



Mayor Robert Garcia and his staff are pictured at the Bike Share Station on The Promenade in Downtown Long Beach. From left are: Elizabeth Bigham, intern; Maria Banegas, administrative services manager; Abigail Mejia, field deputy; Daniel Brezenoff, deputy chief of staff; Sharon Weissman, senior advisor to the mayor; Mayor Garcia; Mark Taylor, chief of staff; Rhonda Love, executive administrator and mayor's scheduler; Tim Patton, senior administrative deputy; and Ryan Murray, innovation deputy. (Photograph by the Business Journal's Larry Duncan)

## ANNUAL INTERVIEW WITH THE MAYOR

# 'Long Beach Is Booming' – Robert Garcia Discusses A Growing City And Its Challenges

If there's a sentiment that Mayor Robert Garcia conveys any chance he gets, it's that Long Beach is, in a word, "booming." But it isn't just the mayor who's saying it – in recent meetings with local real estate agents, developers and property owners, Garcia said his perceived forward momentum of Long Beach's economy was echoed by the professionals who see growth happen from the ground up, when businesses move in or when land is purchased and buildings begin to rise from forgotten parcels.

The consistent theme that has thus far marked Garcia's tenure as mayor is this: Long Beach is going places. If you don't believe it, he would likely urge you to look a little closer at the fences lining vacant lots across the city. See the signs attached to them? Those are renderings of the future: hotels, apartments, retail, senior housing, libraries, artistic space, and, of course, a civic center.

The excitement Garcia feels for his home city is also taking shape in intangible ways. Incomes and home values are

rising. People are shopping more within the city's borders, based on increasing sales tax revenue. Unemployment levels have recovered from the Great Recession's highs.

If that's not enough cause for the mayor to be positive on Long Beach, there's the matter of Measure A – a sales tax increase that the mayor tirelessly campaigned for. If the results of the June election were any indication, this much is clear: the majority of voting residents in Long Beach put

(Please Continue To Page 20)

Long Beach Business Journal  
2599 E. 28th Street, Suite 212  
Signal Hill, CA 90755-2139  
562/988-1222 • www.lbbizjournal.com

PRSR STD  
U.S. POSTAGE  
**PAID**  
Los Angeles, CA  
PERMIT NO. 447

Meet QM Operator  
Urban Commons



Taylor Woods  
See Story Pg 17

Corporate Profile  
Molina Healthcare



J. Mario Molina, M.D., and  
Martha Molina Bernadett, M.D.  
See Story Pg 36

Corporate Profile  
Hofman Hospitality Group



Craig Hofman and Brad Hofman  
See Story Pg 38

Introducing New  
Airport Director



Jess and Lisa Romo  
See Story Pg 14

# This Edition's Advertisers

Aeroplex   Aerolease Group   Signature Flight Support	15
Aquarium of the Pacific	40
Big E Pizza	10
Boulevard Cadillac	13
Bragg Companies	29
Brascia Builders, Inc.	35
Buono's Pizzeria	12
Bustamante, George/Warshauer, Steve/ Jacques, Cameron – CBC BLAIR WESTMAC	7
California Resources Corporation	27
Catalina Express	11
Chronic Tacos	13
City of Long Beach, Department of Financial Management, Purchasing Division	12
Coast Auto Care & Tires	10
Coldwell Banker Commercial BLAIR WESTMAC	28
Downtown Long Beach Associates	23
Eye Physicians of Long Beach	8
FCI Management	28
Glen Park at Long Beach	11
Grounds Bakery & Café	11
Holiday Inn Long Beach Airport Hotel and Conference Center	30
Hotel Maya, a DoubleTree by Marriott	33
INCO Commercial	7
International City Bank	20
International City Escrow	31
International City Theatre	9
Irvine-Parker, Barbara – Coldwell Banker Coastal Alliance	7
Kafe Neo	5
LB Walker Automotive	13
Long Beach Ace Hardware	5
Long Beach Airport	30
Long Beach Airport Association	14
Long Beach Convention & Visitors Bureau	15
Long Beach Greek Festival By The Sea	3
Long Beach Water Department	16
Longines Masters	Back Cover
Luke Hiller, Incorporated	29
Mar Mel Inn	11
Marcus & Millichap	22
Michael Levy Gallery	9
Miller Nash Graham & Dunn Attorneys At Law	33
Musical Theatre West	6
Naples Rib Company	13
P2S Engineering	21
Paragon Equities	7
Regional Hispanic Chamber of Commerce	5
Sares•Regis Group	31
StubHub Center	3
Superior Electrical Advertising	35
Terrace and Beverly O'Neill Theaters	4
The Grand Long Beach	26
The Queen Mary	24
Volterra Dental	8
Wells Fargo	25

# Inside This Issue

## 5 Newswatch

- City Responds To Claims And Concerns Of Landlords, Tenants
- LAB Holding LLC Approved For North Village Development Project
- Carnival Adding Alaska Trip From Long Beach, In A Year
- PAC Submits Petitions For Medical Cannabis In Signal Hill
- City Of Carson Files Lawsuit On MTA's Measure M
- New Airport Director Romo Sees Position As A 'New Adventure'
- Queen Mary Operators Target Millennials

## 20 Annual Interview With Mayor Robert Garcia

- Lengthy Interview Covers Numerous Current Issues
- City Charter Is Long Beach's Constitution: Page 34

## 36 Corporate Presence

- Molina Healthcare: Page 36
- Hofman Hospitality Group: Page 38
- Learn More About Local Firms And Entities: Page 40

## 42 In The News

- The Guidance Center Celebrates 70th Year
- Greek Orthodox Church Donates Backpacks To Children
- Grocery Outlet Bargain Opens On 7th Street
- Gems & Jewels Opens Another Store – This One On Broadway
- People In The News

## 44 Perspectives

- Publisher's Perspective On Upcoming Minimum Wage Vote
- Inside City Hall By Gerrie Schipske  
If You Can't Measure It, You Can't Manage It: Part 1
- Trade And Transportation By Tom O'Brien  
Trade And Transportation Literacy
- Education Guest Commentary By Steve Chesser  
The LAB Learning Space: Education Reimagined In Downtown L.B.
- Small Business Dollars & Sense By Ben Alvarado  
Small Business Optimism Up In 3rd Quarter
- Effective Leadership By Mick Ukleja  
E-mail Insanity: 4 Guidelines For Staying In Control
- Realty Views By Terry Ross  
The Battle For Home Energy Efficiency
- Third Sector Report By Jeffrey Wilcox  
Nonprofit Politics: The Achilles' Heel Of Leading Organizations?

### Long Beach Business Journal

**Free:** Long Beach Business Journal Digital Edition,  
Monday Morning Coffee and NewsFlash – Sign up at: [www.lbbizjournal.com](http://www.lbbizjournal.com)  
Find us on Facebook and follow us on Twitter: @LBBizJourn

## The Next Issue Of The Business Journal . . .

- Annual Focus On The Long Beach Westside Industrial Area
- Going Green: Recycling Untraditional Material  
and a look at SB 32, California's New Climate Legislation

For Advertising Information, Call 562/988-1222



2016

LONG BEACH

GREEK FESTIVAL

BY THE SEA

# LABOR DAY WEEKEND

SEPT. 3-5 DOORS OPEN 12 NOON

EAT · DRINK · DANCE

ASSUMPTION OF THE BLESSED VIRGIN MARY GREEK ORTHODOX CHURCH

5761 EAST COLORADO STREET • LONG BEACH, CA

[LBGREEKFEST.ORG](http://LBGREEKFEST.ORG)

# STUBHUB! CENTER™

STRAY FROM THE ORDINARY AND COME EXPLORE STUBHUB CENTER IN ITS ENTIRETY. LET OUR TEAM ASSIST WITH THE PLANNING AND EXECUTION OF YOUR NEXT EVENT!



- COCKTAIL RECEPTIONS
- COMPANY OUTINGS
- NETWORKING SOCIALS
- FUNDRAISERS
- HOLIDAY PARTIES
- BUSINESS MEETINGS/CONFERENCES
- WEDDINGS & BAR/BAT MITZVAHS
- SOCCER CLINICS & MORE

18400 AVALON BLVD. CARSON, CA 90746 • 310-630-4635 • [stubhubcenter.com/specialevents](http://stubhubcenter.com/specialevents)

# Soliloquies. Symphony. Sugar Plum Fairy.

Announcing the Long Beach  
Performing Arts 2016/2017 Season

For the first time, Long Beach's  
Terrace and Beverly O'Neill Theaters  
will be host to the city's premier  
theatrical groups. Operatic, Broadway,  
choral, plays, musicals and dance —  
this season will be full of the finest  
and most exciting in the performing arts.

Glittering chandeliers, continental  
style seating and the rich acoustics of  
each performance provide the ultimate  
theater experience and, with over 125  
restaurants just steps away for dinner,  
drinks or dancing, it will be,  
dare we say, "a feast for the senses".

*The magnificent seven.*

International City Theatre

Long Beach Ballet

Long Beach Camerata Singers

Long Beach Opera

Long Beach Symphony

Musica Angelica

Musical Theatre West

Look for our schedule coming soon.

(562) 436-3636 | [longbeachcc.com](http://longbeachcc.com)

UNDERSTANDING THE PROACTIVE  
RENTAL HOUSING INSPECTION PROGRAM

# The City Responds To Claims And Concerns Of Landlords And Tenants

By **BRANDON RICHARDSON**  
Staff Writer

Since being adopted last year, the Proactive Rental Housing Inspection Program (PRHIP) has had numerous critics claiming unfair practices and questioning its very existence, while others argue that the program is a good start but not enough. With criticism coming from all sides, the program can't seem to satisfy anyone in the community.

The inspection program falls under the Code Enforcement Division of Long Beach Development Services and consists of 11 staff, including supervisory, clerical and field employees. The budget for the program is around \$2 million, and funds come from revenue generated by the program itself. A flat per-unit fee for inspections is charged to property owners in the amount of \$67 for the first year and \$63 every year thereafter.

Code Enforcement Division Officer Kurt Keating, who has been with the city for about a year and oversees PRHIP, points out that some surrounding cities such as Anaheim and Santa Ana have similar inspection programs and that Long Beach has had proactive inspections for many years.

"The city has had a housing inspection program in place for a number of years, and

PHRIP was simply a codification of that," Keating said. "The program is not new. This is a program designed to improve the quality of life and maintain the housing stock of units in our city. The overarching goal is to work with the tenants, work with the property owners and create a fair and neutral program for everybody."

Better Housing For Long Beach (BHFLB), a new nonprofit organization composed of landlords and tenants, asserts that the ordinance is "very harmful to the community" and has made serious claims against the Code Enforcement Division. Some of the concerns about the program include targeting low-income and minority groups, excessive inspections with the hopes of forcing owners out, and even the possibility of inspectors violating tenants' Fourth Amendment rights by entering without permission and asking for personal information.

When asked about these accusations, Keating was dumbfounded that people have already jumped to these conclusions since the codified program is only about nine months old.

"These questions are somewhat fascinating because these are the types of things that I don't understand where they come from," Keating said. "This is a newly adopted ordi-

(Please Continue To Page 7)

Long Beach

Ace Is The  
Helpful Place

# ACE Hardware

Downtown (East Village)



**Screen & Glass Shop**  
\* Custom Made or Repaired Screens  
\* Repair Broken Windows



**Lock & Key Shop**  
\* Key Cutting/ Chip Keys  
\* Re-Keying Locks



**Full Plumbing Dept.**



**Special Orders**  
\* We Can Order Anything



**Paint Mixing**  
\* Computerized Color Matching



**Stainless**  
\* Complete Fastener Section  
\* Marine Supplies

Apartment Supplies

Commercial Accounts



**ACE** is the place

Service • Price • Convenience = **ACE**

Two locations  
to serve you!

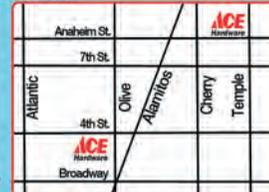
- 746 E. 4th St.  
562-432-2100
- 2720 E. Anaheim St.  
562-438-8983



**Free**  
**2 Keys Cut**  
single-sided



Long Beach  
Ace Hardware  
746 E. 4th St.  
Anaheim  
Ace Hardware  
2720 E. Anaheim St.



One coupon per customer



**RHCC**  
REGIONAL HISPANIC CHAMBER OF COMMERCE



SOUTHERN CALIFORNIA  
**BUSINESS DEVELOPMENT CONFERENCE**  
**2016**

**FRIDAY** 8:00AM - 2:00PM  
**SEPTEMBER 16, 2016**  
HOTEL MAYA - LONG BEACH, CA

#SCBDC

www.regionalhispaniccc.org • (562) 212-2889

Featuring:

- Speed Business Matchmaking
- Business Super Stars Luncheon
- The Future in Sales



REGISTER NOW:

▶ <https://2016scbdc.eventbrite.com>

**KafeNeo**  
An American Kitchen with Greek Soul

**catering**  
fresh & simple

**877.674.7335**

**562.987.1210**  
2800 E 4th St Long Beach, CA  
KafeNeolB.com • kafeneolb@gmail.com

 **MUSICAL THEATRE WEST**

presents 'Broadway In Concert'

"... a vocal Superman." – *The New York Times*

DAVIS GAINES

*Broadway*  
**AND BEYOND**

an intimate cabaret

Broadway star Davis Gaines (over 2000 performances in *The Phantom of the Opera*) comes to Long Beach in his first LA concert appearance in four years to open the newly rechristened Beverly O'Neill Theater season.

Winner of the coveted L.A. Ovation Award for his performance in MTW's *Man of La Mancha*, Gaines has appeared locally in MTW's *Dirty Rotten Scoundrels*, *Spamalot*, *The Music Man* and on Broadway in *Hello Dolly*, *Camelot*, and *The Best Little Whorehouse in Texas*.

Join us for an intimate evening of Broadway show tunes and more!

**Saturday, September 24, 2016 @ 8:00 p.m.**

**THE BEVERLY O'NEILL THEATER**

@ *The Long Beach Performing Arts Center*  
300 East Ocean Boulevard | Long Beach, CA

**PURCHASE TICKETS BY CALLING (562) 856-1999 x 4  
OR VISIT [WWW.MUSICAL.ORG](http://WWW.MUSICAL.ORG)**



## City's Rental Housing Inspection Program

(Continued From Page 5)

nance. We're still working through trying to get these units inspected, and there is all of this side conversation about all of these different things that don't exist."

A major concern of BHFLB is the frequency of inspections, which landlords claim inspectors have said would take place every year. Keating points out that the ordinance itself uses the phrasing "periodically" and does not specify how frequent inspections will occur.

Keating added that with 7,500 properties totaling 67,500 units that fall under PRHIP, the department is hoping to be able to complete inspections within a three-year cycle. Meaning that if this goal is met, he explained, inspections would take place every three years, unless a tenant or landlord makes a request or complaint.

Another claim by some landlords and tenants is that the program has been targeting low-income and minority communities where tenants may not speak English, making it harder for them to understand why the inspectors are there and difficult for them to refuse entry to their units.

To this point, Keating responded that, per the ordinance, the city will be inspecting all rental properties with four or more units, regardless of the neighborhood or residents living in them. Keating said, "We don't know who resides in the buildings we inspect. As this program continues forward, we will inspect all buildings."

One of the key concerns of landlords and tenants is the violation of their Fourth Amendment rights by the city and inspectors. Landlords have cited cases in Los Angeles, where the more stringent Rent Escrow Account Program (REAP) is in effect, that involve inspectors having locksmiths pick the locks of tenants who were not home.

If a tenant refuses an inspection, the city can file for an administrative warrant. To obtain this, there is supposed to be probable cause of a violation, and once obtained, it is still illegal for the city to enter a unit when the resident is not home.

However, Keating said that PRHIP – which requires inspection of 10% of the units at each property in order for that property to be cleared – has been very successful working just on a tenant consent basis, and there has been no need to file for an administrative warrant.

"We haven't had problems achieving a 10% threshold or verifying that a property is in compliance or out of compliance because the program looks at both. It's not just one-sided, it's not just there to identify issues," Keating said. "If there are no issues, that's wonderful. That's the best inspection we can do. And we have not forced entry or obtained administrative warrants or anything of the like for this program."

Keating acknowledged that within the ordinance there is no specific language in place saying that this will never happen. However, he said that creating the extraordinary circumstance of "well, it could happen" is completely unwarranted.

(Please Continue To Page 8)



**paragon equities**

**Professional Management  
Doesn't Cost . . . It Pays!  
Call Us Today  
(562) 494-4455**

At Paragon Equities we have been at work managing Income Property and Community Associations for over 35 years.

We provide peace of mind:

- Let us help you avoid management headaches
- We are proactive and preemptive
- Keep your good tenants
- Stop some tenants from taking advantage of you
- Fill your vacancies quickly

- Have time for your family
- Enjoy your life

Let us do the work for you.

