, and while it owes much of its charm to its grounds and the house's accessibility to those grounds, the house itself has plenty of outstanding features, from its kitchen with a center prep island and extra sink and a beautiful Lacanche range and Viking oven, to its two en-suite bathrooms and walk-in closets, to its glass-enclosed office and formal dining and living rooms.

Both Faber and Vento, who have sold other prestigious properties in the area, agree that more people are beginning to prefer the peace of Los Cerritos over the more active and vibrant Naples area for a variety of reasons, including the golf and gatherings at the nearby country club. But the main draw of the area, which is apparent even as you drive or walk through the neighborhoods, is the space and the silence. ■

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Interest Rates

Continued from cover

Sellers' gazes shifted toward owner-users, who often utilize U.S. Small Business Administration loans, which have lower interest rates. These deals usually take longer due to government oversight of the money, Carrillo said.

Carrillo noted that even with recent hikes, the Fed's target rate is historically low. In 2000 and 2006, the rate was 6.5% and 5.5%, respectively.

In the South Bay, net absorption was negative 615,252 square feet during the second quarter, meaning more space was vacated or newly opened than was leased, according to a Lee & Associates report. From April to June, 1.6 million square feet of industrial space was leased, the lowest amount since the third quarter of 2004, the report states.

Slower velocity of sales and leases does not mean that demand for industrial space has significantly dropped, especially near the ports of Long Beach and Los Angeles. The vacancy rate ticked up slightly quarter-over-quarter to 1.3%, which is still an extremely low supply.

Average asking rent, meanwhile, increased from \$1.35 per square foot in the first quarter to a record high \$1.55. Average rents were below 90 cents per square foot five years ago and have continued to climb amid the constrained supply and high demand. "I did a deal five years ago, and their lease renewal is coming up," Carrillo said. "They're getting sticker shock because the rent has almost doubled."

The average sales price for industrial space in the South Bay was \$361.71 per square foot during the second quarter, up from \$322.37 the previous quarter. In the second quarter of 2017, the average sales price was less than half the current rate at \$162.45 per square foot.

The area's re-emerging aerospace sector is one of the factors contributing to the continued demand in the region, especially in Long Beach,



People walk out of Ding Tea at The Landing, a strip mall with several spaces for lease near the corner of Clark Avenue and Atherton Street.

Brandon Richardson / Business Journal

Carrillo said. Over the last seven years, rocket manufacturing and launch service providers have flocked to the city. First came Virgin Galactic—now Virgin Orbit—in 2015, followed by SpinLaunch in 2019 and Rocket Lab and Relativity Space in 2020.

"It's pretty amazing to see how vibrant [the sector] is," Carrillo said, noting that Virgin and Relativity have expanded their presence in the city since they moved in. "We're seeing the wave of the future."

Retail

Long Beach's retail market is still recovering from the pandemic, which took its toll on countless businesses, especially restaurants that were forced to close for months on end. Many eateries never reopened.

Fortunately for the market, people will always need to eat, and restaurant concepts are bountiful, Doug Shea, a partner at Centennial Advisers, said.

"We are still seeing second-generation restaurants flying off the shelf," Shea said. A second-generation restaurant is a new concept that takes over a space already built out for restaurant use.

"We can get that space filled every single day," he said, adding that small retail spaces are sitting on the market for "quite a while."

But inflation is hitting restaurateurs and retailers hard as well. Shea said one of his clients in Naples is going to have to raise his prices twice this year, when he has sometimes gone as long as three years without any increases.

Not only are goods for restaurants and retailers becoming more expensive, consumer spending is decreasing. According to a Lending Tree survey, 43% of Americans plan to take on new debt in the next six months on necessities such as housing, transportation and health care, which leaves fewer dollars for

luxury items and dining out.

There are numerous vacancies along the historically popular Second Street corridor in Belmont Shore as well as the newer 2ND & PCH retail center up the street, Shea noted. And a decrease in consumer spending is not likely to help.

Those two areas, however, along with the Long Beach Exchange retail center near Lakewood Village, have some of the highest rents for restaurant and retail space in the city. Those areas can have asking rent between \$4 and \$6 per square foot, Shea said, with Second Street being on the lower end.

Older spaces, however, even those that have recently been remodeled have much lower rents, Shea said. The Los Altos Market Center, for example, is 100% leased, he said, noting that the former Sears location was recently purchased, though he does not know what store, or stores, will take over.

At The Landing, a strip mall at the corner of Clark Avenue and Atherton Street that recently underwent facade improvements, rents are about \$3.25, Shea said. The Centennial team recently got an offer for a new cafe, a med spa and a butcher shop in the center.

When it comes to retail, Shea said discount stores—furniture, clothing, etc.—and big-box brands like Target are thriving. A Five Below discount store is coming to the Los Altos area, he added.

Office

Uncertainty continues in Long Beach's suburban and Downtown office markets, in large part due to companies navigating the post-coronavirus work environment, Cushman & Wakefield Senior Director Robert Garey said. While some companies have brought their workforce back into the office, others have held off—and some employees will never return.

"People were saying, 'office is dead,' but I never believed it," Garey said. "We're seeing it come back to life with some repopulating their offices—but not every company."

Some companies have embraced a hybrid model for employees, which sees them come in two or three times a week. This model requires less office space per employee, which has resulted in some companies downsizing to match their need, Garey said.

While there may be fewer employees at the office at any given time, Garey did note that many companies are spacing their employees out more and even bringing back personal offices in response to health concerns that arose amid the coronavirus pandemic. While that may offset the downsizing somewhat, Garey said it likely will not be enough.

With demand for office declining, Garey said some office buildings like 401 E. Ocean Blvd. and 1500 Hughes Way could be repurposed into residential or industrial use.

Several buildings in the Downtown area have already been converted to residential, including the former Verizon building at 200 Ocean Blvd.

"This will shrink the available space in the marketplace, which will create a more healthy balance for owners," Garey said.

Construction costs also are wreaking havoc on property owners who are looking to upgrade their buildings to attract tenants. Many jobs have about doubled in price compared to before COVID, Garey said.

The office vacancy rate in Downtown remains at its highest level in over two decades. During the second quarter, the overall vacancy moved from 26% to 25.9%, according to reports by Cushman. The area's net absorption was negative 26,029 square feet, only slightly better than the negative 33,154-square-foot net absorption in the first quarter.

During the second quarter, 54,329 square feet of office space was leased Downtown, and the overall average asking rent was \$2.49 per square foot, up from \$2.47 the previous quarter.

The suburban office market is faring only slightly better, with a vacancy rate of 22.9%, according to Cushman. The rate marks a slight increase from 22.1% in the first quarter.

After negative absorption of 724 square feet in the first quarter, the suburban market saw positive absorption of 5,956 in the second. That area saw 192,272 square feet of space leased, including over 71,750 square feet by Blue Shield of California at 3840 Kilroy Airport Way.

The overall average asking rent in the suburban office market increased 7 cents quarter-over-quarter, from \$2.61 to \$2.68.

Rental rates remain strong in large part because operating expenses, particularly utilities, have gone up with inflation, Garey said. Maintenance and landscaping also have become more expensive. To offset the steady rents, however, many property owners are offering more concessions, Garey said, including offering free rent for several months in order to close deals.

"It's still a very bumpy road in the office sector," Garey said. "There's more clarity in the world, but it's not clear yet in the office market." ■



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The Long parklet in front of DiPiazza could become permanent.

Brandon Richardson / Business Journal

Long Beach moves forward with permanent parklets

By Jason Ruiz

Parklets in Long Beach became a fixture in front of many restaurants during the pandemic, but a City Council vote in June required business owners to begin the process of applying for permanent status or to remove the structures entirely.

The council vote allowed business owners who had expressed interest in making their sites permanent to keep their temporary structures through September. Those who didn't need to remove their installations in July.

Many of the over 100 parklets and temporary dining areas across the city have already been removed, while over 60 locations have expressed interest in keeping theirs permanent, according to city data given to the Business Journal through a public records request.

The city's Public Works Department notified businesses earlier this year about whether their sites were feasible for a permanent location. Joy Contreras, a spokesperson for Public Works, said locations within the coastal zone, which is generally the area south of Broadway, could have to go through a separate process that the city has not yet worked out.

Permanent parklets would likely look a lot different than many of the temporary ones currently around the city. Permanent structures would have to meet certain safety and building material requirements outlined in the city's guidelines for permanent structures and could cost tens of thousands of dollars, depending on the design.

City officials had previously said that locations that caused traffic safety or accessibility issues would likely not be considered

for a permanent parklet. Blocking utilities, storm drains or other important public infrastructures were also factors that could disqualify a business from making its parklet permanent.

So far, the city has determined 43 locations across the city could be feasible for a permanent parklet location and some of those (18) would have to meet certain conditions before the city would sign off on them.

But not all of those businesses have expressed interest in making theirs permanent, and expressing interest doesn't necessarily mean the business will go through with building out a permanent location.