**4543 E. Anaheim Street, Long Beach, CA 90804**  
CA BRE# 00527945



**VIEWS! VIEWS! VIEWS!**

**FABULOUS HARBOR PLACE TOWER  
OCEAN AND CITY VIEWS**

Harbor Place Tower On Ocean Blvd.  
In The Heart Of Downtown Long Beach.  
One And Two Bedroom Condos With  
City And Ocean Views Just A Short  
Distance To The Beach,  
Great Restaurants, Pine Avenue,  
The Pike, Shoreline Village,  
Convention Center And Many More  
City Attractions. Harbor Place Tower Is  
A 23 Story High Rise With Pool, Spa,  
Fitness Center And Sauna.



Call Barbara Irvine-Parker  
for showing appointment.

**(562) 208-9726**

barbarairvineparker4@msn.com  
www.barbara4realestate.com



COASTAL ALLIANCE

Call Barbara For Private Showing



**Serious  
About  
Selling?**

Call us for  
a **FREE**  
Property  
Analysis

CBCBlair.com



**1323 E. Florida Street**

- 4-1 bedroom/1 bathroom
- 4 garage covered parking spaces
- GRM 14.81; CAP Rate 4.3

George Bustamante  
Mobile: (714) 856-7017  
GBustamante@cbcbclair.com  
BRE# 01484265



**2211-2225 Cherry Avenue**

- Potential residential development site
- Two houses - mixed use zoning
- Views to Catalina

Cameron Jacques  
Mobile: (310) 490-8134  
CJacques@cbcbclair.com  
BRE# 01852032

LOCAL EXPERIENCE | GLOBAL STRENGTH

**Call Us For Our  
Nationwide NNN List Of  
Properties 3.5 To 7 CAPS!**

**JUST CLOSED**

**OIL CHANGERS, Berkeley, CA**



- Absolute NNN Leased Offering
- 100% Fee Simple Interest
- Zero Landlord Obligations
- Scheduled Increases In Rent
- Long Term Established Tenancy

**Sold \$1,410,000.00  
6.2 CAP**

Douglas Shea  
(562) 296-1304  
dshea@incocommercial.com  
Lic. #00875427

INCO Commercial Realty  
6621 E. Pacific Coast Hwy, Suite 280  
Long Beach, CA 90803  
562-498-3395



## City's Rental Housing Inspection Program

(Continued From Page 7)

"I'm telling you, that is not the program goal. It has not happened, I don't see it happening and that's not how this program is structured," Keating said. "This is not a REAP program. And how other cities conduct their business, their methods of operation, what they do, those questions should be posed to that operation. We haven't done that here. We have no intention of doing that here."

The other aspect of this concern – asking tenants for information including their names and phone numbers – has been called into question by BHFLB. Keating's response to this was that the information is simply in the spirit of following up with tenants to ensure repairs to their units have been made.

He points out that surrendering this information, just like allowing access to their units, is completely voluntary on the part of the tenants and can be refused. In a video produced by BHFLB, these practices can be seen in action when one tenant refuses access and another refuses to give information. The inspectors are observed leaving the units without pressuring the tenants to comply.

Keating said that the goal of the program is not to have landlords at odds with the city or tenants at odds with landlords, as has been suggested. Instead, he said the city has every intention of collaborating with business owners, property owners and tenants

to address any and all habitability and structural issues within the city to improve the quality of life for everyone. To do this, Keating said the division is working on getting information about the program out to the public as much as possible.

"Right now, the city is contracting with Orange County Fair Housing to provide education on our PRHIP program," Keating said. "We appear at community fairs, we have information on the website, we interact with those individuals at the Apartment Association and Housing Long Beach on a somewhat routine basis, and we respond to questions and concerns and discuss ideas about different housing-related issues. We welcome their input."

One bit of input by Nancy Ahlswede, the former executive director of the Apartment Association, California Southern Cities Inc., was that the city implement some sort of designation for good property owners. By having this, Ahlswede argued that landlords would be more likely to maintain their properties in order to gain this recognition, which they could use to attract tenants.

Keating reiterated that the city would not just be identifying nonresponsive landlords but also good ones, saying, "Yes, absolutely. Recognizing those folks within the community that do a good job of maintaining their properties and rewarding them through some sort of recognition or designation, I think, is an option that is worth considering and something that the city is looking at."

Other issues that have come into question include whether PRHIP is a stepping stone toward rent control, what inspectors are actually looking for during inspections, and the proposed formation of the Code En-

forcement Bureau. To the first, Keating simply said there is nothing on the table for rent control, and he echoed recent statements by Mayor Robert Garcia (refer to interview

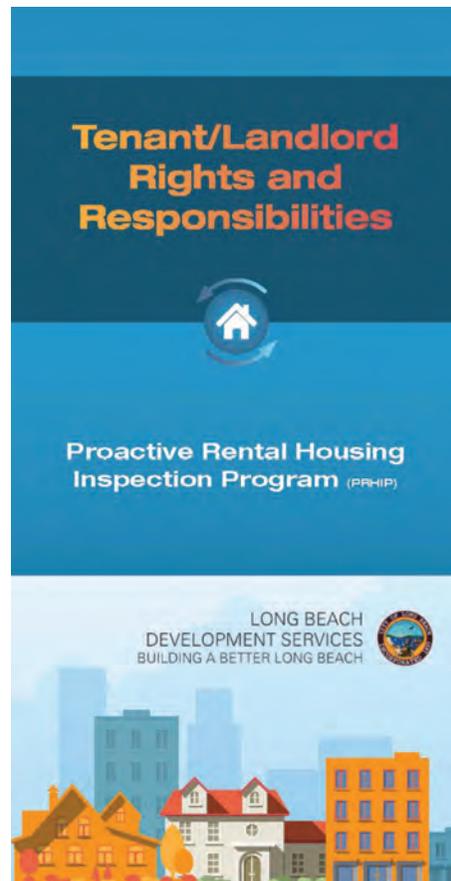
with the mayor that starts on Page 1) saying that this is not a function of the program.

Regarding claims that inspections are only meant to assess habitability issues and not "cosmetic" issues such as peeling paint or cracked grout, Keating said that such property maintenance issues could be viewed as cosmetic, but that does not change the fact that if left unattended they can cause the overall structure to deteriorate. Therefore, such issues are looked for and citations are written for violations.

However, when asked if property owners could be provided with a list of all possible infractions, Keating said that is just not possible. "The vast majority of issues are going to be habitability issue type concerns, and there could be some property maintenance issues that come up that are identified on the exterior of the building or in common areas," he said. "But there's no way to give a list of every single code section that could potentially be identified in a building, whether it's single-family residential, multifamily, commercial, etc. Those would be reams of paper."

Keating added that if landlords or tenants have specific questions on issues that could be cited, they should call the department and ask. He said the information is not a secret and is available to the public.

As for the proposed bureau, Keating pointed out that it is only a possibility since it is part of the budget that has not yet gone before the city council for approval. However, if the budget is approved and the bureau is formed, Keating said there will be no significant changes to PRHIP. He explained that it would create two divisions



The Proactive Rental Housing Inspection Program (PRHIP) makes inspections of all rental properties with four or more units mandatory in Long Beach. Anyone wanting to schedule an inspection can call the department's 24-hour inspection request hotline at 562/570-6105. For general questions about the program call Code Enforcement Reporting at 562/570-2633.

Quality care.  
Efficient service.  
Excellent dentistry.



At Volterra Dental, we know your time is valuable. That's why we offer early morning & late evening appointments in a soothing environment with a highly qualified team.

*Your smile is your biggest asset; our specialty is your smile.*



3532 Howard Ave.  
Suite 200  
Los Alamitos, CA 90720  
(562) 596-7484  
www.voltterradental.com

EYE PHYSICIANS  
OF LONG BEACH



We Provide Comprehensive Eye Care

- Glasses and Contact Lenses
- Dry Eye Management
- Cataract Surgery with Advanced Technology Intraocular Lens Implants
- Diabetic Eye Care
- Glaucoma Management
- Cosmetic Eyelid Rejuvenation
- LASIK and PRK

Medical and Surgical Management of Diseases of the Cornea, Retina and Eyelids

Call Us Today for All of Your Eye Care Needs

Voted as the best LASIK center in Long Beach



Congratulations to our doctors listed in



Official Provider for CSULB Athletics



(877) 801-6378 | www.eplb.com

3325 Palo Verde Ave., Suites 103 & 105  
Long Beach, CA 90808

and is just a reorganization of personnel, not an expansion of the program.

Despite accusations against the program by community groups, Keating said the inspections are in place to help keep residents safe and healthy, and the department wants to work together with the community to make that happen.

“The city would like to build a relationship with all parties that have a vested interest in housing,” Keating said. “I welcome the opportunity to build a relationship with [Better Housing for Long Beach] or other folks who are interested in housing issues in Long Beach, whether that’s on the tenant side or the owners’ side or the realtors’ side – we’re interested in building those relationships.”

Tenants who want to request an inspection of their units are encouraged to call the city’s 24-hour inspection request hotline at 562/570-6105. Landlords and tenants may also call Code Enforcement Reporting at 562/570-6091 with any questions regarding code enforcement. ■

## LAB Holding LLC Approved For Massive North Village Development

■ By **BRANDON RICHARDSON**  
Staff Writer

LAB Holding LLC was unanimously approved to purchase 30 future development properties and lease four government use properties in the North Village along Atlantic Avenue between South Street and 60th Street. The approval was issued by the city council at its August 16 meeting.

“I don’t believe we could have found a better developer to complement what we’re trying to accomplish here in District 9,” Vice Mayor Rex Richardson said during the council meeting. “I can’t wait to see this exciting timeline that’s spelled out in this motion.”

The \$2.58 million sale and lease agreement is the fifth approval by the city for LAB Holding to acquire properties in the neighborhood. On July 21 and September 22 and, subsequently, August 3 and September 23 of last year, the Successor Agency and the Oversight Board, respectively, approved the sale of 18 properties.

While all properties of the most recent approval are located in District 9, all but one of the previously approved purchases are located in District 8. This means LAB Holding’s expansive North Village development will bring new life to two districts and their residents. The plan has garnered heavy support from District 8 Councilmember Al Austin.

“This is great news for Uptown, specifically for the residents who have been waiting for many years for something to happen to make the North part of our city relevant,” Austin said during the meeting. “I had the opportunity to welcome Mr. Shaheen Sadeghi [creator and founder of LAB Holding] to North Long Beach and walk him around the North Village. This will make our neighborhood stronger, this will make our city stronger.”

The city worked with LAB Holding to combine the previous 18 sales and the most

recently approved sales into a single purchase and sale agreement totaling \$6,943,200. The \$2.58 million for approximately 176,613 square feet of unimproved land is discounted from the fair market value of \$3.68 million due to LAB Holding’s determination that the cost to develop the properties exceeds the value of the completed project by \$1.1 million.

The four parcels to be leased by LAB Holding include 25,140 square feet of property within the Michelle Obama Neighborhood Library block. These buildings are to be incorporated into LAB Holding’s North Village development concept and are expected to remain classified as government use.

“I think this is one of the most exciting things to happen in North Long Beach in a really long time,” Mayor Robert Garcia said at the meeting. “This LAB Holding mega-project – which is really a lot of smaller projects, they’re building a community – dramatically impacts both District 9 and District 8. I want to thank them for investing in Long Beach, and I look forward to all this activity in the next few years ahead of us, which is pretty exciting.”

LAB Holding has already made a name for itself in Orange County through the creation of The LAB Anti-Mall in 1993 and The CAMP eco-retail center in 2002 (both in Costa Mesa), the restoration of the historic Casino San Clemente, and properties within the SoBECA District, the Anaheim Packing District and Center Street Anaheim.

“I’ve visited some of [LAB Holding’s] venues . . . and they’re fantastic,” District 3 Councilmember Suzie Price said. “I think they’re going to do really well in Long Beach, and I support this one hundred percent.”

According to LAB Holding, there are no renderings or solidified design plans for Long Beach, as they are still assessing all the properties. However, according to city documents, the buyer “anticipates 18 months to complete construction after approval of entitlements.” Based on this schedule, the city estimates occupancy will occur in summer 2019. ■

## Port Of Long Beach Accepting Applications Through September For Community Sponsorships

The Port of Long Beach recently announced that it is accepting applications for its community sponsorship program, through which it funds local organizations’ events “that also help to inform residents about the port while making Long Beach a better place to live and work.” Applications are accepted from September 1 through 30. “Applicants are judged on how they can help the port inform the community of the many ways the Port of Long Beach is an integral part of Long Beach,” according to a port statement. Past recipients are eligible to apply.

Recommendations for funding will be sent to the Long Beach Board of Harbor Commissioners about 45 days after they are received, so port staff advises that local groups plan their events well in advance. Funding recipients are likely to be announced in mid-November. To apply and for more information, visit [www.polb.com/sponsorships](http://www.polb.com/sponsorships). ■



INTERNATIONAL CITY THEATRE

Your Award-Winning Professional Regional Theatre  
caryn desai, Artistic Director/Producer

# Doubt

by John Patrick Shanley

Tony Award for Best Play

Pulitzer Prize for Drama

Directed by caryn desai

Now thru Sept 11

A Great Evening for two!  
Get dinner at The Sky Room & the show for only \$72 per person

"delivers plenty of the electricity" - OC Register

"a beautifully designed, powerfully acted revival" - Grunion Gazette

Call 562-436-4610 or visit us at [www.InternationalCityTheatre.org](http://www.InternationalCityTheatre.org)  
Long Beach Performing Arts Center, 330 E Seaside Way

## MICHAEL LEVY GALLERY

DEALER & APPRAISER of FINE ART



Custom Framing 20% Off

Now Accepting Consignment of Major Fine Art

### SERVICES

- Fine Art Appraisals
- Estate Liquidation
- Custom Framing
- Corporate Collections
- Consignment of Fine Art
- Delivery and Installation

6226 E. Pacific Coast Hwy., Long Beach, CA 90803 • 562-856-9800 • Tue - Sat 11am - 7pm

## Carnival Cruise Line To Offer New Alaska Cruise From Long Beach In 2017

■ By **SAMANTHA MEHLINGER**  
Senior Writer

For the first time, Carnival Cruise Line is going to offer round-trip cruises to Alaska from Long Beach, the company announced on August 24. The inaugural Alaska cruise aboard the Carnival Miracle, one of three Carnival vessels based in Long Beach, ships out on September 2, 2017.

The 14-day cruises will feature seven stops, including Alaska's Icy Strait Point, which Carnival describes as "an unspoiled wilderness area offering some of the best whale and bear watching in the state and the world's longest zip line." The inaugural Long Beach-Alaska cruise will mark the first time a Carnival cruise liner has visited Icy Strait Point.

Other destinations include Glacier Bay National Park and Preserve, the Port of Vancouver in British Columbia and the Alaskan ports of Ketchikan, Skagway, Juneau and Sitka.

The cruise is part of the company's Carnival Journeys series, which offers onboard enrichment courses and opportunities to engage with local cultures at ports of call. Carnival Cruise Line spokesperson Vance Gulliksen wrote in an e-mail that guests aboard the Alaska cruise will "enjoy unfor-

gettable dining, entertainment and cultural opportunities" through the Carnival Journeys experience.

"This new 14-day Alaska cruise round trip from Long Beach not only offers a convenient means for our guests to visit the 'Last Frontier' but the longer length provides us with the opportunity to visit a greater variety of spectacular destinations, including our first-ever [stop at] Icy Strait Point and cruising Glacier Bay," Gulliksen wrote.

Carnival Cruise Lines also offers trips to Hawaii, Ensenada and the Mexican Riviera from Long Beach. ■

## Port Officials: Congested Harbor Caused Increased Greenhouse Gases, Smog Pollutants In '15

■ By **SAMANTHA MEHLINGER**  
Senior Writer

Smog-forming air emissions and greenhouse gases related to operations at the Port of Long Beach increased in 2015. That might seem an odd statement to make about The Green Port, which prides itself on its efforts to reduce the environmental impacts of its operations. But the increase was caused by congestion at the San Pedro Bay ports that year, according to port officials.

Protracted labor negotiations for long-shore workers resulted in work slowdowns at the ports, which were already impacted

by supply chain issues at the time. As a result, there were weeks when more than two dozen container ships were parked at anchor in the harbor, which made them unable to plug into electric shore power. Instead, they had to run on auxiliary engines, according to a statement from the port.

The 2015 annual inventory of air emissions related to port activity revealed that nitrogen oxides, which cause smog to form, increased by 2% in 2015 compared to 2014. Greenhouse gas emissions increased by 7%. A statement from the port pointed out that container traffic also increased by 7% that year.

There was no change in the amount of sulfur oxide emissions, which remained 97% lower than 2005 levels. Diesel particulate matter emissions, on the other hand, decreased by 1% from 2014.

"The latest emissions inventory shows the effects of last year's congestion and increased ships at anchor. Thanks to labor and shipping partners, we cleared the backlog quickly," Lori Ann Guzmán, president of the Long Beach Board of Harbor Commissioners, said in the port's statement about the emissions report. "While we've had challenges, we continue to be committed to reaching our goal of zero-emissions operations. We are steadfast in our commitment to improving air quality for the region now and over the long term as evidenced by our recently approved \$46 million mitigation grant program."

The Port of Long Beach has implemented several programs to improve air quality and reduce emissions since 2005, including enacting its Clean Trucks Pro-

gram, encouraging the use of shore power by shipping lines and incentivizing vessels to reduce speeds in the harbor area. It is in the conceptualization process for an initiative called Energy Island that would put the port on a path to zero-emissions operations and would allow it to sustainably generate its own energy. ■

## PAC Submits Petitions For Medical Cannabis In City Of Signal Hill

■ By **BRANDON RICHARDSON**  
Staff Writer

The Signal Hill Patients Access political action committee (PAC) submitted two initiative petitions to the Signal Hill city clerk after procuring signatures of the required 10% of registered Signal Hill voters.

At 4:20 p.m. on Monday, August 8 – the final day to submit its petitions – the PAC submitted 800 signatures for a medical cannabis facility transaction fee and more than 650 signatures for the medical cannabis facilities act.

"These initiatives were drafted to ensure Signal Hill residents have safe and legal access to medical cannabis if their doctors believe it will alleviate their pain and suffering," Signal Hill medical cannabis proponent and co-founder of the PAC, Jeff Benson, said in a press release. "The one benefit of not already having medical marijuana facilities and transaction fees on those facilities is that we were able to in-

**WE WILL GIVE YOU! \$50 CASH**  
IF WE CAN'T BEAT YOUR BEST TIRE DEAL.



2 Years Or 24,000 Miles  
NATIONWIDE WARRANTY On All Our Repairs

**FULL SYNTHETIC**  
Oil + Filter Change

5w20 / 5w30 / 10w30 / Most Cars

**For \$49.95**

Please Present Coupon

**4 Wheel Computerized**  
Alignment

**For \$69.95**

Please Present Coupon



550 E. Pacific Coast Hwy.,  
Long Beach CA 90806  
562.591.2020



Se Habla Español



Come volunteer in helping  
make better the lives of  
children in Long Beach!

Join Kiwanis Long Beach  
LBKiwanis@gmail.com

**BIG E**  
PIZZA  
498-8788  
EST. 1986

**30**  
Years  
& counting!



**Come Join The 3rd Generation of  
Big E Boys For Dinner In Our  
New Expanded Dining Room!**

**3225 E. Pacific Coast Hwy.**

**Fast Delivery  
7 Days a Week**

**562.498.8788**

**www.bigepizza.com**

corporate the best practices and lessons learned from the numerous California cities that already do have them.”

The act calls for up to nine permitted cannabis facilities to be allowed in the city. Cannabis facilities can be dispensary stores, factories for edibles, cultivation sites, testing facilities or delivery-only providers.

Also proposed is a 10% transaction fee on every dollar of cannabis products sold within the City of Signal Hill. Of the fee, 50% would go directly into the city’s general fund, 25% would go to the school district, and 25% to the police department.

The petitions also would establish a Medical Cannabis Commission to oversee all facilities to ensure they follow strict standards, such as providing 1% of their annual product to very low-income residents and testing and labeling all products before they reach the consumer, similar to the testing and nutrition facts labeling of food products.

“People don’t really want to eat food without nutritional facts. So why would anyone want to have medicinal cannabis products without comparable facts?” Jason Aula, chief strategist and author of both petitions, told the Business Journal.

Aside from bringing medical marijuana to residents and generating tax revenue for the city, Aula said cannabis facilities would create hundreds of jobs, which will have the option to unionize through a labor peace agreement as a condition of the proposed measure.

“There’s been one inquiry from an edibles factory that could create hundreds of

jobs because the facility could be up to 30,000 square feet based on the way the law is written,” Aula said. “That could accommodate a retail brick-and-mortar place, a large cultivation facility and an edibles factory.”

Additionally, facilities would be required to be environmentally friendly in regards to water and energy use and be progressive with provisions such as onsite consumption – meaning customers could sample edibles and various strains of cannabis at the dispensaries.

When discussing the risk factors of onsite consumption, including a person driving shortly after smoking or ingesting cannabis products, Aula said, “There would be limitations to consumption, but at the end of the day, it’s the individual’s personal responsibility. As we see it, legally there is no way to measure cannabis in your system, and we don’t feel that the medical cannabis facility should be responsible legally.”

Included in the initiatives is a section that allows voters to amend portions of the law and bars the city council from passing amendments without voter approval.

According to the PAC’s legal counsel, Matthew Pappas, the city clerk’s office has 30 business days to examine the petitions and confirm they contain the required 629 signatures of registered voters. After this confirmation, the petitions will be sent to the Los Angeles County Registrar-Recorder/County Clerk’s office, which will have another 30 business days to review the measure to ensure it complies with California initiative laws and elections codes.

(Please Continue To Page 12)

Baking fresh baked products since 1993



**GROUND'S**  
BAKERY & CAFE

Family Owned & Operated.  
Free Wi-Fi access & Private Meeting Room

**Let Grounds Bakery Cafe deliver to your next event.**  
**Breakfast, lunch or an afternoon snack.**  
**Let us cater your next business meeting!**  
**From fresh baked goods, sandwiches, salads, gourmet pizzas, desserts and coffee, all delivered to your office.**

---

Grounds Bakery Cafe. 6277 E. Spring St. Long Beach, CA 90808  
(Corner of Spring St. & Palo Verde Ave) Like us on Facebook.com/GroundsCafe  
Order online at [www.groundscafe.com](http://www.groundscafe.com) from your desktop, tablet or mobile device  
Phone (562)429-5661 - Fax (562)429-5779

SINCE 1937

**MAR MEL INN**  
BED & BREAKFAST  
FOR DOGS & CATS

Our highest priority is the comfort and safety of your pets.

**PET BOARDING & FULL SERVICE GROOMING**

Enjoy traveling knowing your pets are cared for by our experienced and compassionate staff.

Individual attention given to each pet, with playtime and feeding twice daily.

Excellent Pet Grooming, 7 days a week.



Our mascot, Marmelade the Old English Sheepdog!

[www.marmelinn.com](http://www.marmelinn.com)

**562 / 439-2993**

Call for grooming appointments, reservations & more information

OPEN 7 DAYS A WEEK

1374 Gladys Avenue, Long Beach, CA 90804

*Catalina Island*

**CATALINA EXPRESS**

— Ride With Us —

UP TO 30 DEPARTURES DAILY ON 8 SMOOTH-RIDING BOATS.

Experience the Southern California vibe! Scenic beauty, high adventure activities, great dining or simply rest and relaxation on Catalina Island. Just a 60-minute ferry ride from 3 convenient locations. Take a trip for the day, or stay overnight with our boat & hotel packages.






San Pedro • Long Beach • Dana Point

**800.914.4562 | CATALINAEXPRESS.COM**





**“We just got a maid, a cook, & a chauffeur. You?”**

*“Moving into Glen Park was the best decision we’ve ever made. They have everything we need. And some of the things that we always wanted. My wife needs some care assistance, and I can get back to being her husband while the helpful friendly staff assist her with her needs. The quality service is priceless, and they treat us like movie stars.”*

**Retirement Communities ~ In Home Care ~ Hospice**  
**Glen Park is now in LONG BEACH!**  
Other Locations - Monrovia, Glendale, Valley Village

Come for a Tour and a FREE Lunch on us!  
Glen Park at Long Beach  
1046 E. 4th Street  
Long Beach, CA 90802  
(562)432-7468

**WE TREAT YOUR LOVED ONE LIKE A STAR**



**GLEN PARK**  
HEALTHY LIVING  
[www.glenparkhealthyliving.com](http://www.glenparkhealthyliving.com)

## Cannabis On Ballot

(Continued From Page 11)

The petitions did not garner 15% of registered voter signatures to warrant a special election. So assuming the Signal Hill city clerk confirms all signatures and the L.A. County Registrar-Recorder/County Clerk's office finds the measures comply with the proper laws and codes, residents will vote on the initiatives during the next general municipal election on March 7, 2017.

"It's time to make Signal Hill great again with the medical cannabis facilities act of 2016," Aula said in a press release. "We're confident most voters will agree come the time to vote, and if they do not agree the committee will do the best it can to convert the naysayers." ■

## City Of Carson Files Lawsuit On MTA's Measure M Appearing On November Ballot

■ By **BRANDON RICHARDSON**  
Staff Writer

The City of Carson filed a lawsuit against Los Angeles County on August 26 over the Metropolitan Transportation Authority's (MTA) proposed sales tax increase that is scheduled to appear on the November 8 general election ballot.

The lawsuit claims the proposed Measure M is misleading and unclear to taxpayers,

residents and the general public and therefore should not be voted on until clarifications are made and voters are better informed.

"The public deserves, and the law requires, a transparent, accurate description of tax Measure M, including spending priorities," G. Ross Trindle, lead attorney for Carson and the other petitioning cities [which were not identified by the City of Carson], said. "The public will not receive this essential information from the Los Angeles County Metropolitan Transportation Authority's current title and description of Measure M, which is critical for taxpayers to cast an informed vote."

If passed by voters, the proposed measure would raise the L.A. County sales tax by a half-cent, building on the previous voter-approved half-cent increase through Measure R (passed in 2008). Measure R would be extended for 20 years. However, Measure M does not have a sunset date, meaning the tax increase could remain in effect indefinitely. The measure requires two-thirds of voter approval to pass.

Metro officials estimate the increased tax would generate \$120 billion in the first 40 years. The increased tax revenue is to be used for transportation improvements such as new rail and bus lines, highway improvements, new bike paths and lanes, and street repair.

Albert Robles, mayor of the City of Carson, explained that the transparent information missing from the explanation of the measure is how much it will cost residents each year, as well as how long these transportation improvements will take.

Robles said improvements to the South Bay Curve on the 405 Freeway would not



## Park Tower Sold For \$26 Million

Park Tower – the seven-story, 120,000-square-foot office building at 5150 E. Pacific Coast Hwy. – recently sold to Anaheim-based Milan Capital Management for almost \$26 million. The seller was Investcorp Bank B.S.C., which is based in Bahrain. Some of the building's tenants include the nonprofit ChildNet Youth and Family Services, and Argus Medical Management. Cushman & Wakefield (CW) brokers Bob Alperin, Robert Garey and Kimball Wasick of the Long Beach office, as well as CW investment specialists Jeffrey Cole, Ed Hernandez and Nico Napolitano, represented the seller in the transaction. (Photograph by the Business Journal's Larry Duncan)

be completed for 30 years and improvements to the interchange of the 110 and 405 freeways would take just as long. He added that it would be at least 40 years until improvements to the 710, 605 and 5 freeways are completed.

"In other words, if Measure M passes, taxpayers in about 50 communities, representing at least two million residents, will be paying for Measure M forever but won't see any traffic relief on their freeways and roads for decades," Robles said. "And this simple fundamental transparency requirement is good public policy

that all concerned residents, voters and taxpayers need."

Other cities in L.A. County that have officially opposed Measure M include the cities of Commerce, Norwalk, Torrance, Santa Fe Springs, Rancho Palos Verdes, Rolling Hills Estates and Signal Hill, among others, according to the City of Carson. Long Beach, which just received approval from its voters to increase the city's sales tax by one percentage point for six years then half a percentage point for four years, has yet to take a position on the measure. ■

# A Trip to Italy

## For Only \$9.29!

**Enjoy our Lunch Buffet featuring a Spring Garden Salad Bar plus a rotating menu of 7 or more authentic Italian specialties!**

- Farfale Alfredo w/ Chicken & Broccoli
- Rigatoni al Forno
- Ziti w/ Sun Dried Tomatoes & Mushroom
- Linguine e Vongole
- Penne con Pesto Parmigiano
- Lemon Chicken Piccata
- Meat Balls in Meat Sauce
- Italian Sausage w/ Peppers & Onions
- An assortment of traditional & gourmet pizzas & more...

**Mon. - Fri.**  
**11am-2pm**

facebook.com/buonosauthenticpizzeria

twitter.com/buonospizzeria

**Buono's**

PIZZERIA

562.432.2211

562.595.6138

Order Online

250 W. Ocean Blvd., L.B.

401 W. Willow St., L.B.

**BUNOSPIZZA.COM**

## CITY OF LONG BEACH

### BID OPPORTUNITIES

TITLE	BID NUMBER	DUE DATE
Disposable Liquid & Solid Waste Bags (REBID)	ITB LB16-152	8/31/2016
Roof Repair Station 34 Marine Maint. Facility	ITB PR16-180	8/31/2016
Crane Inspections	WD-34-16	9/01/2016
California Ave. Widening-Willow St. to Spring St.	R-6838	9/07/2016
Locks & Door Closures	ITB LB16-056	9/07/2016
Lead-Based Paint & Other Home Hzd Cntrl. Svcs	ITB HE16-111	9/07/2016
South Long Beach Sewer Improvement Project	WD-16-16	9/08/2016
Latex and Nitrile Gloves (REBID)	ITB LB16-135	9/08/2016
Project Portfolio Management Application	RFP PW16-177	9/08/2016
Traffic Impact Fee Study & Analysis Guidelines	RFP PW16-170	9/09/2016
Fabr. & Inst. Welder Util. Body-Ford F350 REBID	ITB FS16-164	9/12/2016
Comm. Rehab Program-Scattered Sites North LB	ITB DV16-161	9/15/2016
Comm. Rehab Program-Anaheim St. & Cherry Ave	ITB DV16-162	9/15/2016
Communication Equipment Upfitting	ITB FS16-174	9/15/2016
Purchase of Used Vehicles	ITB FS16-175	9/15/2016
Purch. of 44 Pursuit-Rated Ford Intrcpt. Utl. Veh.	ITB FS16-183	9/19/2016
Purch. of 20 Multi-Purpose Ford Intrcpt. Utl. Veh.	ITB FS16-184	9/19/2016
Purchase & Dev Opp. at 1900-1940 Long Beach Bl	RFP DV16-143	9/23/2016
Multi-Year Vehicle Purchase	ITB FS16-126	9/29/2016

\*\*Some of the listed projects have scheduled mandatory pre-bid meetings which may have already occurred due to publication lead times\*\*

Bidder Registration

To receive notifications of bid opportunities, register with the City of Long Beach at [www.longbeach.gov/finance/business-info/purchasing-division/purchasing-division/](http://www.longbeach.gov/finance/business-info/purchasing-division/purchasing-division/). Additional details on upcoming bids and how to register can be found on the website.

### AUTO LIEN SALE AUCTION

3111 E. Willow Street  
Long Beach, CA 90806  
(562) 570-2828

September 6 & 20, 2016  
Registration & Viewing Hours:  
8:00 A.M. – 9:50 A.M.

http://www.longbeach.gov/finance/services-and-permits/towing-and-lien-sales/auction/

**News In Brief**

**Boeing Company Delivers State-Of-The-Art Satellite System To Mexico**

Boeing has delivered one of the world's most advanced satellite communications systems to Mexico, to serve the entire country including areas that previously had no cellular service at all. The system, called Mexsat, enables high speed (3G+) voice communication, text messaging, Internet video sessions, voice mail and other data communication to mobile terminals on ships, planes and land vehicles, as well as to fixed sites. Delivered on August 25, the system includes two satellites, two network and satellite control stations, prototype user terminals, and associated network procedures.

"Boeing, working closely with the Ministry [of Communications and transportation], has developed a state-of-the-art, turnkey satellite system providing critical communications services throughout the country," Mark Spiwak, president, Boeing Satellite Systems International, said in a company statement. ■

**Cal State Long Beach Among LAEDC Honorees For Economic Leadership**

The Los Angeles County Economic Development Corporation (LAEDC) is honoring California State University, Long Beach; AECOM; and Brian Lee, co-founder of The Honest Company, at its 21st Annual Eddy Awards on November 10. According to LAEDC, "This year's honorees share a conviction that commercial responsibility is tied to community responsibility, and that economic and education leadership are inextricably linked to community leadership." Each of the winners is focused on creating jobs, creating essential infrastructure and social excellence, a statement from LAEDC read. "This year's honorees are each powerful examples of what visionary individuals and organizations can do to create stronger economies, healthier lives and more equitable societies," LAEDC CEO Bill Allen stated. The Eddy Awards gala dinner, an annual event to celebrate "exceptional contributions to economic development in the L.A. region," takes place

6-9:30 p.m. at the Beverly Hilton, 9876 Wilshire Blvd., Beverly Hills. ■

**AAUW's September Meeting Program Topic: Iranian Women In Today's World**

The featured speaker for the September meeting of the American Association of University Women (AAUW) Long Beach Branch will be Mitra Baghdadi, AAUW member and California State University, Long Beach Anthropology Department administrative coordinator. Ms. Baghdadi, author of several papers on linguistics regarding English, Persian and Arabic languages, will share her views about Iranian women in today's world.