In Belmont Shore, where residents have been the most vocal about ending the parklet program due to the impact on parking and residents' complaints about noise and nuisances, a total of 20 locations were found to be feasible by the city including parklets at George's Greek Cafe, Legends, Open Sesame and Saint and Second.

Some businesses, like Simmzy's and Saint and Second, both of which are located on corners, can only keep permanent parklets on the smaller side streets and not Second Street.

Two locations in Belmont Shore, Quinn's Pub and Dogz Bar and Grill, asked to be considered for permanent status but the city determined their parklets are not feasible due to narrow roadways and a lack of space in front of Dogz. Shannon's Bayshore was also determined to be not feasible but did not ask the city for an extension.

Other businesses across the city that face conditional approval would have to work out agreements with neighboring businesses or modify their parklets to correct existing traffic safety issues and make them

compatible with existing bike lanes.

Just a handful of businesses have already started the application process or have already been granted permits for a permanent parklet including

The Breakfast Bar in Downtown, Modica's Deli, Gusto Bread near Retro Row and La Parolaccia Osteria on Broadway.

For a map of parklet locations and their status, visit bit.ly/3paYnBy. ■

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Luxury massage chain set to open by year's end at 2ND & PCH

The NOW Massage is set to open on the southwestern side of the shopping center after the Planning Commission approved the company's permit earlier this month.

By Christian May-Suzuki

A new massage business is coming to southeast Long Beach.

The NOW Massage, a high-end chain, is set to open later this year on the southwestern side of the 2ND & PCH shopping center after the Planning Commission approved the company's permit earlier this month.

Cody Larkin, a spokesperson for

the chain, told the Business Journal the company expects to welcome customers there this winter.

The spa will occupy the 2,094-square-foot Suite 150 at 6480 E. Pacific Coast Highway. The NOW Massage already has five locations, including in Manhattan Beach, Santa Monica and Studio City.

The Long Beach location will include one large massage room with nine beds that are separated by canvas draping.

The NOW Massage offers "high-quality, customizable massage services without the time commitment and cost of a traditional spa," according to an email from Larkin, where customers can talk with a therapist prior to the session to identify particular goals for the massage. These massages can last 25, 50 or 80 minutes, according to The NOW Massage's menu of services.

Under the Planning Commission's Aug. 4 approval, The NOW Massage can operate from 8 a.m. to 10 p.m. seven days a week. ■

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Courtesy of the city of Long Beach

Century Affordable Development, Inc., along with city, county and state officials, celebrated the groundbreaking of The Cove, a 90-unit affordable housing development for veterans.

Affordable veteran housing project breaks ground in West Long Beach

By Brandon Richardson

Dozens of veterans who are low income or experiencing homelessness and struggling with their mental health will soon have more resources in West Long Beach.

Officials and developers celebrated the groundbreaking of The Cove last week. The latest project at the 27-acre Century Villages at Cabrillo campus, the 90-unit development will offer affordable and supportive housing for veterans earning 30-60% of the area's median income.

"The Cove is our sixth phase of development here at the Villages, and it comes as we celebrate our 25th anniversary," Brian D'Andrea, president of Century Affordable Development and the Villages, said during a

groundbreaking ceremony.

"Over those years, we have served thousands and thousands of veterans, individuals and families in need here in Long

maintenance, resident services and administrative offices. The development also includes a 3,800-square-foot courtyard on the second floor and 40 parking stalls.

"Projects like this one are transformational for our community."

- Robert Garcia, Long Beach Mayor

Beach," D'Andrea added.

The four-story, 71,000-square-foot building will include over 7,000 square feet of common space, including a lobby, community room, computer lab, classroom, bicycle storage and

The number of homeless veterans in Long Beach increased 48% from 2019 to 2022, according to city data. In this year's homeless count, volunteers identified 451 unhoused veterans in the city—187 sheltered and 264

unsheltered—up from 304 in 2019.

The city's overall number of unhoused people increased 62% from 2020 to 2022.

"We are living in a moment where there is no bigger issue than the issue of folks that are unhoused," Long Beach Mayor Robert Garcia said in his groundbreaking remarks. "This is a failure of our society."

"Projects like this one are transformational for our community," Garcia added, saying the Century Villages are a model for the country.

The city housing authority is providing 60 project-based housing vouchers for residents of The Cove.

The Los Angeles County Department of Mental Health is sponsoring 15 of the new units, which will be designated for veterans experiencing mental health challenges, Division Chief of Program Development Lori Willis said during the event.

As is the case with all affordable housing developments, funding for The Cove was pooled from various sources, including \$5 million from the Los Angeles County Development Authority, \$4 million from the Long Beach Community Investment Company, \$2.1 million from the county's No Place Like Home Program, over \$1 million in Community Project Funding through Rep. Alan Lowenthal's office, \$750,000 from the Federal Home Loan Bank of Dallas Affordable housing Program and \$500,000 from The Home Depot Foundation.

Wells Fargo, a long-time partner of Century Affordable Development, provided over \$27 million in construction loan financing and over \$24 million in tax credit equity.

The Cove is slated for completion in October of next year, with occupancy expected in spring 2024.

"The continuing incidents of veteran homelessness is a real stain on our nation's conscience," D'Andrea said. "It's a stain that we at Century, and all our partners, take that very seriously and we remain steadfast in addressing it." ■

3 new businesses to join 2ND & PCH

By Christian May-Suzuki

The 2ND & PCH shopping center continues to add to its stock of businesses and services.

Property management company CenterCal Properties announced earlier this month that three new businesses are joining the property

and opening up this summer:

- Forno Banci: A new Italian concept featuring a bakery that will serve staples like pizza, focacce and other baked goods made daily.

- Woofpak Pet Kitchen: This dog food retailer provides a unique dining experience for dogs with farm-to-bowl meals, safe sweets

like donuts and birthday cakes, and other healthy food options for your pet.

- Compass Real Estate: The national brokerage has been operating in Long Beach out of a temporary location, but is set to relocate to a second-floor space at 2ND & PCH.

CenterCal also shared that

three previously announced businesses—Fire Wings, dan modern chinese and Beachwood Brewing—are slated to open this summer. The Beachwood Brewing opening comes after the business opened up a new location in Bixby Knolls earlier this month, which is slated to become the company's first distillery. ■

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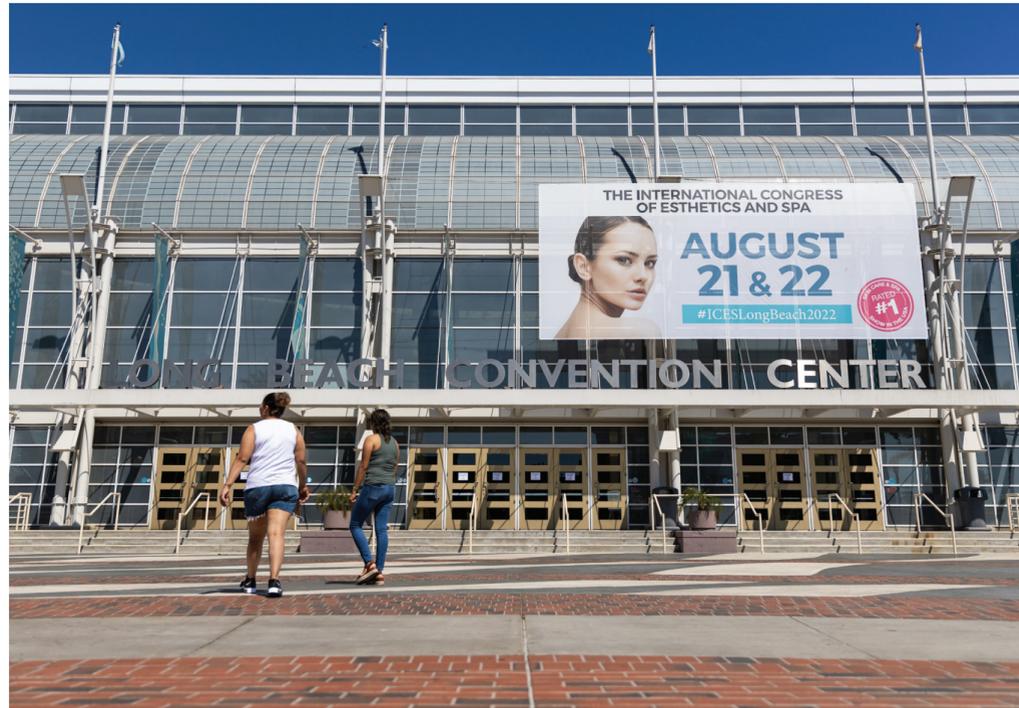


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Brandon Richardson / Business Journal

Two women walk toward the Long Beach Convention and Entertainment Center in Downtown.

Long Beach freezes convention center fund after complaints of unchecked spending

The scrutiny comes after the center's former finance director alleged the top official of the Convention and Visitors Bureau was misusing the money.

By Kelly Puente

The city of Long Beach has frozen a million-dollar convention center fund and is auditing its use in response to allegations by the facility's former finance director that public money was being improperly spent, the Business Journal has learned.