The meeting will be held on Saturday, September 10, 2016, at California Heights Methodist Church, 3759 Orange Ave. Networking begins at 9:30 a.m., followed by a business meeting at 10:00 a.m., Ms. Baghdadi's presentation at 10:30 a.m., and a luncheon at 11:30 a.m. Cost of luncheon is \$22.00. For more information or to RSVP, ■

**U.S. News & World Report Identifies Long Beach Memorial Medical Center As "High Performing"**

Long Beach Memorial Medical Center, a MemorialCare Health System hospital, was recently recognized by U.S. News & World Report as "high performing" in nine clinical categories. The assessment included 5,000 other adult hospitals throughout the United States, of which only 20% were identified as high performing, according to a statement from MemorialCare. The hospital received this recognition for its clinical specialty practices' survival rates, use of advanced technologies, patient volume, safety, nurse staffing and patient services, as well as its "reputation for developing and sustaining high quality care." The nine areas in which Long Beach Memorial received recognition include: abdominal aortic aneurysm repair, colon cancer surgery, lung cancer surgery, heart bypass surgery, heart failure, chronic obstructive pulmonary disease, hip replacement, knee replacement and orthopedics. please email lee.tsao@hotmail.com. ■

**LB WALKER AUTOMOTIVE**

Go See Sal

**Auto Repair & Services**  
1000 E. Wardlow Rd.  
(Corner of Wardlow and California)  
www.LBWalkerAuto.com  
Facebook.com/LBWalkerAuto  
**562-981-2222**

Over 43 Years of Experience

**SYNTHETIC BLEND Oil Change \$29.95** +Tax, Haz. Fee, Up to 5qts. Most Cars.  
**FULL SYNTHETIC Oil Change \$45.95** +Tax, Haz. Fee, Up to 5qts. Most cars.  
**Smog Check \$31.75** 2000 & Newer Cars (99 & Older Extra) STAR Certified  
**A/C Check \$49.95** Refrigerant Extra (if needed) Most cars.

**We Have a Lot of Competition, but our Ribs Don't!**

**NAPLES RIB COMPANY**

- Also Featuring: Steaks, Tri-Tip, Chicken, Prime Rib, Fresh Fish, Sandwiches and Salads
- Family Owned & Operated
- Kids Menus
- Cocktail Lounge w/ 3 T.V.'s
- Tableside Magic Sunday Nights
- Warm & Comfortable Booths
- Reservations accepted
- Open at 4pm Monday-Friday
- Open at Noon Saturday-Sunday
- Take-out available after 10:30 a.m.
- Buckets, Party Paks, and Trays!

Naples Rib Company  
5800 East 2nd St, Long Beach  
**(562) 439-RIBS**  
RibCompany.com  
FIND US ON FACEBOOK

**\$10 Off Your Order of \$75 Or More**  
Not redeemable with any other offer, discount, coupon or price special  
Expires September 30, 2016

Chronic Tacos Long Beach | PCH • 6602 East Pacific Coast Highway • Long Beach CA. 90803 (Next to Whole Foods)

**CONTACT US FOR CATERING!**  
Phone: 714-333-6005  
Email: chronic.tacos@yahoo.com

**BOULEVARD** **GMC**

**BOULEVARD Buick GMC**  
(562) 492-1000 • 2800 Cherry Ave, Signal Hill, CA 90755

**BOULEVARD Cadillac**  
(562) 595-6076 • 2850 Cherry Ave, Signal Hill, CA 90755

BOULEVARD4U.com

# New Airport Director Sees Position As A 'New Adventure'

■ By **BRANDON RICHARDSON**  
Staff Writer

With 19 years of aviation experience – all focused on the Southern California airport community – Jesus “Jess” Romo was named the new director of Long Beach Airport at the end of July by City Manager Patrick West.

Romo was born in Los Angeles and grew up in La Puente in the heart of the San Gabriel Valley. He attended public schools in the area all the way through high school and went on to earn a bachelors degree in psychology from the University of California, Irvine in 1984.

“Like a number of people right out of college, I’m kind of like, ‘What am I going to do?’” Romo said during an interview in the Business Journal offices. “So I did a little bit of everything, and in 1988 I had the opportunity to apply and interview for a job with the City of Los Angeles.”

By this time, Romo said he had already known his future wife, Lisa, for one year. The



Long Beach Airport’s newly appointed director, Jesus “Jess” Romo, and his wife, Lisa, are relocating from Claremont to Long Beach because they feel it is important to be part of the community. He begins his new post on September 6, and will oversee a city department with about 100 employees. (Photograph by the Business Journal’s Larry Duncan)

two would be married shortly after he began working for the city and two years after that would celebrate the arrival of their first son. They now have three children: 24- and 22-year-old sons and an 18-year-old daughter.

Romo’s position with the city was as an entry-level real estate trainee. He said he started from the bottom learning every aspect of real estate. During his time with the city he worked for the bureau of engineer-

ing, the department of water and power and the department of general services.

“I actually sold real estate for the City of L.A. – not commission, it was all salary, which was fine because I got to do a lot of fun stuff with auctions, and I got paid every two weeks which was nice,” Romo said. “That was in 1995 and I was 36. I had a great boss, and he knew someone at the L.A. Times and I was on the front page of the Metro section.”

Romo explained that large cities such as Los Angeles make it possible to progressively move into other areas and departments, which is how he found himself interviewing for his first airport-related position – airport property manager at Ontario International Airport.

In early 1998, he moved his family from Rosemead to Claremont to be 20 miles closer to his new position at Ontario, where he was the property manager for leasing and concessions. He remained at Ontario until January 2001 when the chief operating officer asked him to transfer to either Los Angeles International Airport (LAX) or Van Nuys Airport due to real estate issues each airport was trying to get a handle on.

“Honestly,” Romo said, “I wasn’t ready to [change positions] because our kids were pretty young. But you can’t say no, so I went to Van Nuys. I spent the next seven months there.”

In August 2001, the top position as real estate director for Los Angeles World Airports (LAWA) became available and Romo was strongly encouraged to apply. LAWA at the time included LAX, Ontario, Van

(Please Continue To Page 16)

## Welcome New Long Beach Airport Director Jess Romo!



The Long Beach Airport Association was founded in 1947. From community supporters and private aircraft owners to local businesses and major airport operators, our members work collectively to advocate the interests of airport operators and users, preserve aviation jobs and businesses, and form community and educational partnerships.



For more information, visit: [www.thelbaa.org](http://www.thelbaa.org)

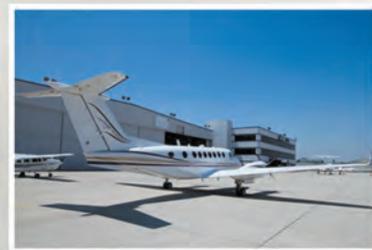
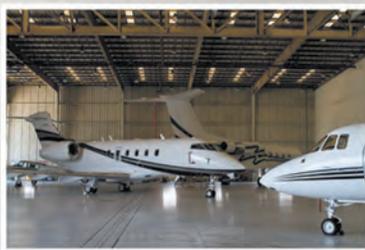


WHERE YOUR BUSINESS LANDS BUSINESS

# Welcome To LGB Jess Romo, Airport Director!!

## Serving today's dynamic business aviation needs

- ▶ Prestigious L.A. & Long Beach locations
- ▶ Premier hangars, offices & shops
- ▶ Flexible lease terms or built-to-suit options
- ▶ Private & secure facilities
- ▶ Airport management & consulting services
- ▶ Preferred destination for L.A. & Orange Counties



Aeroplex | Aerolease • 3333 E. Spring Street, Long Beach, CA • Aeroplex (562) 981-2659 • Signature (562) 997-0700

The Long Beach Convention & Visitors Bureau Board, Staff and over 400 Hospitality business partners proudly welcome

# Jesus "Jess" Romo

Director of Long Beach Airport



**LONG BEACH**  
CONVENTION & VISITORS BUREAU™ 800.452.7829 | visitlongbeach.com

facebook.com/visitLB twitter.com/visitLB instagram.com/visitLB youtube.com/VisitLongBeachCA

## New Airport Director

(Continued From Page 14)

Nuys and Palmdale Regional Airport, which was taken over by the City of Palmdale in 2013, all of which Romo oversaw.

"I'd say 90% of my time was really focused on LAX activities," Romo said. "We had good staff at the outlying airports. I was real estate director for about five years, then I got the opportunity to come back to Ontario as the airport manager."

This opportunity came in 2006 when Ontario airport was growing and had 435 employees. However, when the recession hit and oil prices skyrocketed, Ontario lost several carriers, including JetBlue Airways and ExpressJet Airlines. Other carriers, including Southwest Airlines, reduced their services.

"In February 2010, [the city] asked me to take on Van Nuys but not give up Ontario – basically take on two airports," Romo said. "It was actually a challenge in a lot of ways because I had been away from Van Nuys for such a long time, and I was coming back in a very different role. But it was an opportunity."

Romo explained that Van Nuys was struggling at the time, and the city charged him to make cuts to the budget to make the airport financially self-supporting. Romo said he had no choice but to cut 25 positions, which was a very unpopular decision. However, he pointed out that since 2011, Van Nuys has been self-supporting. Romo oversaw both airports until June of this year.

Due to the nature of Van Nuys and Ontario, Romo said the experience of oversee-

ing both simultaneously was very beneficial and a great opportunity. He explained that Van Nuys is a very busy general aviation airport and Ontario is a medium-sized hub airport, and when you put the two together in regards to the business that is conducted, they are similar to Long Beach Airport (LGB), which has substantial general aviation and commercial activity.

Romo explained that while he was the airport manager of both Ontario and Van Nuys, he still had bosses at LAX to report back to. He said because of this hierarchy no one can ever truly be an airport manager there, and he knew he could do more. This was what led him to apply for the director position at LGB.

"I was pretty picky because, number one, we love Southern California," Romo said. "I stayed with LAWA for about 19 years, and I didn't want to go any place too far. And when [the LGB position] came up the second time, I said let's take a look at that. Obviously I have a boss, the city manager, but he seems very supportive with all of his department heads – they seem to just run their own departments."

After Romo applied for the position, but before he was named, the City of L.A. asked him to fill in as the interim deputy executive director for operations and emergency management, which he agreed to do. "I did let my boss know that I applied for the position. Small industry. You want them to hear from you and not somebody else," Romo said.

Two weeks later, Romo got the job offer from Long Beach. His interim position at LAX lasted from the beginning of July to

Friday, August 19. Romo begins his new position at LGB on Tuesday, September 6, and he and Lisa are using the downtime to find a new home here in Long Beach.

"When you work in a department that has a lot of community impact, it's one thing to say, 'I understand how you feel' and yet you live far away," Romo said. "If you're going to be director of an airport that has impacts on the community, I think it's good to be part of that community fabric."

Romo and his wife agree that Long Beach is a great place that they look forward to learning about more intimately as they explore and discover new things. Romo noted that he knew the city had a large population but that he never realized how expansive the city actually is. Aside from its size, the couple noted that several neighborhoods have a similar feel to their current home in Claremont, a trait they are trying to capture in their move.

As for his new position, Romo said he is not bringing any staff with him to LGB, but that through the industry he does know several members of the local airport community, including airline representatives and city employees.

"It's so important to reach out to all of your tenants because they are all important," Romo said. "I was a regular attendee of the tenants association meeting at Van Nuys. And in Long Beach, Curt [Castagna, president and chief executive officer of Aerolease/Aeroplex Group] is the president of the tenants association – I will be a regular attendee at those meetings."

Though he admitted that he knows far less about LGB now than he will in two weeks,

he explained some of the ways that LGB is a unique airport. One aspect of the airport that Romo noted is how close it is geographically to LAX, even sharing some of the large airport's catchment area (the area from which each airport attracts passengers).

Another appealing factor of LGB, according to Romo, is the affordable flights. He attributes this mainly to JetBlue growing its business at LGB and making Long Beach one of its focus cities. He said LGB still struggles with passenger numbers, but thinks this will be corrected with the introduction of Southwest and the recent decision by JetBlue to utilize all of its available flight slots.

"I think anytime you have someone who can provide competition, it's good," Romo said. "It's good for the airport, it's good for diversity in terms of having choices, and it also forces [airlines] to step up things on the customer service side. [JetBlue utilizing all its slots], I'd say that is in large part due to Southwest."

When asked about his ideas to increase business and provide better customer service at LGB, Romo said it was too early for him to tell but that every airport always has room for improvement. He intends to encourage staff to listen to the needs of businesses, stakeholders, airline partners and community members to ensure the airport is operating in the best interest of everyone and improving however it can.

"My top priority is really to come in here and be a partner with the folks with whom I work," Romo said. "I want to be able to build a team that feels we are working together for the betterment of the city and the betterment of the airport and reaching across all lines. Airports are public entities, and they are here to serve all of us. And I think that we owe it to the people that we serve day to day, monthly, quarterly or annually [to determine] how can we be of service."

Other members of the aviation community, according to Romo, view Long Beach Airport in a positive light. He said that this is mainly because it has been able to retain its feel as a "hometown field" and that it's robust while still being very manageable. He noted that Van Nuys is 720 acres, Ontario is 1,700 acres, John Wayne Airport in Orange County is 500 acres and LGB is 1,100. He said the size and configuration make it a "very nice" airport complex.

"I say this in a very positive way – it's a boutique airport," Romo said. "It's an airport that is sized to meet what a good part of the community wants. It's got that old, historic flavor. An upgraded facility, of course, but you're still getting out on the ramp and getting up into the aircraft, as opposed to going through a jet bridge."

Outside of work, Romo and Lisa enjoy dining out and look forward to experiencing the Long Beach cuisine. The family also enjoys annual summer vacations in Hawaii. Romo said he tends to their three hens, an idea that started as their daughter's but quickly became dad's hobby.

"Our kids are now old enough that we can back off a little bit, but I think we spent a lot of time giving our kids what we thought was the best environment to grow up in," Romo said. "But we're looking at this as a kind of new adventure. Leaving an employer that has been very, very good to me for almost 28 years and coming into a place that I've got a really good feeling about." ■

# LB Summer Watering Schedule

## April - September

Tuesday  
Thursday  
Saturday

before 9am or after 4pm



On Saturday, August 13, Taylor Woods, pictured aboard the Queen Mary, and Urban Commons co-founder Howard Wu, celebrated the company's 66-year master lease with a Changing of the Guard event in the ship's Grand Salon. Along with ship renovations, the company is preparing for a massive \$250 million land development project on its surrounding property. (Photograph by the Business Journal's Larry Duncan)

# Queen Mary Operators Hope To Attract Millennials To 'Treasured Icon' With \$15 Million In Renovations

■ By **BRANDON RICHARDSON**  
Staff Writer

In an attempt to restore the Queen Mary to her former glory, Urban Commons will invest \$15 million into the ship beginning later this year, before embarking on an estimated \$250 million land development.

Taylor Woods and Howard Wu founded real estate investment firm Urban Commons, the new 66-year master leaseholder of the Queen Mary and 65 acres of surrounding property, in 2008. Woods, a graduate of Brigham Young University, started MoneyLine Lending Services, an outsourced mortgage fulfillment company, after graduating.

After growing the company for 10 years, MoneyLine was sold to a division of GE Capital, at which point Woods looked for opportunities in real estate investment. It was during this time that Woods met Wu, a UCLA graduate, and the pair began making big moves.

"When the market recession came, Howard and I decided that we wanted to grow much faster and make some very strategic acquisitions in prime locations," Woods said. "We began acquiring property in iconic locations and destination lo-

"We love Southern California, and we like what is going on in Long Beach particularly. It feels youthful. It feels like there is a commitment by the city and by the community to expand and see new development and to see new opportunities created.

That gets us very excited – working with people that are as motivated as we are to see that come to fruition."

**Taylor Woods, Co-founder, Urban Commons**

cations, which included apartments, condominiums, land, hotels, retail, commercial – a variety of property types."

The company does not have any affiliations with other businesses, instead relying on its own capital and sometimes a small group of private individuals. Woods said the company continues to build its portfolio by acquiring distressed and opportunistic properties in which they can invest and create new value.

When the partners at Urban Commons first learned about the leasing opportunity for the Queen Mary in early 2014, they thought it was a "nice opportunity" to acquire an already-performing hotel and entertainment destination that had room to

improve in terms of its condition and quality of guest experiences.

"When we started to get to know the property and as we started to understand what was here, we realized with the 45 acres on land and the 20 acres on water, not only would we be acquiring an existing performing property but we would be acquiring an opportunity to create a destination development that could include attractions and events and entertainment and adventure," Woods said. "That's when we really got excited."