Paul Falzon, the former finance director for the Long Beach Convention and Entertainment Center, has alleged in a lawsuit that he was fired after complaining that hundreds of thousands of dollars in furniture and other items were being purchased without required approvals from the city.

In his wrongful termination lawsuit, Falzon, who worked for the private operator of the convention center, alleged that many of the purchases were extravagant and wasteful. He said they were orchestrated

by the top official of the Long Beach Convention and Visitors Bureau, Steve Goodling, whose organization operates separately from, but in support of, the city-owned convention center.

In numerous instances, Falzon said, items were missing that should have been delivered to the convention center, where storage areas were crammed with unused items Goodling had earlier bought for events at the facility, ranging from giant stuffed animals to chaise lounges to crystal chandeliers. Some of those items, Falzon said, had never been used and were still in their original packaging.

Falzon said he repeatedly complained about his discoveries to his boss at ASM Global, which has a contract to operate the convention center. He said he was accused of risking the company's future with Long Beach because of Goodling's clout at City Hall.

In a short statement to the Business Journal, Goodling said he had engaged in no improper behavior.

"The allegations and assertions made in this complaint are absurd. Beyond that, I cannot comment at this time," said Goodling, who has served for over 20 years at the helm of the city's nationally acclaimed visitors bureau and is credited with raising the city's profile in the convention industry.

CVB Board chair Todd Lemmis said the nonprofit organization,

which draws half of its funding from the city, stands behind its CEO.

"As chair of the board of the CVB I have reviewed the complaint and discussed it with the executive board and I find the complaint wholeheartedly without merit," he said. "The board supports Steve and has never had an occasion to question his integrity."

(Lemmis is a partner in Pacific6, the parent company of the Long Beach Business Journal.)

Long Beach officials and an attorney for ASM declined to discuss in detail Falzon's accusations of financial improprieties and retaliation, citing the ongoing litigation.

After two decades as a key finance executive with Fox Entertainment Group, Falzon was hired to oversee convention center finances by an ASM subsidiary, SMG Holdings, in late 2020 and was fired a year later. He filed his whistleblower suit in April of this year.

Months before turning to the court, however, Falzon said he had been complaining not only internally but also to the city's economic development team about the alleged problems he was encountering.

In response, then-Economic Development Director John Keisler sent a warning letter to ASM in July 2021 about abiding by city purchasing requirements and, in October of last year, notified the company that the city was freezing

the account that has been used to pay for purchases because of allegations of "mismanagement and misuse." He disclosed that an audit was being undertaken.

The city hired the accounting firm of Macias Gini & O'Connell to conduct the audit, which, according to Long Beach officials, is in its final stages. The city said ASM has already "committed to adopting/instituting any resulting recommendations" of the audit.

The account under scrutiny is called the "\$5 Parking Fund" and is earmarked for convention center improvements. It is fed by the center's parking revenues, with one dollar of every five going into the account.

City officials said the parking fund had been reduced in recent years because of COVID-19's impact on convention center events and activities but has risen and now stands at \$1.1 million.

Under the fund's rules, ASM is allowed to use the public money on specific improvement projects but must first get approvals from the city.

In an interview, Falzon said Goodling would use his own organization's funds for purchases as he saw fit and then submit invoices to the convention center for reimbursement through the parking fund. The convention center would then seek city approval for the purchases, even though the items had already been bought.

"Steve [Goodling] was just buying things willy-nilly, there was no approval in advance. And it was stuff we didn't want and we didn't need, especially not in a pandemic," said Falzon, who said he refused to risk his professional standing by transmitting retroactive invoices to the city.

"Most of it is just sitting there, falling into disrepair," Falzon said, adding that items were bought without purchase orders, competitive bidding or a vendor selection process.

The Business Journal reviewed over 100 pages of invoices and hand-written receipts that show that, among other purchases, nearly \$110,000 was spent on various furnishings during the pandemic when the convention center was closed for business. For example, during one 10-day stretch in October 2020, Goodling's organization purchased \$19,363 in high-end merchandise from a consignment shop not far from his home.

The purchases from Lido Gallery Newport included: four black leather Italian chairs for \$3,800; a petrified wood table with four chairs for \$2,000; black oval accent tables for \$1,280, two table lamps for \$700, and cast aluminum leaf tables for \$1,200.

Falzon said he calculated that, in all, Goodling had spent about \$1.3 million in public funds on

Continued on page 16

Santa Fe Importers celebrates 75 years

By Brandon Richardson

Vincenzo Passanisi immigrated to the United States in 1921 at 18 years old, moving from Sicily to Buffalo, New York, where he opened a market. Chasing the weather of his childhood and to be near relatives, he moved his family of eight across the country in a small car—mostly along Route 66—to Long Beach, where he opened a deli, Santa Fe Importers, in 1947.

For 75 years and under three generations of the Passanisi family, the deli and market at 1401 Santa Fe Ave. has thrived and expanded in what is now Long Beach's Westside.

"We're just continuing to try to serve our customers as best we can," current President Vincent Passanisi, who is named after his grandfather, said. "Give them good value, good food and large portions."

In the early days of the business, Vincent said the area was residential, as opposed to its industrial and commercial state of today. The neighborhood was home to many immigrants, he said, including Poles, Greeks and Italians.

This was the customer base that helped shape the business and its focus on imported pastas, cheeses, olives and meats.

"Over time, as the neighborhood changed, we evolved," he said. "We



Courtesy of Santa Fe Importers

The exterior of Santa Fe Importers on its opening day in 1947.

started making sandwiches and meals to go."

Customer favorites include the meatball sandwich (discounted on Meatball Mondays) and manicotti, which are traditionally stuffed pasta tubes, but Santa Fe Importers makes an old Passanisi recipe that is more crepe-like.

As the city grew, the deli and market continued to sell a large variety of Italian groceries, but the business also expanded in the early 1950s to include a manufacturing facility that produces meatballs, salamis and

sausages. Santa Fe Importers sells its meats to distributors nationwide, meaning many people are enjoying the Long Beach product without even knowing it.

Today, for example, Trader Joe's lasagna features Santa Fe Importers' Italian sausage.

But the Westside staple also deals directly with local businesses, including Domenico's in Belmont Shore and Modica's Deli in Downtown, among others.

Vincenzo operated the business until he died in 1968. His son John

took the helm and steered the ship for three decades. During his time as owner, John's kids, including the young Vincent, helped around the shop during summer and other school breaks.

When it came time for John to retire in the late 1990s, he reached out to his four kids to see who, if any, wanted to take over the family business as the third-generation owner. A high school English teacher in Williamsburg, Virginia, at the time, the younger Vincent answered the call and moved his family of five back to the West Coast.

"I think my wife's still unhappy that I moved us back," Vincent joked. "No, Long Beach is cool, it's a great city. My whole family loves it."

He now lives just over the San Gabriel River in Seal Beach but said he is always finding new things in Long Beach to enjoy, including a recent Gondola Getaway ride he and his wife took for their 30th wedding anniversary.

Vincent's sister, Marisa, also joined the company around the same time as vice president of sales and marketing.

Santa Fe Importers further diversified its business in 2006 when it acquired XLNT Foods, one of the oldest Mexican food companies in Southern California, this year celebrating 128 years. The brand's beef tamales and chili con carne—

Continued on page 21

Long Beach Airport passenger volumes 4% below 2019 levels

By Brandon Richardson

The number of passengers traveling through Long Beach Airport in July was just 4% below pre-pandemic levels, continuing the facility's ongoing recovery through the strong summer months, officials announced earlier this month.

"For the fifth month in a row, we are over 90% of pre-pandemic levels," Airport Director Cynthia Guidry said in a statement. "We expect this trend to continue and [to] see solid results at the end of the summer travel season."

The July data represents a minimal improvement over June, which was 4.1% below pre-

pandemic levels, according to airport data. April and May volumes were 7.6% and 7.4% below 2019 levels, respectively.

Last month, 306,420 passengers flew into or out of Long Beach Airport, compared to 319,296 in the same month in 2019. The figure represents a more than 658% increase from July 2020, when only 40,406 passengers traveled through the airport after the pandemic all but wiped out travel.

Nationwide, however, July passenger volumes continue to trail behind pre-pandemic levels by more than 12%, according to U.S. Transportation Security Administration. In July 2019, the TSA reported nearly 80 million travelers passing through its



Brandon Richardson / Business Journal

A Southwest plane comes in for a landing at Long Beach Airport near the 405 Freeway.

airport checkpoints. Last month, the administration reported fewer than 70.3 million.

Year-to-date, Long Beach's airport remains 10.8% behind 2019 over the same period. Through July 31, over 1.81 million passengers used the small, municipal airfield, compared to more than 2 million during the

same period three years ago.

Total air cargo moving through Long Beach Airport remains far below pre-pandemic levels, in large part due to FedEx's departure from the facility nearly one year ago. Last month, 922 tons of cargo moved through the airport, compared to 1,737 during July 2019. ■

Port of Long Beach sets July container movement record despite slower spending

Dockworkers and terminal operators moved 785,843 20-foot-equivalent units last month, a 0.13% increase from the previous July record set last year.