In mid-2014, Urban Commons entered a purchase and sale agreement with former leaseholder Garrison Investment Group, a New York-based property man-

agement company. Woods described all communication with the city since their acquisition began as being consistent with Urban Commons' vision to create an even more iconic destination.

"We love Southern California, and we like what is going on in Long Beach particularly," Woods said. "It feels youthful. It feels like there is a commitment by the city and by the community to expand and see new development and to see new opportunities created. That gets us very excited – working with people that are as motivated as we are to see that come to fruition."

The first step Urban Commons is taking in creating new opportunities is investing \$15 million into the ship itself. Renovations will leave no part of the ship untouched, though some parts will receive more attention than others.

"Number one, we want the guest's arrival experience to be extraordinary – so that when you board the ship, you get a bit of the sense and the feeling that you might have had if you were boarding the ship 80 years ago," Woods said.

To accomplish this, Woods said the company will renovate the entrance, including the addition of a porte cochere (a covered entrance where guests can exit their vehi-

(Please Continue To Page 18)

## Urban Commons

(Continued From Page 17)

cles), which will lead guests into a newly renovated lobby that will harken back to when the ship was built.

As for the 346 first-class staterooms and nine suites – the largest focus of the renovations – Woods said he would like to see them become more comfortable, contemporary and functionally improved. With beautiful furniture and bathroom fixtures, the company hopes to attain a

more spa-like feel for guests, while maintaining the Art Deco design.

Woods said Urban Commons is working closely with historian John Thomas who is an expert on identifying which components of the ship are historic in nature and should remain in their exact condition.

“We will preserve all of the original woodwork,” Woods said. “We’ll either preserve it or restore it and treat that as fundamental to the preservation and historic nature of the ship. The wood came from dozens of types of trees, the carvings were

done by hand, and it’s spectacular and beautiful and has appeal of its own.”

The entire ship will also have carpet replaced with a similar design and style. The Urban Commons team is collaborating with Brintons, a British manufacturer that designed some of the original carpet for the Queen Mary, to recreate patterns reminiscent of the era when the ship was built.

“On both ends of the ship, what we hope to create are trendy, hip, sort of fun gathering places for people so that there is an appeal for people from the immediate

community, and of course travelers from varying distances around the world – to feel like they are going to have a satisfying experience and be part of something that is cool and energetic,” Woods said.

Woods described evenings at the ship as being filled with live shows, music and comedy in the Observation Bar, as well as in the aft of the ship, which he said would have more of a club atmosphere. The company hopes these types of attractions will appeal to Long Beach residents, particularly Millennials, bringing them to the ship more often.

Another way Urban Commons plans to market to younger generations is by utilizing the latest in modern technology. Woods said this could mean using smart devices to unlock rooms and control the amenities inside them, including more sophisticated televisions for media playback, and even providing charging stations for mobile devices throughout the ship.

“People today are traveling with multiple devices,” Woods said. “They’re familiar with connectivity. They’re accustomed to using those devices for their entertainment and communication and social interaction. And we want to integrate those into the ship so they feel like part of a community and they also feel like they have more control.”

When talking about why Urban Commons is targeting Millennials, Woods said they feel the ship is too beautiful an icon to be enjoyed only by history teachers and retirees. He said the company wants to give young people a reason to come to the ship and experience something they may have been missing out on, even though it is so close to the youthful downtown.

“Young people should have opportunities so they don’t miss out on such a treasured icon,” Woods said. “If we can create an environment for them to want and desire to be here on a very regular basis, . . . then we feel successful. You can’t reproduce this, you can’t rebuild this, and you can’t go into any other building and get the same sensation as you do here.”

The new ship operators also hope to grow the vessel as a meeting and event space with renovations to all restaurants and bars, as well as to the 80,000 square feet of functional meeting and exhibit space in 14 Art Deco salons. Woods said he thinks these spaces are already so unique that they make any event more memorable than any other place in the city. However, he acknowledges that they have been left unchanged for quite some time and hopes the subtle renovations will increase the location’s popularity for events such as weddings, parties, conventions and corporate retreats.

As for the shops onboard the ship – which are some of the most recently renovated facilities – and the new 4-D theater that opened last year, Woods said the company will simply renovate on an as-needed basis. This makes these projects a lower priority, but Woods said the company would like to see more pop, color and energy in these locations as well.

The exterior of the ship will not be forgotten during this period of renovation, though Woods jokes that the exterior is in a constant state of maintenance. He acknowledged several spots on the outer hull of the ship where rust removal and a fresh coat of paint are badly needed and said the company will start there, but he points out that the vessel is continuously painted. “We

**A few examples of the upgrades and renovations coming to the Queen Mary include, top to bottom, the:**

**Deluxe Stateroom**

**Churchill Suite**

**Cognac Lounge**

(renderings provided by the Queen Mary)





Taylor Woods, pictured in front of the iconic Queen Mary, and his partner at Urban Commons, Howard Wu, became the master leaseholders of the ship, including 65 acres of surrounding land and water, earlier this year. Recently, the company announced \$15 million in renovations to the ship, scheduled for completion in late 2017. (Photograph by the Business Journal's Larry Duncan)

“Everybody loves a good show  
and good entertainment,  
and we want to be on the  
forefront of people’s minds  
when they think about where  
they can go and what shows  
are coming through the area.”

**Taylor Woods, Co-founder, Urban Commons,  
discussing a Hollywood Bowl-like  
amphitheater by the sea**

want the ship to sparkle and look like new when people arrive,” he added.

Urban Commons said ship renovation completion is scheduled for late 2017, at which time the company will turn all its focus on the development of the 65 acres surrounding the ship. In September 2015, Mayor Robert Garcia appointed 12 people to the Queen Mary Land Development Task Force and charged them to make development recommendations for this property to the city.

“We’re working very closely with the task force, and we will work with the city to approve a master plan for the development,” Woods said. “What we believe is the most likely outcome is that we will see a marina, we’ll see an amphitheater and we’ll see new outlets for dining and entertainment.”

According to Woods, such outlets and venues are ideally suited for Urban Commons’ property on and near the water and will draw interest from the community because it will be totally open to public access. Woods described walkways, green space and bike paths, combined with shops, fine dining and live entertainment, as rea-

sons why people would come to the iconic destination for the day and stay well into the evening.

Since the company has 20 acres of property on the water north of the ship, Woods said that is where they are envisioning the marina, including a boardwalk and perhaps a restaurant, to get people close to the water.

Urban Commons also has a vision, much like that of the task force, of a Hollywood Bowl-like amphitheater by the sea that could welcome national and international music acts and other large scale performances that currently do not have venue options in the city. This is the aspect of development Woods said he is most excited about.

“I think having a venue that is beautiful and spectacular and can bring world-class musicians and other entertainment this close to so many people between Los Angeles and Orange County in Southern California is really exciting,” Woods said. “Everybody loves a good show and good entertainment, and we want to be on the forefront of people’s minds when they think about where they can go and what shows are coming through the area.”

Another conversation Urban Commons is having regarding its forthcoming development is with Carnival Cruise Lines. The Florida-based company, which was founded in 1972, has been operating out of Long Beach since 2003 and hopes to expand by replacing one of its three ships with a larger vessel. This would require expanding its terminal.

“Carnival is a great tenant. We love having Carnival here and their passengers,” Woods said. “Carnival has expressed interest in expanding their facility and taking additional space to bring more frequent ships and larger ships, which we’re very open to and working very closely with Carnival to assess their requirements and de-

termine what the best facility would be for them, inclusive of our master plan.”

As Urban Commons creates its master plan for development, Woods said they will make sure Carnival has the facilities it wants, in the location it wants, with all the amenities it needs for a successful expansion.

Despite the scale of renovations and development around the ship, residents can expect changes to the area to occur fairly rapidly. Since the team at Urban Commons began creating renderings, planning and conducting studies early on, Woods believes the company will be able to get an early jump on development.

“I think we envision spending the next one to two years through planning and then another two years or so through development,” Woods said. “We’re looking at a three- to four-year development timeline, maybe three to five years to be more conservative. I’m probably being optimistic, but that’s what we would hope.”

Outside of renovations and development, Woods said the company is excited to take over the various events that happen on and around the ship.

“We love the events and tours, and we feel like that is one of the strongest ways we can invite the public in and give people an experience they cannot have anywhere else,” Woods said. “We will continue all of the events, but we believe that additional events are important.”

Aside from continuing popular events such as Dark Harbor, which runs from the end of September through Halloween, and CHILL, which typically runs from the end of November to the beginning of January, Woods said Urban Commons would like to see events that take place in spring and summer when people want to be outside.

He continued by saying these events could

take place in the space adjacent to the ship or on the ship itself and might include different forms of entertainment including two- or three-day music festivals. Last year was the 13th and final Ink-N-Iron, an annual music festival and tattoo expo, held at the Queen Mary after promoters decided to uproot the festival and relocate it to Nashville.

“We will continue to enhance our offering, and we will continue to make capital investments in some of the facilities that we believe are needed to be able to host more events more frequently,” Woods said.

Another area of improvement to the Queen Mary business model that Woods hopes for is in its marketing strategies.

“We feel like the marketing has been mediocre at best, and as part of our focus on improved marketing, we are going to refresh the logo and branding,” Woods said. “We feel that our branding for the Queen Mary and the adjacent property should go hand-in-hand, should be very consistent and should be quickly recognizable by tourists and by locals so that the entire development becomes new and exciting and energetic and fun.”

Woods added that the company has already begun work on rebranding and hopes for a release in the near future. Also, once ship renovations to public and meeting spaces are complete, Woods said the company would have a strong focus on marketing outside of the community to try to attract more conventions, corporate retreats and events.

The ship – including the hotel, tours, restaurants and bars – will remain open for business throughout the renovation and development processes, and Woods and Urban Commons encourage visitors to enjoy the existing attractions.

For more information about the Queen Mary, visit: [www.queenmary.com](http://www.queenmary.com). ■

(Continued From Page 1)

their faith in the mayor's promise to use the funds on infrastructure projects and to restore public safety services. As he tells it, this vote of confidence will result in investments that will protect the future of the city.

The Business Journal has conducted annual Q&A interviews with elected mayors of Long Beach every year since 1988. In his third annual interview – the first having occurred right after his election in 2014 – Mayor Robert Garcia discussed a number of issues with Publisher George Economides, Senior Writer Samantha Mehlinger and Staff Writer Brandon Richardson: the city's minimum wage proposal, the budget, Measure A, public safety, affordable housing, real estate development, proposed marijuana

regulations, education, the city charter, implementing U.S. customs service at the Long Beach Airport, climate change, homelessness, and other issues of concern to Long Beach business people and residents alike.

– Samantha Mehlinger, Senior Writer

### Minimum Wage Decision

**LBBJ:** Let's start with the minimum wage, since a city council discussion is scheduled. Do you think we're going to go with the state version?

**Garcia:** We're definitely going to align with the state. I think the question and the discussion we'll have is *when* we align with the state. There is a strong interest to align

with the state, so whether we align with the state at the end of the yearly cycle that council has laid out already, or whether we align with the state before that, is the discussion we will have.

**LBBJ:** The chart we have [comparing the city versus state versions] shows that Long Beach is going to be about a dollar more. Doesn't the city want local businesses to have a level playing field with all the other cities?

**Garcia:** Absolutely. That's why I think that we will align with the state. It's a matter of when we end up aligning with the state. When you look back at why the state's wage schedule is the way it is, it is in large part due to Long Beach being a

little bit more responsible than what had happened before in other cities. If you look at L.A.'s way, they're about a year ahead of us. Then we went in with something a little bit more moderate. And the state, once a lot of cities acted, went in as well. And they came in with about a year behind us. So I think there is agreement that we're going to raise wages. I think it's a matter of when we align with the state and not if we align with the state.

**LBBJ:** Our ordinance says [on] January 1, 2018, its \$12 an hour.

**Garcia:** That's right.

**LBBJ:** That's for 26 or more employees. On January 1, 2018 the state's at \$11 an hour for that group. That's a huge difference.

**Garcia:** Absolutely.

**LBBJ:** So why would we not want to be the same as all the other cities in the state so we're competing equally?

**Garcia:** We're not the same as all the cities in the state.

**LBBJ:** We realize there are a couple that are different. San Jose is different, L.A. is different.

**Garcia:** There are a lot that are different. Actually, the state is a whole patchwork of different wages right now. So L.A., Oakland, San Francisco, Long Beach, San Diego are all on different schedules than the state. Even the county's unincorporated [areas] are ahead of where we are.

**LBBJ:** We don't understand why the council would want to put our businesses at a disadvantage.

**Garcia:** The council's intention for raising the wage was to try to bring balance and recognize the fact that wages have stagnated over time, which is why they did the wage increase in the first place. So I think the discussion we'll have now – first of all, not all cities are going to align with the state. . . .

**LBBJ:** Well most of them are.

**Garcia:** I actually would argue that most of the cities are not going to align with the state. Large cities – I mean Los Angeles, cities in the Bay Area – they're not going to align with the state. There has been no indication that they're going to do so, and they're going to have a schedule that will be more aggressive than the state permanently.

**LBBJ:** But the Bay Area is a little bit different because the cost of living is much higher than down here.

**Garcia:** Well look at the County of Los Angeles. A vast majority of the county – all the unincorporated cities and the City of Los Angeles – has not yet indicated that they are going to align with the state. So if Long Beach ends up aligning with the state, which I think we should, we will be the largest city to align with the state and the county.

**LBBJ:** It seems you're going to get negative feedback from the business community saying you're going to be paying a

# Personalized banking. Zero bureaucracy.



Are you ready for bankers who actually know your name?  
For humans answering the phone instead of computerized  
call centers? And for the flexibility that every business  
dream needs to soar? You definitely belong with us.  
Come discover business made personal at ICB.



249 E. Ocean Boulevard, Long Beach, CA 90802 | 562.436.9800 | icb.biz

© 2016 International City Bank

dollar more per year ahead of the state's schedule. We'll see what happens.

**Garcia:** Yeah.

**Measure A  
Sales Tax Increase**

**LBBJ:** You must be pleased with the passage of Measure A. What do you think are the expectations from residents?

**Garcia:** I think the expectations are that we spend the money where we said we'd spend the money. And I think when you tell residents that you're going to spend the money on infrastructure and public safety, and when you take the additional step of telling residents exactly where you're going to spend it – which I was very clear about it in the first two investments being South Division restoration and Engine 8 restoration – and then you go the extra mile of publishing a map of what streets are going to get fixed and what projects.

**LBBJ:** How will the citizens oversight committee for Measure A function, and how often will it meet?

**Garcia:** They're going to have their first meeting, from what I understand, in the next couple of weeks. Obviously that's out of our office now and the city management staff is putting that together. I want to say that they're going to meet that first couple days of September, I think. I think they will meet at a minimum, as often as all other oversight committees meet, like the ones at the college and the school district. So those meet about four or five times a year.

**LBBJ:** That's not much.

**Garcia:** I would expect that at a minimum they meet that often, but they might meet more.

**LBBJ:** And these are open to the public?

**Garcia:** All open to the public.

**LBBJ:** Is it similar to the council where you have a three-minute comment period, or is that up to the committee?

**Garcia:** That's up to the committee. Every committee will set the rules according to the Brown Act and what they decide.

**LBBJ:** We notice, in the proposed Fiscal Year 2017 budget, you're using Measure A funds to keep from cutting \$2.2 million in the police department and \$900,000 in the fire department. That's \$3.1 million in Measure A funds. We don't remember a discussion that Measure A funds could be used in that manner. What would have been those cuts?

**Garcia:** It's personnel.

**LBBJ:** It's all personnel?

**Garcia:** Absolutely. If you look at the way the budget is structured, if you read the Measure A documents, the ballot language and what we've said – and it's actually been in other publications during the campaign as well and I've talked to it – Measure A is for public safety and infrastructure. It's to enhance and maintain

public safety services. We always knew there was going to be a deficit, obviously. You know, the city does proportional share budgeting.

**LBBJ:** Yes, the budget manager explained it to us. They've been doing it for years.

**Garcia:** Forever. If you look at this year's budget, there's a deficit. We were planning on a deficit.

**LBBJ:** \$4.8 million.

**Garcia:** Right. Better than what we thought. It was initially going to be \$7 million and now we're at \$4.8 million. So of that, you're still seeing [proportional share] cuts from departments. . . . So the library, parks – all those departments, as

part of that deficit, they're all taking a cut. What's not taking a cut [by applying Measure A funds] is public safety, because essentially what we would have done is cut five more officers and cut three more firefighters.

**LBBJ:** In the second year of the tax, starting January 1, 2018, what's to keep in the city from saying the proportional share cut for public safety is \$10 million or \$15 million?