By Brandon Richardson

The Port of Long Beach set a new July record for cargo movement despite consumer spending being stifled by inflation, officials announced earlier this month.

Dockworkers and terminal operators moved 785,843 20-foot-equivalent units (the standard measure of a shipping container) last month, a 0.13% increase from the previous July record set last year. The gain was led by empty container movement, which increased 2.8% to 300,257 TEUs.

Imports and exports actually both declined last month, port data shows. Imports declined 1.8% to 376,175 TEUs, while exports declined 0.5% to 109,411 TEUs.

"We are continuing to seek solutions to improve efficiency as a record-breaking number of containers move through the Port,"

Executive Director Mario Cordero said in a statement.

The port's efforts to become more efficient have been met with fluctuating success. The backlog of ships awaiting their turn at the ports of Long Beach and Los Angeles reached nine on Aug. 10, its lowest point in well over a year, the Marine Exchange of Southern California reports.

The number of ships waiting off the coast or slow steaming toward the San Pedro Bay ports reached a peak of 116—86 container ships—on Nov. 16, according to data from the Marine Exchange.

The number of containers languishing on dock for extended periods of time has fluctuated greatly over the past 10 months, port data shows. In October, the twins ports announced a container dwell fee aimed at alleviating that congestion.

The ports have yet to implement the fee, citing improvements. But the Port of Long Beach's data portal—which compares the current number of aging containers to where that number stood before the October fee was announced—shows that while the number of idle containers fell in late January to 62% below October's level, dwelling cargo rose to 9% higher than October's level as recently as last month.

Since the most recent peak, the number of dwelling containers has declined to 20% below the

October mark.

"We hope to relieve some of the stress points by continuing to support a transition of the entire supply chain to 24/7 operations and ensuring our industry partners can track containers with our new Supply Chain Information Highway data solution," Cordero said.

The record cargo movement comes despite consumers battling inflation and spending less on goods that would be sent overseas via shipping containers, port officials said. Last month, Bank of America noted a "broad-based slowdown" on consumer spending when considering inflation,

Fortune reports.

Dockworkers and their employers also are in the midst of contentious contract negotiations to replace the previous contract that expired at the beginning of July. Despite no agreement being reached, the work continues.

"Our waterfront workforce continues to ensure trade moves through the Port at a record-setting pace," Long Beach Harbor Commission President Sharon Weissman said in a statement. "We continue to strengthen our partnerships with labor and industry to ensure our spot as a leader in trans-Pacific trade." ■



Brandon Richardson / Business Journal

A man rides a SeaDoo past a container ship as it is unloaded at the Port of Long Beach.

Convention Center

Continued from page 14

furniture, lighting fixtures and art from Lido Gallery and other businesses, including Wayfair and Restoration Hardware.

There were so many warehoused items, he said, that convention center management at one point considered holding a "yard sale" but feared the plan might upset Goodling, who sought to create unique convention center settings that his organization hoped would give Long Beach an edge in the competitive events market.

Throughout most of 2021, Falzon said, he continued to complain that Goodling was violating city protocol in using the parking fund but was told by the convention center's then-general manager, Charlie Beirne, to ignore the issue. He "swept it under the rug," Falzon alleged in his lawsuit.

Beirne, now general manager of an ASM-managed convention center in Florida, did not return a phone message seeking comment.

For their part, city officials apparently were taking note of Falzon's complaints. In July of 2021, the Economic Development Department sent Beirne a letter reiterating the city's rules for using the parking fund.

In the letter, obtained by the Business Journal, economic development director Keisler said he had approved the most recent request but wanted to "take this opportunity to clarify or refine the request process going forward." He stressed that "Parking Fund Requests should be submitted prior to expenditures being made."

The letter warned that if purchases were made without the city's prior approval, then the convention center's operator would be on the hook "to cover these costs as regular operational expenditures."

Falzon said the final straw for

him was when he was asked to sign off on invoices from Goodling for thousands of dollars in items that he could not verify had been received by the convention center. It was not a new problem, he said. Among items that could not be located during previous searches were a \$1,620 Schonbek crystal chandelier, a \$1,728 John Widdicomb buffet and a \$900 set of Restoration Hardware dining chairs.

As a certified public accountant, Falzon said, he told Beirne, "I'm not signing off on these invoices unless you can prove we've received all this stuff."

Several weeks later—and just days before being asked to transmit yet another invoice to the city—Falzon said he was asked to meet with Beirne and Goodling, who wanted Falzon to apologize for his complaints of wrongdoing. Falzon said Goodling "went off" on him and accused him of not being "on board for the vision" of the convention center.

"I remember telling him I didn't have an issue with his vision, I

had an issue with how he was spending city funds and not following ASM and city spending guidelines," Falzon said. "He said if I'm not on board with his vision, then I should go."

The following month, Falzon said he was told his position was being eliminated due to a reorganization. According to the lawsuit, Falzon said ASM offered him a job at a corporate office in Los Angeles, however, he said the offer was vague and that the position was temporary.

Falzon said he was shocked because he had just received a salary increase from \$130,000 to \$170,000 and had never had any negative performance reviews.

Falzon said he was escorted out of the building in October and told to work from home until his last day in November. "I was blindsided," he said.

Falzon's suit, filed in Los Angeles Superior Court, seeks unspecified damages against Goodling, ASM and its subsidiary, SMG. ■



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Investigations

Continued from cover

is not mandatory for health facilities), and the California State Board of Pharmacy—are still ongoing.

Both agencies declined to comment on whether they're investigating Memorial, but the Business Journal has independently obtained emails from the nonprofit and state board that confirm the probes.

It's unclear what potential consequences could be in store for Memorial as a result of these investigations. The state pharmacy board does have the power, however, to revoke hospitals' pharmacy licenses. The Joint Commission can similarly withdraw its accreditation, though a Wall Street Journal analysis found that it did so for less than 1% of about 350 hospitals with serious violations between 2014 and 2016.

The outcome of the CMS investigation, though, ended in Memorial's favor. Months after the agency suspended the hospital's "deemed status," a distinction that signifies whether a medical center meets Medicare and Medicaid requirements, CMS reinstated that status on July 28, according to Memorial spokesperson Richele Steele.

While Memorial could have lost its Medicare funding as a result of the CMS investigation, the hospital continued to receive that funding throughout the probe, Steele confirmed.

"The hospital is dedicated to improving the health of individuals, families and our community through excellence in patient care, education and research," Steele said in an email.

Deadly lapses in patient care

The scrutiny of the hospital and its patient care is the result of complaints that Long Beach resident Rosemary Davis, 60, submitted earlier this year to various agencies, including the California Department of Public Health, after the death of her 83-year-old mother, Margaret Davis, while in the hospital's care. The Southern California News Group first reported the story.

In response to Davis' complaint to the CDPH, state inspectors spent nine days—April 12 to April 20—at Memorial reviewing the records of 33 patients and conducting interviews with staff. They identified two incidents that put patients in "immediate jeopardy," meaning they were at risk of serious injury or possible death.

In both cases, the patient died in the hospital's care.

In a 33-page report obtained by the Business Journal, the CDPH outlined a list of issues at Memorial, the most significant of which were the two immediate jeopardy cases.

Davis' 15-page complaint, which she sent to health officials on March 22 and has shared with the Business Journal, includes allegations that hospital staff administered the chemotherapy drug anastrozole, often used for breast cancer patients, to Margaret, who was



Margaret Davis, left, with her daughter Rosemary and two of her grandchildren in 2005. Courtesy of Rosemary Davis

admitted for heart-related health issues.

In addition to incorrect medication, Davis said her mother was subjected to physical therapy despite her heart condition and a doctor's order to remain on bed rest. Davis also gave a detailed account of issues with her mother's diet while at the hospital, which she said twice almost put her mother in a diabetic coma.

Davis said she watched the rapid deterioration of her mother—both physically and mentally—during her time at Memorial.

"I was horrified," Davis wrote to the CDPH. "My self-sufficient mother was so impaired she could not lift a plastic spoon to her mouth."

Ultimately, Margaret suffered an infection, which turned to septic shock. "My mother died alone," Davis wrote to the state, "and I never got to say goodbye to her."

The second immediate jeopardy incident occurred in March when a person with dementia, identified as "Patient 1" in the CDPH report, was admitted after falling at their assisted living facility. The patient, who was classified as a "high fall risk," fell again at Memorial while attempting to walk unassisted, which led the patient to suffer a hip fracture.

Despite an orthopedic surgeon's recommendation for surgery, which was deemed risky—but notably no more so than doing nothing—the hospital opted to place Patient 1 in "end of life care." The patient died on March 19.

The CDPH notified hospital officials of the immediate jeopardy incidents on April 12 and 19, according to Steele. Staff quickly developed and implemented "plans of correction," she said.