**Garcia:** It's not. We already know where the budget is going. It's not \$10 million. So what'll happen next year on police and fire is, if everything works out the way I expect it to, is we'll add additional police and fire service. We're going

to continue to be able to actually grow. The combination of the growth in the economy, the sales tax [revenue] increase that's already happening separate of Measure A, and Measure A is actually going to grow police and fire. We have not added one net police officer since 2007. We have not added one net firefighter since 2007. This is the first year that we're actually adding net bodies in to police and fire.

**LBBJ:** That's the eight police officers?

**Garcia:** It is eight patrol officers, a command staff, I think it's a crime analyst specialist. I think there are 10 or 11 in the unit, but it's eight patrol officers, ab-

(Please Continue To Page 22)

**p2s**<sup>®</sup> WWW.P2SENG.COM

EST. 1991 25 YEAR ANNIVERSARY

P2S is celebrating its 25th anniversary this year by heading further to the forefront of Net Zero design. We're helping build buildings that completely offset their annual energy use through efficient design and on-site renewable energy.

**OUR SERVICES**

- MECHANICAL
- PLUMBING
- COMMISSIONING
- ELECTRICAL
- TECHNOLOGY
- ENERGY SERVICES
- CONSTRUCTION MANAGEMENT

(Continued From Page 21)

solutely. And on the fire side, it's 12 firefighters to man Engine 8.

**LBBJ:** We understand there are two police academies in this budget and one next year.

**Garcia:** That's right.

**LBBJ:** Those are pre-Measure A. Management is hoping to add close to 90 officers – partially to replace retirees, lateral transfers and so forth. You could end up with as many as 860 police officers a year from now.

**Garcia:** Yeah, but not permanently. Every year we have our net budgeted number, and then we have what we may have any given moment depending on attrition. So it's always about trying to manage to that number. Right when we get a class through, our number [of police officers] spikes, and then it starts attritioning throughout the year because we're losing all the retirement officers. Remember that every cop we hire today is less expensive than a cop that's retiring because they're under a different pension system. So every year that goes by, our pension liability decreases. That is good for the city. So retirements and new recruits is long-term financial stability for the city.

**LBBJ:** Have you had any pushback from residents who supported the tax increase when they heard it's only going to be eight police officers being hired during the first year.

**Garcia:** Not at all, because I told people in the community exactly what the restoration is going to be. When people said, "What are you going to propose," I said, "I am proposing the restoration of Engine 8 in Belmont Shore and [LBPD] South Division." And I said that at every single community meeting I was at. And I said the rest of the money is going to be put in to infrastructure. So I haven't heard that. Now, would I have loved to have brought in 30 police officers? Absolutely. But we can't afford 30 police officers. And people don't understand what the loaded cost is of having that level of personnel.



"Now, would I have loved to have brought in 30 police officers? Absolutely. But we can't afford 30 police officers. And people don't understand what the loaded cost is of having that level of personnel."

**LBBJ:** The South Division you're restoring, doesn't that work out of the downtown police station, the headquarters?

**Garcia:** It used to be in downtown headquarters, absolutely.

**LBBJ:** So it's going to be separate?

**Garcia:** They're going to restructure it a little bit. It'll go back to the way it was before. . . . It'll be the same building –

**LBBJ:** In the headquarters?

**Garcia:** In the headquarters. South Division will be there. The difference in the division patrol system of course is you have all your patrol officers checking in to that location. That's where the calls come out of, that's where the cars are coming out of. . . . Right now, the PD headquarters building is being used as administration. As you know, the jail is there. There is some community relations staff in there. But the patrol unit piece is not happening in that building, which will change.

**LBBJ:** We've heard from quite a few people who are concerned about crime such as petty theft. . . . In fact, the crime statistics say they're up 18% through June of this year compared to last year. That's a hefty jump. And it's citywide. It's not in any one district. The other numbers that jumped out at us, were robberies are up 16% and rapes are up 13.5%. We were startled when we saw those numbers. That's why we ask if people have said anything about the number of police officers, because all we're hearing is, "We supported Measure A because we're going to get more police. We need to cut down on the crime." So you haven't heard any of that?

**Garcia:** When you say heard of that, of course what you hear all the time is, "We want more police officers." But I think what's important to know is that I campaigned very clearly what we would spend the money on in the first year budget. And I said it over and over again. And that's what we're doing. So what we put out there is what we're putting into the budget. And we're

(Please Continue To Page 24)

Marcus & Millichap

Specialization • Expertise • Results

## Creating and Preserving Wealth for Our Clients

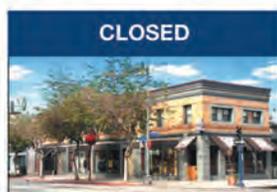
Below is a Sampling of Our Recently Closed Transactions



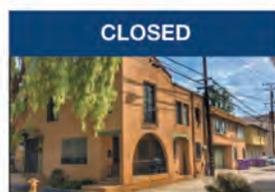
**12-Unit Multifamily**  
Hermosa Beach, CA | \$8,000,000



**10-Unit Multifamily**  
Fullerton, CA | \$2,255,000



**Mixed-Use**  
Long Beach, CA | \$1,302,000



**6-Unit Multifamily**  
Long Beach, CA | \$1,150,000



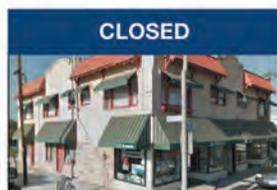
**8-Unit Multifamily**  
Long Beach, CA | \$2,100,000



**Net-Leased Bank**  
Orange, CA | \$2,400,000



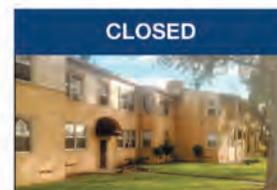
**Net-Leased Restaurant**  
Bethel, OH | \$715,000



**Mixed-Use**  
Long Beach, CA | \$1,100,000



**Net-Leased Restaurant**  
Fullerton, CA | \$2,400,000



**27-Unit Multifamily**  
Montebello, CA | \$5,500,000

To access the largest exclusive inventory of properties, contact the market leader.

**Damon Wyler**

Regional Manager  
(562) 257-1200

damon.wyler@marcusmillichap.com

Licensed by the California Bureau of Real Estate

Offices Throughout the U.S. and Canada

www.MarcusMillichap.com

Real Estate Investment Sales ♦ Financing ♦ Research ♦ Advisory Services

# BUILDING COMMUNITY VALUE

As Downtown Long Beach builds up, the value of our community reaches new heights. Six new proposed developments in DTLB will lead to:

- **\$600M** in potential investment
- **5,216** temporary Jobs
- **428** permanent jobs
- **998** residential units
- **76,587 SF** of new retail space

Looking to invest in Downtown Long Beach? Visit [DowntownLBBusiness.com](http://DowntownLBBusiness.com) for more DTLB economic development resources or email [economicdevelopment@dlba.org](mailto:economicdevelopment@dlba.org)

(Continued From Page 22)

talking about the first year. We have to be smart about growth. Are we going to end up next year with more officers? Yes. But we've got to ease into that growth. This is a temporary 10-year revenue measure, and we've got to make sure we can afford it. I also have to remind people that I know it's harder to understand, but every dollar spent on infrastructure is like you're spending \$4. We have to make that long-term, one-time investment in infrastructure. And if we don't do it, our problems with policing and firefighting are going to be dramatically worse 10 years from now because our city will be falling apart.

**LBBJ:** As you pointed out too, infrastructure does help reduce crime.

**Garcia:** Absolutely. It's a huge reduction. When people say, "We want more cops," I say, "This is the first time we're adding cops in almost 10 years. So I agree with you and we're doing it."

The other thing that we're doing, which I think is important, is we had years with no police academies. We have only had police academies now for about maybe three years or so. All those police officers, that first year of those rookie cops coming out, that first year of patrol, they're finally getting into the system. They're finally out in the street patrolling. So we have a flood of new police officers coming into the force right now, which is very positive.

Every [crime statistic] that you just gave me are being told to every single mayor of every big city up and down the State of California. So it is a statewide challenge that we're facing. And we're fortunate that we're not in as tough of a position as some other cities are. But it's still a big challenge. So we're going to continue to put the resources there and continue to work it.

**LBBJ:** What's going to be the first thing to be done on infrastructure – the first Measure A-funded project?

**Garcia:** It's in the budget. If you open up this year's budget,



'We're doing exactly what we told the public we would do. . . .

There's going to be a lot of first things. We're going to be paving a lot of streets. We're fixing and putting in a lot of new tot lots and playgrounds for kids and families. The senior center. All sorts of things are going to happen."

there's both the map as well as the entire list of everything happening in year one. It's all off of the map that we presented to the community during the campaign. So it's a variety of projects across the city.

We're doing exactly what we told the public we would do. . . . There's going to be a lot of first things. We're going to be paving a lot of streets. We're fixing and putting in a lot of new tot lots and playgrounds for kids and families. The senior center. All sorts of things are going to happen. My plan is that the map that we presented to the community is exactly what we will do. That's the commitment we made and we have to stick to it.

**LBBJ:** Are you waiting until the tax money kicks in to start these projects?

**Garcia:** Some things you are able to get ready for, but for a majority of this stuff we actually have to wait until we have the funds, obviously, because we don't have the funds currently. In some cases, some departments might have the flexibility of anticipation and can flex. Others will have to wait. But from a street point of view, you've got all the streets here for year one and all the projects are on the back [referring to a printout of the budget]. It's a lot of fire station and library improvements. It's a lot of upgrades to parks. . . .

**Filling Positions Within The City**

**LBBJ:** We wanted to talk to you a bit about city positions and how those are filled. For example, we understand the current city clerk was hired over other city employees within the department although she didn't have experience in running elections. We do understand it's a city council-appointed position. But what's the thought process – how are positions filled?

**Garcia:** Well, the city clerk position is a very different hiring

(Please Continue To Page 26)

HOTEL • ATTRACTIONS • EVENTS

# THE QUEEN MARY®

EXPERIENCE THE GRANDEST OCEAN LINER EVER BUILT

\$25

FULL SERVICE HOTEL, FINE DINING, MEETING SPACE & UNIQUE ATTRACTIONS

QUEENMARY.COM 1126 QUEENS HIGHWAY, LONG BEACH, CA 90802

QUEEN MARY ANNUAL SHIP ACCESS SoCal PASS

- Admission to the Queen Mary for 1 Year
- Complimentary Parking for Up to 3 Hours Per Visit
- Discounted Prices for Day Tours

Some Restrictions Apply

# Finding the best credit option for your business

About one in three business owners use their own funds or personal credit for their business, according to a recent Wells Fargo/Gallup Small Business Index survey. Yet as a business seeks to grow, obtaining business credit is essential and can help finance purchases, build a credit history, supplement cash flow, and preserve savings.

*About one in three business owners use their own funds or personal credit for their business.*

**So how do you choose the best credit option for your business?** The type of business credit you need depends on your business goals and how much funding you need. Following are several common credit needs, and options available to address each one:

## **Need a way to pay for everyday business expenses?**

When looking for a convenient way to pay for everyday business expenses and a smart alternative to cash, checks, and personal credit cards, business credit cards can be a good option. With a business credit card, you can separate your business from personal expenses and immediately pay for day to day business expenses.

## **Need to make large seasonal purchases or cover payroll?**

Nearly every small business will face a time when it needs more cash than it has on hand. A business line of credit can provide fast, easy access to cash (which can bridge gaps in cash flow) and help supplement cash flow for business expansion, taxes, insurance, or other expenses.

**Want to expand your business or make a large equipment or vehicle purchase?** For a specific business need, business term or equipment loans should be considered. Loans give businesses immediate access to funds and are ideal for business owners who want a flexible way to get a lump sum at a fixed or variable interest rate for a fixed period of time. There are many types of loans, including unsecured loans, secured equipment loans, real estate loans, and vehicle loans, and rates and terms vary.

**When evaluating lending options, you should also consider an SBA loan.** Through government-guaranteed SBA loans, financial institutions are able to extend financing to a segment of creditworthy small business owners who may not be able to obtain a conventional loan or loan terms that meet their business needs.

Business owners who are looking to buy real estate, acquire a new business, or purchase equipment may find that an SBA loan offers more flexible terms than a conventional loan. SBA products include the SBA Express line of credit, and SBA 7(a) and SBA 504 loans.

As business owners consider their credit options, they should consult with a banker to help determine the best option to meet the specific needs of their business.

---

America's #1 Small Business Lender and #1 SBA Lender\*

---

**To find out more about how to manage and apply for credit, visit [WellsFargoWorks.com](http://WellsFargoWorks.com).**

\* Wells Fargo is America's #1 lender (Community Reinvestment Act government data, 2002 - 2014).

\* Wells Fargo is America's #1 SBA 7(a) lender by both units and dollars (U.S. Small Business Administration data, federal fiscal year 2015).

All credit decisions subject to credit approval. For SBA loan products, SBA eligibility is also required.

**Together we'll go far**



(Continued From Page 24)

process than every other position. So the city council, the voting member body, hires two positions only: the city manager and the city clerk. That is done through a process that goes through the city attorney, through the council. They interview, they ask the questions, they have the back and forth, and then [the person] is selected on a majority vote.

**LBBJ:** Does the HR department oversee all this?

**Garcia:** HR is absolutely involved. But at the end of the day, the decision of hiring the city manager and the city clerk . . .

**LBBJ:** What about the screening? Does HR do the screening? Because, for the city clerk position, you had over 30 applicants and we can't imagine the city council talking to all 30 people.

**Garcia:** I think HR absolutely helps with the screening. But the city council looked at a lot of applicants.

**LBBJ:** But doesn't HR recommend the top five or 10 so the council doesn't have to go through all [the applications]?

**Garcia:** I think the city council has access to everyone who applies for the position. And the city council looked at many applicants for the city clerk position.

### Items Related To The City Budget Beyond Measure A

**LBBJ:** Are you confident the city has budgeted wisely for the price of oil for fiscal year 2017?

**Garcia:** The answer is yes, because we're not pricing it very high. The city used to evaluate oil in the \$60 to \$65 range. Oil is fluctuating, so it could be as low as \$30 or \$35. It could be as high as \$40. But we hope that oil goes higher, but we're not going to budget on a hope. So I think it's better to budget more conservatively on the price of oil. If oil exceeds our expectations, that's great, but it likely won't. So it's better for us to stay more conservative.



"Long Beach is booming on the economic front. . . . The consistent theme is this overarching idea of optimism in the economy, in growth, in development, in home values, and in household income. And it's not just a feeling; it's actual fact. We are incredibly excited about that."

**LBBJ:** We assume the city is seeing increases in revenue from property taxes and, as you mentioned earlier, sales tax.

**Garcia:** Yes, absolutely.

**LBBJ:** [Hotel] bed tax, probably.

**Garcia:** Listen, Long Beach is booming on the economic front. This morning [August 19] I was with a group of 30 realtors – some of the top realtors in the city. Yesterday I was meeting with a group of developers. I met with a group of property and apartment owners just a few days ago. The consistent theme is this overarching idea of optimism in the economy, in growth, in development, in home values, and in household income. And it's not just a feeling; it's actual fact. We are incredibly excited about that. We're doing a lot to support that, and I think a lot of what we're doing is – there's a great synergy between what we're doing and the economy. And you can see it. I don't think there has ever been this much optimism and excitement about what's happening, for example, in the development sector in downtown.

We're going gangbusters right now. And a majority of what we're building, by the way, is residential, which is exactly what we should be building if we want sustained economic growth downtown.

**LBBJ:** All nine city unions are negotiating their contracts, so where is the city going to find the money for inevitable pay increases?

**Garcia:** Obviously I can't discuss what's going on right now at the negotiating table, per se. I would say generally the discussions are ongoing. I don't know that we're anywhere near any sort of resolution on those discussions. And I think that anyone who looks at the city budget can see that the city is not awash with cash and all these extra dollars. So any conversations that we have in the future regarding additional support for

(Please Continue To Page 28)



## Work Through Lunch With Lunch.

Dan D'Sa & Jim Choura launched Long Beach's newest most experienced catering company in town.

**GRAND**  
FOOD & BEVERAGE

[GRANDFANDB.COM](http://GRANDFANDB.COM)

CALL DAN: 562.682.1174

# Feed the People.



# ENERGY FOR CALIFORNIA BY CALIFORNIANS

The employees and contractors of the Wilmington Field in Long Beach are proud to be a part of the thriving Long Beach community.



(Continued From Page 26)

employees will have to come from a position of being a modest conversation that's based on the reality of the budget which is [that] there isn't a lot of room. We didn't put in, in this budget, dollars to give everyone raises because we can't afford it.

**LBBJ:** Can you tie raises to the price of oil?

**Garcia:** I don't know about that. I think that oil really should be a one-time commodity and spending. I think there's no question that anybody, whether you're a cop, whether you're a news person, whether you're a business person down the street, all employees, regardless of whether you're public or private, at some point, I think, are looking for advancement and for their work to be rewarded. So that's a conversation we will have, but there is no plan right now for a huge shift in that because we just don't have the resources. But we are discussing it and, if we can do something in the future, we'll look at that.

**LBBJ:** Was it intentional that all nine contracts end about the same time?

**Garcia:** No. All these contracts are done, as you know, on different schedules. Some people have three-year contracts or they'll have one-year extensions, and so it just happens this way. The big contract discussion we're in right now is with the IAM [International Association of Machinists, the city's largest union representing more than 2,750 employees]. The other employee union contracts are just barely getting off the ground, so I don't think we'll be in the middle of those for another few months, I would imagine.

### New Civic Center

**LBBJ:** Is the civic center project progressing on schedule?

**Garcia:** It is. In fact, if you go by there right now, it's a very active construction site with a lot of trailers everywhere and a lot of construction. So it's progressing as scheduled and we feel very



"... If you go by there right now, it's [new civic center] a very active construction site with a lot of trailers everywhere and a lot of construction. So it's progressing as scheduled and we feel very good about the progress and, again, it's going to be a great economic boon for downtown and a very successful project, we hope."

good about the progress and, again, it's going to be a great economic boon for downtown and a very successful project, we hope.

**LBBJ:** What's the first thing that's being built?

**Garcia:** It's all happening at the same time. The twin tower civic buildings – the port, city hall, the library and the park – all kinda get done at once. All three buildings will be done at the same time because then people will move out of the other one and into those buildings.

**LBBJ:** So what are we looking at? A couple years? Three years?

**Garcia:** We're looking at a couple years.

**LBBJ:** What happens to city hall once the new city hall is done?

**Garcia:** Once everyone moves out of city hall, then we raze city hall, which will then become a private development.

**LBBJ:** Are you trying to save money by moving more people into the new city hall once it's built? City government rents a lot of space.

**Garcia:** Yes, that's exactly what we're doing. We're bringing in some of the leases that we have at other places into the new building.

**LBBJ:** But at the same time you want to keep some of the places around the city, right? Because people might need access.

**Garcia:** Right, and it's not everybody. It's not everyone we're bringing in, but we're still bringing in some of the offices.

**LBBJ:** So two to three years, then what? Those three buildings are built, then the plaza?

**Garcia:** You can think of the new civic center in three blocks. Block one is the two buildings – the port building and city hall. That's being done at the same time as the third block, which is the library. And once the library is done you do the park. The last piece is where the current city hall is. That piece won't be complete until those are done and everyone has moved out. Then that becomes private development and that's where the housing and the hotel and all that goes.

**SOUTH BAY COMMERCIAL SALE PROPERTIES**

BLAIR WESTMAC

JUST LISTED

**DOWNTOWN LONG BEACH**

127 W. 7th Street | 2,500 SF Office Building | Offered at \$650,000 (\$260/SF)

FOR SALE

**BELMONT HEIGHTS**

3835 E. 7th St. | Highly Upgraded Professional Office Property | \$1,150,000 (\$328.10/SF)

PRICE REDUCED

**SIGNAL HILL**

2211-2225 Cherry Ave. | 2 Lots Totaling 19,920 SF | Potential Residential Development Site

FCI

## DELIVERING A SUSTAINABLE PLANET

FCI provides impactful energy solutions at every point on the delivery chain – from system design to program development marketing and installation.

Our consultants help energy service providers plan and deliver programs that significantly reduce electricity demand within target markets. We develop and implement comprehensive and practical energy strategies specifically designed for businesses and residential customers.

Our solutions lower customer costs, protect the environment, and secure our precious resources for the future.

**FCI Management, Inc.**  
**3850 E. Gilman Street**  
**Long Beach, CA 90815**  
**562.719.9300**  
**www.fcimgt.com**

© 2016 Coldwell Banker Real Estate LLC, dba Coldwell Banker Commercial Affiliates. All Rights Reserved. Coldwell Banker Real Estate LLC, dba Coldwell Banker Commercial Affiliates fully supports the principles of the Equal Opportunity Act. Each Office is Independently Owned and Operated. Coldwell Banker Commercial and the Coldwell Banker Logo are registered service marks owned by Coldwell Banker Real Estate LLC, dba Coldwell Banker Commercial Affiliates. All information contained herein is from sources deemed reliable and is submitted without any warranty or representation, express or implied, as to its accuracy or completeness. We assume no liability for errors or omissions of any kind.

**CALL FOR DETAILS | (562) 495-6070 | CBCBLAIR.COM**

**LBBJ:** So the decision for a hotel isn't a done deal yet. You'll decide later?

**Garcia:** Listen, any development is driven by market forces, but the plan is for hotel and residences on the site. That's the interest, that's where the market's at and it's entitled, and you know how hard it is to entitle anything. So it's highly likely that's what's going to end up there.

**Housing And Rents And Inspections**

**LBBJ:** So you mentioned housing being put into that center block, a lot of high-end housing is being built in Long Beach . . .

**Garcia:** And we're building more.

**LBBJ:** . . . mostly in downtown, but there's a large need for affordable housing. Does the city have any plans of building affordable housing?

**Garcia:** It's important to recognize that the city does build affordable housing. We build it all the time. We build senior housing developments and affordable housing for veterans, and we just approved a project to build affordable housing for students and for families. Could we be doing more? The answer is absolutely. People also don't know that . . . the state mandates affordable housing buildings, so we have to build affordable housing. We have to continue to do a better job of trying to get more affordable housing developers to build affordable housing across the city, but especially along the transit corridor, which makes it easy for people to get around.

We do have a plan and are discussing [it to see if there] are policy changes that will allow us to incentivize affordable housing. I'd rather incentivize developers to build affordable housing than force developers to build affordable housing, which then, I think, you end up with less quality.

**LBBJ:** Does each new project require a percentage of units be affordable?

**Garcia:** No, we do not have that rule.

**LBBJ:** Are you concerned about increasing rental rates in Long Beach and how do you propose addressing that issue?

**Garcia:** Rents are always going up or down. I don't think that rising rents is necessarily a bad thing. You've got to consider the neighborhood mix and you've got to consider the strength of neighborhoods. When you look at household income, for example, which I think is a good measure when you're comparing rent, most parts of town have seen house-

(Please Continue To Page 30)

**Luke Hiller, Incorporated**  
Custom Hardwood

- ◆Historic Restoration
- ◆New Installs
- ◆Residential
- ◆Commercial
- ◆Flooring
- ◆Staircases

Reach us at  
(562) 597-4252  
info@lukehillerinc.com

Trusted By Southern California Since 1983

**BRAGG**  
COMPANIES

**70<sup>TH</sup>**  
**CELEBRATING 70 YEARS**  
**OF SERVICE**

**BRAGG**  
**COMPANIES**  
**ANNIVERSARY**

**Providing Quality Service Since 1946**

**CALIFORNIA • ARIZONA • NEVADA • TEXAS • UTAH**

**Headquarters**  
6251 N. Paramount Blvd. • Long Beach, CA 90805

800-4CRANE1      www.braggcrane.com

(Continued From Page 29)

hold income increase. That's a very positive thing for the neighborhoods and for the city. Along with increases to household income and increases to property values come rising rents.

Now, what we want to make sure of is that, as rents rise, they are being done in a way that's, hopefully, responsible, thinking about the community that's in place. Are we building enough affordable housing in other places so folks can get into homeownership? I think those are all the things that we're looking at, but I don't believe in dictating to property owners what their rent should be. I think that it's important that the market move forward and that the city on the other end builds affordable housing, provides very low-income folks with opportunities to get into their home.

We now, as a city, provide a lot of vouchers for veterans or those who are homeless and trying to get into homes. We do a substantial amount of that and will continue to. It's important work. It does concern me when folks get priced out of a neighborhood, but it's important to have balance, I think, in neighborhoods and I think having young professionals and families of all types in a neighborhood makes a neighborhood strong. So you want to have a good balance.

**LBBJ:** Are you aware of any other cities that are facing similar issues of rising rents and affordable housing?

**Garcia:** Every city. This is California. We're the most unaffordable place to live in the entire country. This is not a unique Long Beach problem. L.A. County is the most unaffordable county to live in the entire state of California, outside of the City of San Francisco. It's very hard to afford homes because of the value of land. It's a very difficult challenge for us; that's why we need to continue to redouble our efforts to build housing that is accessible to all people, both on the rental side as well as on the purchasing side.



"Let me tell you what I don't want.

I don't want to happen in Long Beach what happened in San Francisco. I love San Francisco, but that has quickly become a city for only the wealthy, and I think that Long Beach has lessons to be learned in that . . ."

**LBBJ:** Have realtors talked to you about PRHIP? Their concerns about PRHIP [Protective Rental Housing Inspection Program] that we've been writing about?

**Garcia:** PRHIP, you mean as the law that just passed?

**LBBJ:** Yes.

**Garcia:** Of course. I meet with realtors all the time. They have talked to me about that.

**LBBJ:** Their concern is that this is a precursor to rent control.

**Garcia:** PRHIP is PRHIP. I told them all that already. Listen, you cannot deny that there are slumlords in the City of Long Beach. I drive by some of these units in horrible condition and we've got to go after those folks. It's a blight to the city and their causing damage to the community and hurting families.

**LBBJ:** That's a small percentage of property owners.

**Garcia:** Absolutely. And PRHIP was put in place to address those issues. Some folks want to take three jumps ahead and think that's on its way to something else. But it is what it is. It's a way to go after the worst of the worst; that's how it's been designed. It also just started, so I think it's important to allow a program to have a little breathing room. Let's see where this program is a year from now and evaluate it, and see if it's working. What I hope is that it goes after those who need to be incentivized to fix some of these apartments, and some of them are in terrible, terrible condition. That's part of it.

Back to your rising rent issue, sometimes when some rents rise you begin to see some improvements in that unit as well. We have to find that balance and I am concerned about it. It's a balance about ensuring that we're supporting low-income families that have for years lived in a community. We want them to be able to stay living in those neighborhoods and those communities. We also want property owners and homeowners to succeed and be able to invest into their buildings and their properties. So we've got to strike a balance.

Arrive • Unwind • Treat Yourself  
**Holiday Inn Long Beach Airport**



Style • Comfort • Convenience • Affordability

- Call for great group discounts
- Located within 1 mile of Long Beach Airport
- Newly renovated 100% Smoke-Free Guest Rooms with Keurig Coffee Maker and iHome Bluetooth Clock Radio
- Complimentary Long Beach Airport Shuttle
- Over 8,000 Square Feet of Meeting & Banquet Facilities
- Brew Coffee Bar Serving Peet's Coffee
- Business Center
- IHG Rewards Club Program (Earn Your Points)
- **Coming Soon!**

Top Floor Penthouse Level Vue Restaurant & Lounge  
 Staybridge Suites 2018

2640 N. Lakewood Blvd., Long Beach, CA 90815  
 Phone: (562) 597-4401 • Fax: (562) 597-0601  
 Email: sales@hiongbeach.com  
 www.hiongbeach.com



Long Beach Airport is committed to providing excellent services and facilities in an intelligent, eco-friendly, safe and efficient manner; and to being a major driver of the economic viability of Long Beach. Travel well. Travel Long Beach.



where the going is easy® [f](#) [i](#) [t](#) [lgb.org](#)

Let me tell you what I don't want. I don't want to happen in Long Beach what happened in San Francisco. I love San Francisco, but that has quickly become a city for only the wealthy, and I think that Long Beach has lessons to be learned in that, where we can take all of the great things that have happened in San Francisco – innovation and tech, a city of the future, good jobs – but still be a place where people can afford to live and we can have this mix of diversity and this mix of still being the most affordable beach city in the entire state of California.

**LBBJ:** Is that the case also for rentals?

**Garcia:** Absolutely. We are still the most affordable place to live along the coast for both rentals and buying property.

**LBBJ:** So maybe the rise in rents is from people who think there is so much of a gap between what we charge and what Huntington Beach charges, or wherever, that they can raise the rents.

**Garcia:** First of all, not everyone is raising rents, so I think it's important to note that there are a lot of people living in a great apartment; there are a lot of great places to live in the city.

**LBBJ:** Back to PRHIP for one moment, because you had mentioned it was formed to focus specifically on the very small percentage of slumlords.

**Garcia:** The bad operators, yes.

**LBBJ:** Some of the concern is that the program is going into good property owners' buildings and inspecting them on a regular basis . . .

**Garcia:** I told [property owners] that if they have concerns with the program and they feel that is happening, feel free to let me know and we'll look into it.

**LBBJ:** They're certainly letting us know.

**Garcia:** And great, but they should be letting the city know and letting our office know. But I also know that the program is going after, because I've seen these units, it's also going after some property owners and units that are in terrible condition. All you have to do is take a drive through parts of Central Long Beach or Willmore City in the downtown area.

**LBBJ:** I don't think anybody wants bad landlords . . .

**Garcia:** No, nobody does.

**LBBJ:** Because the good landlords get hurt, too.

**Garcia:** Absolutely.

### Long Beach Airport

**LBBJ:** Have you sat down with the new airport director?

**Garcia:** We haven't had our first official meeting but we will very soon. We're very excited to welcome him aboard.

**LBBJ:** Do you have a personal preference to bringing U.S. Customs service to the Long Beach Airport?

**Garcia:** My answer to that is the same as it was before we started the study, which is let's finish the study, let's see the results, let's see the economic data and have an honest conversation based on science and economics and listen to the neighborhoods and have a robust discussion. And then, at that point, the council can make a decision.

**LBBJ:** So you're not opposed to have the customs facility if the study says it would be good for Long Beach?

**Garcia:** I think a decision of that magnitude has to be based on data and science and facts, not just because we feel it would be good. We need to know if it really will be good.

(Please Continue To Page 32)



**PATREECE COBURN**  
COMMERCIAL ESCROW OFFICER

**INTERNATIONAL CITY ESCROW, INC.**  
AN INDEPENDENT ESCROW CORPORATION.  
LICENSED BY THE DEPT. OF BUSINESS OVERSIGHT

**SPECIALIZING IN**

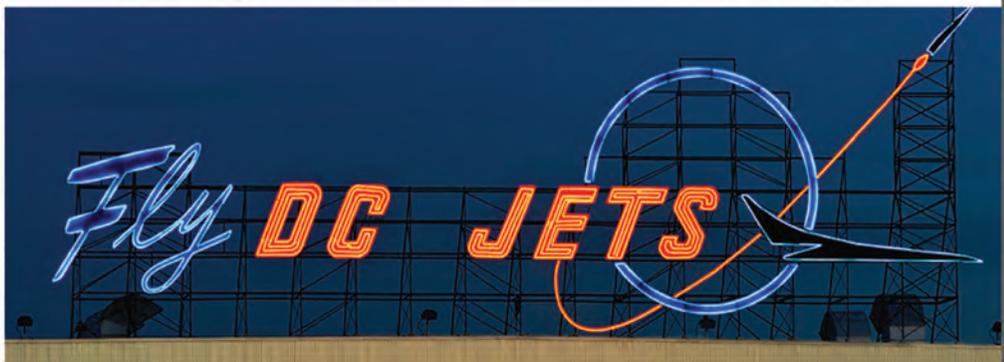
- COMMERCIAL TRANSACTIONS
- BULK SALES
- ABC LICENSE TRANSFER
- EXCHANGES
- LEASE OPTIONS
- AND ALL YOUR ESCROW NEEDS

[WWW.ICESCROW.COM](http://WWW.ICESCROW.COM)  
**562-497-9777**

5000 E. SPRING ST. • SUITE 120 • LONG BEACH, CA 90815

# SARES•REGIS Group

## Partnering with the City and Long Beach Community



■ Planning For Growth ■ Developing For Commerce ■ Building & Managing For People

Clockwise from top left are: Rendering of 1st and Alamitos, a community of 135 apartment homes over retail in downtown Long Beach; Historic "Fly DC Jets" sign at SRG's Douglas Park; Virgin Galactic building at Douglas Park; 163 apartment homes planned for 3rd & Pacific, Long Beach; Mercedes Benz Campus at Douglas Park.

**SARES•REGIS Group**  
sares-regis.com

(Continued From Page 31)

**LBBJ:** Right, but if the study does show that it really would be good, you would be supportive?

**Garcia:** If the study comes back, and it's not just about being good, there are a variety of factors here. What are the impacts on the noise ordinance? That is the most important question. What are the impacts on the economy? Which I think is an important question. What is the impact on the neighborhoods and the community? Those are also important questions. If those three items get answered the correct way, then I think we have to have a good conversation about it. But I'm not going to take a position on that until we have all the facts and data.

**LBBJ:** What's the timeline on this? Because it seems like it's been a year and a half since a facility had been requested.