The hospital used "a multi-disciplinary, shared-governance, team approach" to "develop tools, pathways, processes and methods of accountability for our providers at the bedside," according to Steele.

Each plan included "significant actions to remedy the deficiencies that CDPH reported to the hospital," Steele added, but she did not provide additional details.

The state health department removed the immediate jeopardy

findings on April 14 and 20, respectively, Steele said.

Potential consequences

The two immediate jeopardy citations that the CDPH issued to Memorial earlier this year were the first for the hospital since 1998, the oldest available data on the department website. The incidents account for 40% of such citations that the Long Beach area's seven acute care hospitals (including the recently shuttered Community Hospital) have received over the past 24 years.

College Medical Center, St. Mary Medical Center and Los Alamitos Medical Center have all received one citation for an immediate jeopardy incident since 1998, according to state records.

College was fined \$42,707 after a patient was injured or killed during a physical assault in the hospital in September of last year. St. Mary paid \$50,000 in 2016 after a patient either died by suicide or attempted to die by suicide. And in the case that appears to be most similar to one of Memorial's incidents, Los Alamitos paid \$15,000 in 2008 when a patient died after falling in the hospital.

The CDPH declined to comment on what fines Memorial may face for this year's incidents.

While the CDPH investigation now appears to be settled, the probes by the Joint Commission and the California State Board of Pharmacy continue.

In an Aug. 2 email to Davis, the Joint Commission said surveyors conducted an onsite review the day before, on Aug. 1. The Illinois-based commission did not provide details of its findings, citing the Illinois Medical Studies Act, which prohibits disclosures to third parties.

The pharmacy board investigation, meanwhile, began shortly after Davis filed her complaint, according to an email the board sent her on April 7. The email noted that the board strives to complete its investigations within six months but said that more complex cases can take longer.

Disciplinary action by the pharmacy board is not uncommon. Most action, however, is taken against individual pharmacists and

standalone pharmacies rather than hospitals, according to state data. Of the hundreds of actions the board has taken since 2018, only about two dozen have been related to hospitals.

The board can discipline individuals or facilities in a number of ways, including issuing public reprimands, as well as restricting, reproving, suspending or revoking a pharmacy license.

Whatever penalties Memorial may face will come amid a major turnover in hospital leadership. The medical center's two top executives unexpectedly announced their resignations late last month, just over two weeks after the Southern California News Group first publicized the two immediate jeopardy findings.

CEO John Bishop, who has been with the MemorialCare health system 18 years, is staying on until a replacement is found, while COO Ike Mmje, who has been with the company for almost five years, will leave the hospital Aug. 24.

Steele has declined to comment on whether there is a connection between the investigations and the resignations.

A daughter's loss

Davis, meanwhile, is left dealing with the fallout.

Navigating the agencies' red tape—a task that the offices of Los Angeles County Supervisor Janice Hahn and state Sen. Lena Gonzalez have assisted her with—has prevented Davis from being able to take the time to cope with the loss of her mother.

Adding to her pain, she said, the bureaucracies' lack of personal touch at times verged on callousness.

"I got a message looking for feedback from my dead mother," Davis said, noting that the call from Memorial staff came after the CDPH report was completed. "What kind of people would call a grieving family member and be so disinterested in the facts? So unaware of who my mother is that they are calling to get feedback from her after she died?"

For the hospital's part, Steele said Memorial is committed to doing whatever it can to ensure patients remain safe and receive high-quality care that they and their families expect and deserve.

"We take the responsibilities of our role very seriously, and we value the trust that our patients and their families place in us," Steele said.

Davis, for her part, initially told the Business Journal she was not looking into a lawsuit against the hospital. But conversations with friends have led her to seek legal counsel, and she is now considering a personal suit as well as a class-action lawsuit if more families come forward with accusations of malpractice.

"The loss of a parent is always a traumatic experience but her death, it wasn't a normal death; it's more like she was the victim of a crime," Davis said.

"I just can't believe any part of this nightmare is real," she added. "I don't believe she should be dead." ■

Rocket Lab will put 150th satellite in space next month

By Brandon Richardson

Since its first test launch on May 25, 2017, Rocket Lab has successfully put 149 satellites in space. The Long Beach-based firm is now gearing up for No. 150 when its next launch window opens in mid-September.

The upcoming mission, dubbed "The Owl Spreads its Wings," is slated to carry a single satellite—the StriX-1—from the firm's New Zealand launch complex to low Earth orbit. The StriX-1 is Japanese Earth-imaging satellite firm Synspec's first commercial satellite for its synthetic aperture radar (SAR) constellation.

The SAR constellation will be able to deliver images that can detect millimeter-level changes to the Earth's surface from space regardless of weather conditions on Earth or time of day, according to Rocket Lab.

The mission is the second of a three-mission bulk buy for Electron launches for Synspec. It will, however, mark the third Rocket Lab launch for the Japanese company, the first two happening in December

2020 and February 2022.

"From launching Synspec's first demonstration spacecraft to now helping to build their SAR constellation with this launch of their first commercial StriX satellite, it's an honor to once again be the trusted launch partner for Synspec," Rocket Lab founder and CEO Peter Beck said in a statement.

"The Owl Spreads its Wings" will mark other milestones for Rocket Lab, including being the 30th launch of its Electron rocket. It will blast off less than two months after the firm's last launch, "Antipodean Adventure."

The 27th, 28th and 29th Electron missions for Rocket Lab blasted off from June 28 to Aug. 4 and set a record launch cadence for the company, with three in just over five weeks. The latter two missions put a pair of spy satellites in orbit for the U.S. National Reconnaissance Office.

The forthcoming mission also will see the 300th Rutherford engine reaching space. The liquid-propellant rocket engine was designed by Rocket Lab and is produced, mostly



Rocket Lab's "There And Back Again" mission blasts off from its New Zealand facility on May 2, 2022. Courtesy of Rocket Lab

using 3D-printing technology, in its Long Beach facility.

The firm's Electron rocket is equipped with a total of 10 Rutherford engines, including a

nine-engine cluster on its first stage and a single engine with a longer nozzle on the second stage. The Rutherford uses liquid oxygen and refined kerosene as its propellants. ■

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Unrest leads cruise from Long Beach to cancel Mexican port call

By Brandon Richardson

Passengers aboard the Carnival Radiance departed Long Beach earlier this month for an excursion to Ensenada for some fun in the sun on board and in the popular Mexican tourist destination. Unrest throughout Baja California, however, kept travelers relegated to the ship.

Hooded bandits associated with criminal cartels effectively shut down the region on Aug. 12, the Los Angeles Times reported. State officials said the group hijacked and burned at least two dozen vehicles and put up roadblocks that evening.

On social media, messages were circulated, allegedly by the Jalisco New Generation cartel, declaring a curfew in Tijuana, warning residents to go home or risk attack, according to the Times. The U.S. Consulate General in Tijuana issued an order via Twitter for government employees to shelter in place.

According to the consulate, the shutdowns affected Tijuana, Tecate, Mexicali, Rosarito and Ensenada,



The Carnival Radiance docked near the Queen Mary in Downtown Long Beach.

which caused the world's largest cruise line to forgo its port call on Aug. 14.

"The safety of our guests is our priority," Carnival spokesperson Matt Lupoli said in an email to the Business Journal.

Cruise lines reserve the right to change a trip's itinerary at any

time before or during a voyage for any reason. If guests' vacations are "significantly impacted" by a change, Lupoli said Carnival has guidelines to provide "goodwill gestures."

The consulate rescinded its shelter in place order just after 11:30 a.m. Aug. 14, well after the Radiance would have

normally called at the port.

With three ships based in Long Beach, Carnival has weekly voyages to Ensenada, which offers visitors various tours, wine tastings, dining and more.

"Moving forward," Lupoli said, "we will continue to assess the situation." ■

Brandon Richardson / Business Journal

OC's popular Tianguis Market comes to Long Beach with largest turnout yet

By Laura Anaya-Morga

When he isn't selling hot dogs out of a small, stainless steel cart in Santa Ana, Nico Armenta is helping street vendors like himself.

In just a year and a half, the 39-year-old vendor-turned-nonprofit-founder has helped over 800 taqueros, eloteros and frutereros acquire permits to sell and provides them a safe space to do so every Sunday at the tianguis (an outdoor market).

What began as a conversation with his father over how to help their community that was reeling from loss during the height of the COVID-19 pandemic—people were getting sick, losing loved ones and losing their sources of income—quickly turned into a plan to create the first-ever certified, "Tianguis Market" in Orange County, a name that Armenta says represents a culture of hustle and heart.

With the help of his family, Armenta has hosted an outdoor market every Sunday since Feb. 7, 2021, under the umbrella of the Tianguis Market Foundation, which became a full-fledged nonprofit earlier this year. The foundation now walks vendors through the dizzying permit process, giving them health and vendor permits



Nico Armenta is the founder of the Tianguis Market Foundation and has been selling hot dogs for over 12 years.

for free and creates a space where vendors can sell and feel safe doing so, especially during a time when they are constantly looking over their shoulders for fear of being verbally and physically attacked or getting shut down by code enforcement.

At the tianguis—a Spanish word for market derived from tianquiztli in Náhuatl, the language of the Aztecs—attendees can indulge in the freshest

tacos, birria, pupusas or mariscos and can cool down with an agua fresca or rasgado. Local artisans sell anything from handmade soaps and candles to jewelry and cosmetics.

And last week, it came to Long Beach for the first time and was the biggest one yet, with over 200 vendors from across Southern California coming together in the Long Beach City College Pacific

Coast Campus parking lot.

Aztec dancers traveled from Arizona, New Mexico and Texas to perform at the Long Beach market, which was held in memory of Severino Gutierrez Valez, a 34-year-old fruit vendor who was fatally shot in front of his 7-year-old daughter during an attempted robbery on Aug. 5 in Gardena. Valez was known to his community in Gardena by his nickname Elias.

"It's going to be phenomenal," Armenta, whose enthusiasm was palpable, said ahead of the first iteration of the event, which will be held monthly.

Born in Mexico City, Armenta came to the U.S. at 2-years-old and grew up hearing nostalgic stories about the life his parents and grandparents had back home. His grandparents were farmers, and every week they sold and traded goods at the tianguis to survive. As a young boy, Armenta's father helped his parents sell anything from nopales, tomatoes and chayotes to lambs, chickens and cows.

When Armenta was reunited with his hometown 10 years later, he was able to visit the famed tianguis for the first time and was enamored by the amount of culture among vendors and customers alike at the outdoor market, where colorful tents

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Santa Fe Importers

Continued from page 15

in their iconic red, white and blue packaging—are sold at grocery stores throughout the region and across the country via an online store.

The year after the acquisition, Santa Fe Importers expanded again, opening a second deli.

"We opened up the Seal Beach location in 2007 as the economy crashed," Vincent said. "I'm shocked that we made it through that, but somehow we did."

For all businesses, the COVID-19 pandemic also was a challenging time, and Santa Fe Importers was no different. The company's manufacturing business dried up as distributors stopped placing orders and restaurants shuttered for months on end. The deli business also slowed down, though takeout business remained fairly steady in large part due to nearby port operations.

The NLT arm of the business was Santa Fe Importers' saving grace, increasing almost fourfold and picking up the slack for the other two areas, Vincent said.

After years of expansion and weathering numerous economic downturns, Santa Fe Importers is thriving once again, Passanisi said, with about 70 employees.

To celebrate its 75th year, the old-school company launched a new website in February and expects to offer online ordering before the end of the year. Santa Fe Importers has anniversary merchandise, including T-shirts, a coffee mug and a hat, for sale on its website and in store. The company also will have giveaways and contests in the coming months.

Adding to a year of celebration, on Aug. 7, the company was honored by the nonprofit Long Beach Heritage as one of the organization's first 10 Long Beach Legacy Businesses, an honor reserved for long-standing local businesses.

The company's success has less to do with the family than its loyal customers, Vincent said. Because of that, he said the Santa Fe Importers is dedicated to being an active member of the community through sponsoring sports teams, organizations and events.

Vincent's favorite tie to the community, however, is hearing personal stories about how someone's parents brought them to the deli when they were young and now, as adults themselves, bring their own kids to share in that childhood experience.

"Food binds people together, it's communal. It's those experiences that keep bringing people back," Vincent said. "I'd love it to keep going for another 75 years."

"It depends on my family and what my kids want to do," he added. "But I'd definitely love to keep this tradition going." ■



Thomas R. Cordova / Business Journal

Raymond Smith joins about 30 people protesting in front of the Starbucks coffee shop in Lakewood.

Starbucks workers in Lakewood go on strike over allegations of unfair labor practices

By Laura Anaya-Morga

Starbucks workers at a unionized store in Lakewood went on strike on Aug. 15, starting at 4 a.m., shutting the store down completely over claims of unfair labor practices by the company on a local and nationwide scale.

Baristas gathered before the sun rose at the store on Candlewood Avenue with signs that read, "This is the last straw" and "No contract, no coffee." In less than three days, the workers voted unanimously to organize the one-day strike in order to speak up against unfair labor practices by the company that they say has withheld employee benefits that should have gone into effect on Aug. 1. The company has also cut employees' hours and has delayed the union's bargaining efforts, they say.

"They're playing games, they're withholding benefits, they're trying to starve us out, and it's not gonna work," said Tyler Keeling, who has been a prominent union leader at the location since early 2022 and has worked at the company for over six years.

The Lakewood Starbucks store was the first to unionize in Southern California on May 13, and it is the first in the region to strike as well. Workers in Santa Cruz also went on a three-day strike earlier this month over the same issues.

In a statement, a Starbucks spokesperson said the company respects the rights of workers to "engage in any legally protected activity or protest without retaliation."

"We are grateful for each partner who continues to work," the statement continued, "and we always do our best to listen to the concerns of all our partners."

By 1 p.m. on the day of the strike, over 30 people had gathered outside of the store to show their support, among them baristas from Starbucks locations in Long Beach, Teamsters union members, The United Food and Commercial Workers International Union and community members.

"It has been this unanimous joy from everyone who has shown up," said Keeling.

Throughout the day, he said that some customers were upset to find out that the store was closed, others yelled that they were "working kids' jobs," and some walked by pointing the middle finger at those on the picket line. The majority of cars drove by honking in solidarity.

The workers' claims of delayed contract negotiations and unfair labor practices came two weeks after Starbucks implemented new employee benefits across all of its stores, except those that have unionized.

The benefits, announced in May, included expanded training, improved sick leave and credit card tipping for over 240,000 Starbucks employees at more than 8,800 stores across the country and, according to a Starbucks spokesperson, "The law is clear: once a store unionizes, no changes to benefits are allowed without good faith collective bargaining."

The benefits also included wage hikes that took effect on Aug. 1. Most employees received a 3% raise, and

tenured hourly employees received higher raises depending on the amount of time they have spent at the company, ranging from 5% to 10%.

"Partners still have access to all Starbucks benefits already in place when the petition was filed, but any changes to wages, benefits and working conditions that Starbucks establishes after that time would not apply and would have to be bargained," the company spokesperson said.

"Workers United refuses to stand by while Starbucks cynically promises new benefits only to non-unionized workers and withholds them from our members," wrote Lynne Fox, president of Workers United, in a letter to Starbucks CEO Howard Schultz last month. In the letter, Fox waived the union's bargaining rights to receive the benefits promised by the company, but the unionized stores have not heard back.

According to Keeling, the Lakewood location has also tried to set contract negotiation dates with the company multiple times since the site voted to unionize, and workers have been delayed. The workers classify the delay as a union-busting effort.

"Starbucks has it in their head that we are some immature group of people who are just doing something, you know, for no reason. I don't think they understand that we're organized, we know what we're doing and we want to get to the table so we can have a contract," he said. "We want these benefits, we want to bargain, we want a contract, and we don't want to drag this out." ■



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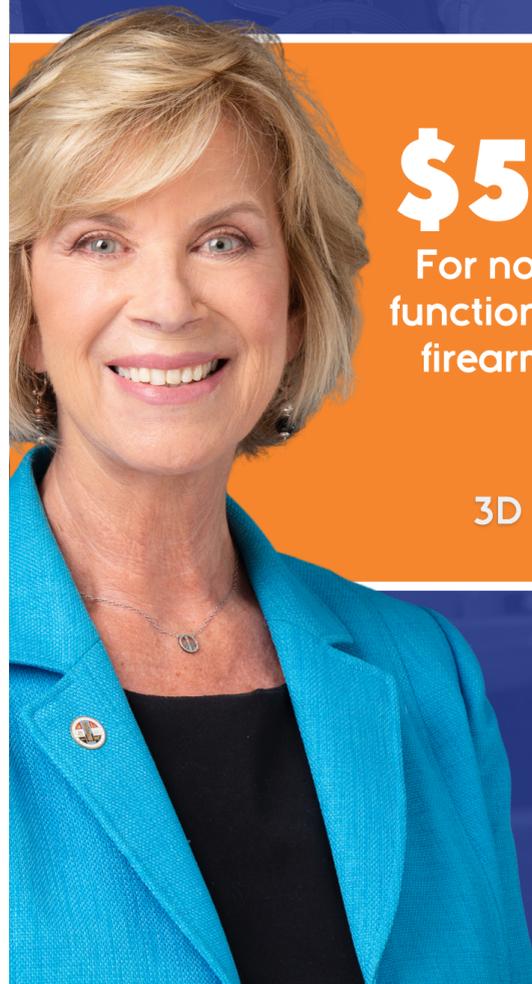
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New fusion restaurant Shootz opens at Uptown Commons

By Cheantay Jensen

A new restaurant serving up Hawaiian-inspired fare recently opened in North Long Beach at the outdoor dining center Uptown Commons.

The new restaurant, Shootz, celebrated its grand opening earlier this month, where first-time patrons were greeted by hula dancers, a live DJ and a two-hour wait for its Hawaiian fusion food, which features Hawaiian barbecue mainstays such as loco moco (white rice, burger patty, topped with a fried egg and gravy) and creative takes on big island staples like the sweet Spam Brûlée musubi.

“It was a long line, but it was a really good turnout,” said co-founder Michael Dancel.

It’s also been a good year for the company, which opened its second location at the Rodeo X Public Market in Ontario this past March (the first opened in October 2020 at the Stanton food hall Rodeo 39).

Dancel said he and co-founders Harold Walters, Christian Solomona



The hot kimchi butter katsu chicken sandwich from Shootz, a new Hawaiian-inspired fusion food restaurant that recently opened at Uptown Commons in North Long Beach.

and Nolan Perez had been eyeing Long Beach for their third Southern California location for quite some time, and ultimately settled in North Long

Beach because they felt their concept would work well at Uptown Commons, which already features several fusion food restaurants at its locale.

Continued on page 26

Carnival Cruise Line partially lifts vaccination requirement

The cruise line no longer requires that passengers get vaccinated against COVID-19 for most trips of less than 16 days.

By Anthony Pignataro

Carnival Cruise Line no longer requires that passengers get vaccinated against COVID-19 for most voyages of less than 16 days, the company announced earlier this month.

The Miami-based cruise line also announced that starting Sept. 6, vaccinated passengers sailing on voyages of less than 16 days will no longer have to test before boarding. Unvaccinated passengers or those who do not provide proof of vaccination must present the results of a negative PCR or antigen test taken within three days of embarkation, the company announced.

These new requirements apply to voyages from all ports except those in Canada, Bermuda, Greece and Australia, where government regulations still require vaccinations.

Voyages that are 16 nights and longer will continue to have vaccination and testing requirements that are specific to the itinerary for all passengers ages 5 and older, Carnival announced. Those requirements are spelled out in more detail at the company’s “Have Fun. Be Safe.” webpage.

“Our ships have been sailing very full all summer, but there is still room for more of our loyal guests, and these guidelines will make it a simpler process, and make cruising accessible for those who were not able to meet the protocols we were required to follow for much of the past 14 months,” said Christine Duffy, president of Carnival Cruise Line.

All new vaccination and testing policies remain subject to local destination regulations, according to the company.

Carnival, the largest cruise operator in the world, operates three vessels out of Long Beach.

Princess Cruises, which sails out of the Port of Los Angeles, also announced similar changes to their vaccination guidelines. ■

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A rebounding economy has budget officials optimistic about closing a \$25.6M deficit

By Jason Ruiz

Long Beach budget officials are optimistic that the city will be able to close a \$25.6 million deficit projected for next year with the help of a rebounding economy, which has allowed the city to stretch federal recovery funds and buy time to develop a plan.

The Long Beach Recovery Act adopted by the City Council in 2021 provided the city with over \$200 million in state and federal aid that helped pay rent for tenants and establish a host of programs designed to help the local economy rebound from the COVID-19 pandemic.

It also included about \$77 million to replenish the city's reserves, which were tapped to help plug unplanned deficits brought about by the pandemic closures. With sales tax revenue and a booming real estate market now on the upswing, that money has lasted longer.

A presentation given to the city's Budget Oversight Committee on Aug. 9 showed that property taxes and sales tax, the city's two largest sources of revenue for the general



People walk past the large Long Beach sign outside City Hall in Downtown.

fund, both are expected to grow in the next fiscal year, adding a combined \$20.3 million to the city's coffers. The city's fiscal year runs from October through September.

Grace Yoon, a budget manager with the city, said that sales tax was really the area of surprise given that budget planners anticipated that to take the biggest hit during the pandemic.

"A lot of sales did not suffer; people were continuing to buy things," Yoon said, noting that auto sales and spending on home improvement projects went up during the pandemic.

Still, the city will have to find \$25.6 million in savings over the next year or city departments could face significant cuts starting next year, when rescue act funds are expected to dry up.

City officials said earlier this month that they anticipate the deficit to continue to shrink, as it has over the past few years while the city used recovery funds to "punt the problem" down the road, something Yoon reiterated during the Aug. 9 meeting.

But two things have changed since then that could make balancing the 2024 budget harder: The city lost a lawsuit that resulted in it having to pay \$30.8 million back to the Water Department by September, and the city will finally begin to pay into the countywide Measure H homeless tax.

The lawsuit over Measure M will result in about \$7.5 million less being pumped into the city's general fund annually. To pay for the transfer to the Water Department, city officials said at a press conference earlier this month that it could take a loan out from the city's fleet division rather than issue judgment bonds so the interest paid would be to the city, rather than to the bond market.

The decade-long Measure H homeless tax approved by voters

in 2017 to fund homeless services in the county has benefited Long Beach, but because the city's tax rate was capped out with the passage of Measure A in 2016, city residents have never paid into it.

When Measure A was re-approved and made permanent by voters in 2020, the language in the measure called for Measure A to be reduced from 1% to 0.75% for the remainder of Measure H.

This year, that could mean over \$15 million of funds that could have stayed in Long Beach will now go to the county, according to city projections.

Other funds are also seeing a rebound, including the transient occupancy tax (\$2.4 million) that is collected through hotel stays, which budget officials said they expect to return to pre-pandemic levels in 2024.

Local taxes and fees charged to operators of cannabis businesses in the city are expected to generate \$12 million this coming year, up from about \$9 million projected at the start of this fiscal year. However, there is a movement within the cannabis industry to see those taxes lowered in the coming year.

Aside from the projected budget shortfall next year, Long Beach will also have to negotiate labor contracts that expire at the end of September.

This year, salaries were already projected to grow by \$19 million and the city still has to ink agreements with the firefighter and police officer unions. The two departments make up about 58% of the city's \$669 million general fund budget this year and a cost of living increase is likely to be included in the two department's upcoming contracts. ■



Thomas R. Cordova / Business Journal

Leah Davidson checks the hair dye of Corissa Barro, 37, at Black Sheep Salon in Long Beach. The salon hosted a free hair-cutting event for people who have a disability to honor the 32nd anniversary of the Americans with Disabilities Act.



Thomas R. Cordova / Business Journal

Emily Aarsvold gets her hair done at Black Sheep Salon.

At this Long Beach salon, inclusion isn't an afterthought—it's the entire mission

By Laura Anaya-Morga

On a typical day, Corissa Barro has research to do before she leaves the house for a routine errand. The 37-year-old with close-cropped hair and a punk-rock sensibility uses a wheelchair for mobility, so she checks ahead of time to see if her destination is accessible.

But on a recent trip to Black Sheep Salon in Long Beach, the expectations were reversed. Instead of having to navigate an environment built for people who experience the world differently than she does, Barro was welcomed by a wide door frame that easily accommodated her wheelchair. A sign in the window read, "Fight for disability justice."

Inside—surrounded by walls painted with vibrant hues of teal, orange, leopard print and polka dot—styling chairs are moveable and adjustable, and a portable shampoo sink can be placed behind Barro's chair to ensure her salon experience is safe and dignified.

"It's such a great feeling knowing that disabled people are prioritized here," said Barro.

Barro used to do her hair at home. Her short buzz cut is easy to maintain, picks up bleach and any vibrant color with ease, and it was always cheaper than going to a salon where the experience was often as unpleasant as the price itself.

But being in a space where she felt physically comfortable made it easy for Barro to trust her stylist, so, this time around, she asked to be surprised, only requesting something that would match her brush, outgoing sense of style.

"I guess I tend to dress more colorful and go more out there so my

disability isn't the focus," she said. "It gives me a sense of individualism."

As its name suggests, Black Sheep Salon was designed to serve those like Barro who have been "often treated as afterthoughts in the beauty industry," according to its website. Since opening its doors in November 2021, owner Marie Rolla's approach has been to create a space that services everyone no matter their size, gender, sexuality or disability.

On July 26, customers like Barro eagerly filed into Black Sheep Salon for a free haircut, many for the very first time. The salon hosted an event to commemorate the 32nd birthday of the Americans with Disabilities Act and to celebrate Disability Pride Month, offering anyone with a physical or neurological disability a free haircut to take advantage of the many accommodations available to them.

The ADA, which was signed into law in 1990, was a turning point for the disability community and represented a decades-long campaign of protest and activism to ensure that people with disabilities had equal access to public spaces and services, but it certainly did not solve the problem entirely. The beauty industry especially has lagged far behind, said Rolla.

Rolla, 32, never wanted to own a business. Having been a hairstylist for over 13 years, she knew the stress that came with being an owner but also began to notice a lack of access in traditional salon settings for people of color, the LGBTQ+ community and disabled people. When she came to terms with her own autism diagnosis a year and a half ago, it became the catalyst to create a space that she felt comfortable being in and working in.

Asking for too much is never a problem here, said Rolla. "These are

people that deserve the same access to places that you and I get." Though it's been an ambitious undertaking to offer accommodations for every disability, the least she can do is try.

A sign posted on a mirror lists all the accommodations available. Clients with sensory sensitivities can ask for earplugs, fragrance-free products or to use the salon's quiet room to get away from the chaos of whirling blow dryers and the constant buzz of hair clippers. Additionally, stylists are trained to work with all hair textures and anyone who may be uncomfortable during their appointment is encouraged to speak up and voice their concerns.

Rolla wants her example to someday become the standard instead of the exception.

"I hope it's a funny joke I can tell later," said Rolla, laughing. "Remember when we had a disability salon because nobody serviced disabled people?"

In one corner of the salon, stylist Andy Sedillos wore a clear face mask to communicate with their client, Rachel Mix. Mix, who is deaf, has frequently found it difficult to express her wants at a salon, but thanks to the transparent mask, she was able to easily read Sedillos' lips when they inquired about the style she was going for—long layers with face-framing and volume.

"A lot of times, you go to salons and they are very tight and rigid. You can't be who you are, and you're worried about being judged," said Mix. When she learned about the event at Black Sheep Salon through social media, she was shocked that a place like this even existed.

In 2018, there were 46,000 working-age people with disabilities

living in Long Beach. Since then, the city has taken strides toward ensuring that that community is acknowledged, such as the recently installed ADA-accessible beach mats along the city's coast. However, there is far more to be done to ensure equal access for all, said Mix.

She currently works as a recreational therapist and as a job coach for the Adult Transition Program at the Anaheim Union School District, helping neurodivergent young adults develop job skills and social skills to allow them to self-advocate for their disabilities. She hopes to soon transition into being an ADA coordinator to ensure that there is equal access everywhere.

"Listen to disabled people," said Mix. "They're the ones that know more about what needs to be done."

Soon after Barro arrived at the salon, she and her stylist decided on what her new hair color would be, a bright pink base with intricately painted black cockroaches scattered throughout. An ode to John Waters and Divine, the design was inspired by the cockroach dress worn in "Hairspray" and represented their shared love and appreciation for drag culture. "It's pretty punk rock if you ask me," said stylist Leah Davidson.

After five arduous hours of waiting for her color to fully develop, Barro's masterpiece was complete. "I can already think of all the outfits I'm going to wear with it," she said. "It makes me really happy."

With only one customer remaining in the salon that Tuesday, Rolla let out a sigh of relief as if to say, "we did it."

"This is what normal looks like," she said, looking around at the safe space she's created. ■

CITY OF LONG BEACH Bid Opportunities

Title	Bid Number	Due Date
R-7191 Artesia Great Blvd Comprehensive Assessment	PW-22-089	08/24/2022
Laboratory Supplies, Maintenance, and Repair Service	WD-22-010	08/24/2022
J. Will Johnson Tanks Roof Repairs Project (Spec WD-58-22)	WD-22-005	08/25/2022
Promotional Items	WD-22-006	08/25/2022
Printing Services	WD-22-011	08/26/2022
ActivateLB Customer Activation	WD-22-008	08/26/2022
ERP Consulting Services	ED-22-102	08/30/2022
Steel and Related Materials	TI-22-096	08/31/2022
	CE-22-098	09/22/2022

Bidder Registration

To receive notifications of bid opportunities, register with the city, and download additional bid details, visit www.longbeach.gov/purchasing.



Auto Lien Sale Auction

3111 E. Willow Street Aug 30 & Sept 13, 2022
Long Beach, CA 90806 Registration & Viewing:
(562) 570-2828 8:00 A.M. - 9:50 A.M.
<http://www.longbeach.gov/autoauction>

Shootz

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The partnership behind Shootz was a long time coming, Dancel said, since the guys have been friends for over a decade after they met playing basketball at a park in Riverside. With each of their own respective backgrounds in the hospitality industry, Dancel would often rope in his friends to help him open other food concepts, including the Asian-fusion food restaurant Madbun in Chino Hills.

When the four finally came together to open their own restaurant, they landed on a Hawaiian food concept because they saw the potential to infuse some of their own cultural food traditions into popular Hawaiian cuisine.

"We all have islander backgrounds," Dancel said. "We're Filipino, Samoan, Guamanian. And Harold, I think his grandparents were from Hawaii. We're just taking our roots, our experiences and our love for Hawaiian cuisine and meshing flavors."

Hawaiian cuisine is already marked by distinct cultural

influences from its long history of settlement and immigration into the Hawaiian Islands. Though musubi is widely understood to be a Hawaiian invention, it's made from an American-made meat product and wrapped in the Japanese traditions of onigiri, with rice and nori, or thin strips of dried seaweed. And lest we forget that chicken katsu, a fixture of Hawaiian barbecue, is a fried invention of Japan.

Shootz plays up on the spirit of invention by fusing other distinct Asian flavors to the mix. The menu's most popular item, the kimchi butter katsu chicken, is a bright nod to Korea's popular spicy fermented vegetable dish.

Other influences are more subtle. The Spam Brûlée musubi, Dancel explained, was inspired by a glazed ham musubi his high school friend's father would make.

"It's a Filipino way of doing things," Dancel said.

A couple of trips to Shootz would be enough to try the entire menu, which is intentionally small and quality-focused. There are four main plates served with two sides: the kimchi butter katsu chicken (which can also be served

as sandwich), loco moco, short ribs and jalapeno garlic shrimp. There are also two musubi dishes, the Spam Brûlée musubi and honey coconut shrimp musubis and three

sides dishes, including a popular macaroni salad.

Shootz is open from 2 to 9 p.m. everyday at Uptown Commons, 6600 Atlantic Ave., unit A. ■



Courtesy of Shootz
Michael Dancel, center, Harold Walters, left, Noal Perez, right, and Christian Solomona are the owners of Shootz.

Long Beach Market

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stretched along the road for miles.

"It is so close to us, it's our heart and it's been forgotten for so many years," he said.

After the success of the first market, he knew he had created something special, and when the event caught the attention of local television stations like KTLA, he knew it was something he had to nourish.

"This cannot be temporary," he remembers thinking to himself.

Beyond connecting to his

Mexican roots, Armenta hopes that Tianguis Market will show elected officials that solutions are possible and street vendors deserve to be protected, not criminalized.

"Es un desmadre," he said to describe the barriers that currently prevent street vendors from obtaining food safety permits and selling legally. "It's a big ol' mess."

In Santa Ana, where Armenta lives, city officials recently considered whether they can classify attacks against street vendors as hate crimes. Councilmember Jonathan Ryan Hernandez, who introduced the proposed ordinance at a council meeting in July, said that verbal and

physical assaults with an undercurrent of anti-Latino racism were becoming increasingly more common.

The issue has also plagued Long Beach. Earlier this month, as reported by L.A. Taco, indigenous taquero Lionel Perez, owner of "Tacos Lionel," was verbally assaulted by an older White man who was caught on video yelling, "Let's get the migra here. Let's get ICE here!" The man then proceeded to throw Perez's containers to the ground before walking away pointing the middle finger at everyone.

Santa Ana city officials will vote on the proposed ordinance soon.

State Sen. Lena Gonzalez, D-Long Beach, is also trying to simplify the process and keep vendors safe with Senate Bill 972. The bill strives to modernize and simplify current rules for street vending that make it nearly impossible for vendors to operate their businesses as is.

"The policies that currently dictate the landscape for how street vendors can do business are leaving hardworking people...out to dry—and even worse, subjecting them to increased harassment, criminalization, and deportation that can cost families their livelihood," Gonzalez wrote in a recent op-ed in the Orange County Register.

There's no doubt that street vendor attacks are on the rise, Armenta said, and every time he learns of another, it hurts like a punch to the gut. While he has never been attacked during his 12 years as a hot dog vendor, Armenta suspects that criminals will often target the most vulnerable due to their size, age or the language they speak. For the first time, Armenta also

provided 11 local street vendors with their first health permits. Many of them have been victims of violence in the past.

Armenta spent four months working to obtain those permits from the city, and among those he is helping is Eliu Ramirez, a Long Beach street vendor who was attacked by a group of people last May.

"This is a dream come true for so many, and my main goal is to open as many tianguis as I can for this purpose," said Armenta.

Though the permits are only valid to use while selling inside the Tianguis Market, it serves as an example to prove that the markets should be funded and held more frequently, said Armenta.

"Though there are still a lot of hurdles, Tianguis tells them, 'Don't worry, you are safe here.'"

The Long Beach market is one small drop in the bucket for what Armenta has envisioned the Tianguis Market Foundation becoming. In the short term, he hopes to provide valuable resources to the community every Sunday including mental health booths, job fairs and a church. Eventually, he hopes to provide scholarships to young entrepreneurs or give away proper carts for street vendors to work in peace.

"There's people to help, solutions to figure out... and it has definitely brought me back to my roots."

The Long Beach market will be held once a month from 11 a.m. to 4 p.m. at 1305 E. Pacific Coast Highway. To make a donation to the Tianguis Market Foundation or volunteer at upcoming events, visit instabio.cc/3071607nkV43Z. ■



Laura Anaya-Morga / Business Journal

Nico Armenta sells hot dogs out of his cart in Santa Ana.



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