**Garcia:** I think it's almost done. I believe it gets released to the public in a few weeks.

**LBBJ:** And then there's going to be some town hall meetings by councilmembers?

**Garcia:** Listen, different councilmembers will do different discussions in their communities, but the important thing is to get it out to the public.

**LBBJ:** But it's not going to be delayed six months or a year? Once you have the study and the public has an opportunity to hear the facts and weigh in, over a 30-day period or so, the council should then be able to make a decision, we would hope, before the end of the year.

**Garcia:** I think this is a big enough decision where you need to have thoughtful discussion.

**LBBJ:** Seems like anything that has to do with the airport drags out for years.

**Garcia:** You also have nine councilmembers who are all interested in the topic and want to have discussions, so they will set a timeline that they think is appropriate. Are we going to discuss it for a year? No, I don't think anyone wants us to drag on for a year. So I think over the course of a few months after this is out, I think it's likely that the council will begin to debate it.

## The Marijuana Issue

**LBBJ:** What is your take on the marijuana issue as far as Long Beach is concerned?

**Garcia:** Well, my take and what I'm focused on now is supporting the city to ensure that, if voters choose to pass a variety of other measures on the ballot, there is appropriate revenue to cover our public safety and public health expenses. The city has put a measure on the ballot that is essentially a taxation revenue measure so that, if the other measures pass – the state measure and the city measure – then a fair tax rate is set on the sale, cultivation and manufacturing of both recreational and medicinal marijuana. And that's what will be in front of voters.

**LBBJ:** Does the state measure limit the number of shops?

**Garcia:** The state measure is not necessarily a regulatory land-use measure; it's broader than that. The city measure, that's the proponent measure, the [petition]-driven measure that's on the ballot, that is more of a regulatory ordinance, so that has some more regulatory functions. But that's not our measure, which focuses solely on the taxation of both medicinal and recreational marijuana.

**LBBJ:** So we have the state measure, the local initiative and the city's taxation measure?

**Garcia:** That's right.

**LBBJ:** If the state passes its measure, does the initiative then go away? How does that work?

**Garcia:** No. If the state passes their measure – a recreational measure – that means that recreational marijuana use would then be regulated in the State of California in a variety of different ways.

**LBBJ:** So we'd be like Colorado and Washington?

**Garcia:** I'd say that we'd be more similar to Colorado and Washington, but still different. It's still a different law in those states, but the answer to that would be yes. But that's up to the voters of California. If that were to pass, in that case, that gives the ability to cities to regulate their own ordinances, locally, inclusive of recreational use.

**LBBJ:** And if the petition-driven initiative passes?

**Garcia:** So let's say the state passes, and let's say the local initiative passes. That would allow, in that case, both medicinal and recreational marijuana dispensaries in the City of Long Beach.

**LBBJ:** So it's wide open?



"I love being mayor. I enjoy this job.

The Long Beach economy is booming. We have challenges to address with infrastructure and some public safety needs, but if you were to ask me, because this is a business publication, if you were to ask the general business community, I think people are feeling good about the future of the city."

**Garcia:** Right. I mean, we're focused on the taxation measure.

**LBBJ:** The petition-driven initiative, that's just medicinal, or is it also recreational?

**Garcia:** Remember, recreation is the state measure; the local measure is more of a land-use measure. It talks more to where they can go, how many you can have, some of those types of land-use questions.

**LBBJ:** Has there been any polling that you know of?

**Garcia:** Sure, but I'm not privy to their polls.

**LBBJ:** We're just wondering if it will pass or what it's looking like.

**Garcia:** You'd have to ask them.

**LBBJ:** We know that a group in Signal Hill just filed two petitions very similar to these that limit Signal Hill to nine facilities and puts a 10% tax on all transactions. Would it be a similar tax?

**Garcia:** I'm not familiar with Signal Hill's measures. The Long Beach city taxation measure, which, remember, is only taxing the marijuana, sets a 6% to 8% tax rate on medicinal; it sets an 8% to 10% tax rate on recreational. . . . Also, if you're doing cultivation or are on the manufacturing side, there's some taxation in there as well. That sounds like it's a little bit different than what Signal Hill is doing, but again, I think it's important that the city covers its costs.

**LBBJ:** We're talking about the potential of just huge amounts of money for the city.

**Garcia:** Well, we're taxing the sales and we're also doing a square footage fee . . . Our folks have estimated about \$13 million a year. And that's on the ballot.

**LBBJ:** That \$13 million potentially generated, would that be going specifically to . . .

**Garcia:** Police officers.

## Disaster Preparedness

**LBBJ:** Is Long Beach well prepared for a natural disaster?

**Garcia:** I don't think there's any city in the country that is very well prepared for a natural disaster. I think that we are as prepared as we can be, but part of being prepared for a natural disaster is not just the proactive security. Police, our contacts, the amazing work that's done by our agencies like the FBI and others, and the port security, making sure that the port's safe – all of those things are happening consistently. Our work with homeland security, that happens all the time. That's one part of preparing for natural disasters because they are anticipating things that could happen, how security systems [will work], who's talking to whom [and] what's the relationship in case something happens.

The other end of that is the preparation piece. You have to invest in infrastructure to make your city safer. Our older pipes are more likely to break. Libraries that haven't had their roofs replaced are more likely to fall in, in the case of an earthquake. City halls that have been pronounced structurally unfit, that will collapse in case of a major earthquake, need to be replaced and [that's] what we're doing currently. So I think we are investing in infrastructure and doing what we can on the prevention piece.

And then we work with our partners, our large partners like Cal State Long Beach and Long Beach City College, to host drills and to get people prepared and to do inventory. So we need to always do more, but it's scary to think what a major earthquake will not just do to Long Beach, but to the Southern California region.

## Climate Change

**LBBJ:** Along those same lines, how do you hope to make Long Beach a model climate-resilient city?

**Garcia:** We've done a lot. First, I talk about climate change and I talk about climate resiliency. It's not something that we've talked about in the past. . . . The planet is warming, it is impacting cities, and it's particularly impacting coastal cities. We have to recognize that's a fact. It's science. It's not debatable. It's not like maybe there are different opinions. So with that comes impacts to communities. This planet – and Long Beach – is going to, over time, get hotter. So what does that mean? Sea level will change. What does that mean? Those are things that we're thinking about.

Last year I got Jerry Schubel [president and CEO] at the Aquarium and other scientists and marine experts to put together a climate resiliency plan for Long Beach, which we have and we're continually adapting and making improvements on, and getting opinions on. So we're looking at that, we are working with groups at the [California] Coastal

Commission to build a climate resiliency program along the coast. Our immediate impact in the next few years is going to be heat. That's going to be the biggest challenge for us. Do seniors have cooling centers available to them? Those are important questions we need to think about for the future.

**Homelessness**

**LBBJ:** We saw statistics about homelessness in L.A. County, and Long Beach stood out as one of the highest numbers of homeless population . . .

**Garcia:** But not per capita probably.

**LBBJ:** We'll have to check. As homelessness continues to be an issue in Long Beach, what are some long-term solutions that you would like to see implemented in the city?

**Garcia:** Homelessness is a big issue for Long Beach and for a lot of urban centers. I'm anxious to complete our biannual homeless count to see where we are. Interestingly enough, our last homeless count showed a decrease in the number of homeless folks in Long Beach from the last count. But why I think people are sensing that there are more homeless is that downtown has developed and changed. A lot of our homeless community is actually pushed out into neighborhoods. So we're not sure if there are more or less. The data tells us from the last count that we have fewer. But, when we do this next count we'll really know.

**LBBJ:** When's that going to be? This year or next year?

**Garcia:** January. My sense is that there seems to be a particularly more transient population, but we'll know when the data comes out. It's a big issue and the biggest part of this issue is the mental health challenge. A lot of these folks don't want help, they don't want shelter, and, as you know, they have a right to not accept help or shelter. So that puts us in a very difficult position as a community, and we have to continue to do the best we can to provide them services, try to get them into shelters. We have open beds in the city for them.

People don't realize our quality-of-life units and police department and health department folks are out every single day talking to homeless individuals. There's not a day that goes by that we're not talking to people who are homeless, trying to get them help. It's just hard to get all of them to want to get help. So it's a combination of en-

(Please Continue To Page 34)



Trajan Perez



Glenn Mau



Grace Kim



Amy Powell

Miller Nash Graham & Dunn is a premier West Coast multiservice law firm, offering comprehensive, responsive, and innovative services to clients.

BUSINESS • REAL ESTATE • ENVIRONMENTAL  
ENERGY • LITIGATION • REGULATORY COMPLIANCE

MILLERNASH.COM

562.435.8002

**MILLER NASH GRAHAM & DUNN**  
ATTORNEYS AT LAW

Long Beach, CA | Portland, OR | Seattle, WA | Vancouver, WA | Bend, OR

# Hotel Maya Holiday Parties

Book & actualize your Holiday Party between now and January 16, 2017 to "Pick your Perk"

- Discounted Self Event Parking at \$5 per car, up to 100 cars (Valued at \$13 per car)
- Complimentary AV Package: Includes Projector/Screen (\$500 Value)
- Complimentary Sunday Brunch Certificate for (2) Guests (\$100 Value)
- Signature Welcome Beverage for 100 guests (\$630 Value)
- 100 Pieces of select appetizers (\$600 Value)

\*Select one "Pick your Perk" above

Offer Valid for Banquet Lunch  
Holiday Parties (any day)  
or Banquet Dinners held  
Monday-Thursday



HOTEL  
**MAYA**

A DOUBLETREE BY HILTON

700 Queensway Drive  
Long Beach, CA 90802  
562-481-3897 hotelmayalongbeach.com



**Venue Space Includes:**

- Tables, Chairs, Linens, Glassware, Flatware & China
- Staffing & On Site Event Coordinator
- Dance Floor, Podiums, Staging
- Décor Items: Complimentary Holiday themed centerpieces, votives, table numbers with stands & Christmas Tree in private space. Outdoor Venue Spaces include lounge furniture upon availability

\*Contracts must be executed by September 30th, 2016 to receive promotion. Valid for new contracts only.

(Continued From Page 33)

sure, rents may rise, but we need to consider the fact that people need places to live and people need opportunities to get their lives back together, and they need mental health assistance.

**LBBJ:** Are these individuals who are homeless potential workers?

**Garcia:** It's a mix. Imagine how hard it is to get a job if you're homeless. How do you get ready for an interview? How do you respond to e-mails for interviews? How do you find a job? We try to make these services available to all these people, but it's very difficult. We grind away at it every day. It's very sad to see what's happening.

## Queen Mary

**LBBJ:** When do you expect the Queen Mary Land Development Task Force to make its recommendations to the council?

**Garcia:** September 20.

**LBBJ:** How's that going to work? They come in, they make their recommendations and then what?

**Garcia:** Then the council adopts the guiding principles of the development, and then we move forward and the developers begin their process. It's been a great process. The folks on the task force have been fantastic. I think Urban Commons is a good developer, and we're supportive of them, supportive of the work they're doing inside the ship. They're investing \$15 million of private money to improve the inside of the ship, and we're excited about what they're going to bring forward in the development. . . .

**LBBJ:** So, once the task force does make a presentation to the council, will the task force continue to exist?

**Garcia:** That's something we need to talk about. The purpose of the task force was to present to the council and guide this community process, so their work there is complete. We'll probably have some discussions about whether there is still opportunity for them to weigh in on other parts of the project. But they certainly won't need to be as active.

## City Commissions

**LBBJ:** What are the Economic Development and Technology and Innovation Commissions doing? We don't hear too much about them.

**Garcia:** They have meetings every month and they're doing stuff every single month. Starting with the Tech and Innovation Commission, they've been working particularly over the last few months on our open data policy. They posted open data conversations across the city, including at the university [and] at Long Beach City College.

They are working on our master open data and portal work and policy, which is a lot of work. By the end of this year, we will be launching our master open data portal for the city, which will make an incredible amount of data available to the public, which we've never done in the past. We actually have a very poor open data record as a city if you look at what other cities are doing. That was the main task for that group. They're advising our new technology and innovation director on that, and they've also been working on some other kind of innovative platforms for constituent services that they've evaluated. They've evaluated all of our social media. All of our social media has dramatically increased, and our platforms and our technology for our apps, so those are some of the areas that they've been working on.

**LBBJ:** And the EDC?

The Long Beach Economic Development Commission has also worked on a variety of things. . . . It's an important committee that does a lot of the investment financing transactions and incentive packages. The main thing they're working on – and they've been working on it for the last few months, and it's finally at the point where I want it – is a 10-year economic development blueprint. The city has brought on a consulting group to work with them, and the consultant has interviewed a variety of people in the community. They're not done; they're continuing to do that. We hope that by December or January we will have the blueprint to present to the public.

**LBBJ:** Talk to us about the work of the port since Jon Slangerup has been in charge.

**Garcia:** I'm happy with it. I think Jon's doing a great job at the port.

**LBBJ:** Do you communicate on a regular basis?

**Garcia:** I do. I communicate on a regular basis with Jon and the harbor commissioners.

# What Are The Duties And Powers Of The Mayor And City Council? The City Charter Is The City's Constitution

The Long Beach City Charter is akin to the city's Constitution. It is the law of the land – at least Long Beach land, which encompasses 50 square miles and nearly half a million residents. The voters must approve any change to the Charter.

The city operates as a council-manager form of government, which means a nine-member, elected city council sets the policies. The city manager and his staff carry out those policies. Interestingly, it has always been perceived that city councilmembers are part time positions, but nowhere in the Charter do we find the words "part time."

The City Charter is very specific about the powers vested in the city council: "Except as otherwise provided in this Charter, all powers of the City shall be vested in the City Council."

The city council is responsible for hiring two individuals: the city manager and the city clerk. The positions of mayor, city attorney, city auditor and city prosecutor are filled by a vote of the people. The city manager is responsible for hiring the staff.

Again, the Charter is clear on that latter point: "Neither the City Council, nor any of its committees or members shall dictate or attempt to dictate, either directly or indirectly, the appointment of any person to office or employment by the City Manager, or in any manner interfere with or prevent the City Manager, from exercising judgment in the appointment of officers and employees in the administrative service. Except for the purpose of inquiry, the City Council, its members and employees of the Legislative Department shall deal with the administrative service solely through the City Manager, and neither the City Council, its members and employees of the Legislative Department shall give orders to any of the subordinates of the City Manager, either publicly or privately."

In other words, councilmembers do not tell city staff what to do. It is the responsibility of the city attorney, if necessary, to remind councilmembers to leave city staff alone and to work through the city manager.

What about the mayor?

Since 1988, the people of Long Beach have elected the mayor. There has often been confusion as to the role of the mayor. Because Long Beach has a council-manager form of government, the mayor's duties and power are limited. For example, the mayor does not have a vote, does not have the power to appoint city employees to positions, or – similar to councilmembers – direct the work of city staff. However, the mayor may express an opinion on issues before the city council and, in so doing, may use the office to influence outcomes.

The City Charter (Section 202) sets the mayor's duties as follows:

"The Mayor shall be the chief legislative officer of the City and as such shall have the power to veto actions of the City Council pursuant to and in accordance with the provisions of Section 213 of this Charter. The performance of the duties of the office of Mayor shall be considered as the full-time employment of the person occupying that office. The Mayor shall preside at meetings of the City Council. The Mayor shall have no vote, but may participate fully in the deliberations and proceedings of the City Council. The Mayor shall be recognized as head of the City government for all ceremonial purposes and by the governor for purposes of military law, but shall have no administrative duties other than those provided for in Section 207. The Mayor shall represent the City at large and utilize the office of Mayor to provide community leadership and as a focal point for the articulation of city-wide perspectives on municipal issues."

Once again, it's the responsibility of the independently elected city attorney to remind the mayor if he/she is overstepping the limitation of the office as set by the Charter.

Overall, the city's structure provides a system of checks and balances that has worked well. Problems usually occur only when the mayor or councilmembers exceed their authority. ■

– Publisher George Economides

**Education**

**LBBJ:** We know you want to talk a little bit about education.

**Garcia:** On the education front, there's a lot of progress. We've done the [Long Beach] College Promise as an organization. If you look at all of the education numbers, this city is doing great. And this is not just because the city has done it; our partners have done it. Cal State Long Beach is the fifth most-applied-to university in the country. Preschool seats are up: we've added 900 preschool seats. We've doubled the number of internships, which we said we would do. All of that is going really well. So the state of education in Long Beach and the city's partnerships is very strong, and we'll continue to grow. A success story for Long Beach has been education.

**LBBJ:** And we're losing a top-notch person [referring to LBCC Superintendent-President Eloy Ortiz Oakley].

**Garcia:** I look at it as a gain. Our loss here locally is a gain for the state. To have that kind of community college leadership at the state level . . . I have worked for and with Eloy at the college.

**LBBJ:** So there's no truth to the rumor that you want Eloy's job because it pays three times more than the mayor's?

**Garcia:** Is that a rumor? That's the first time I've heard it! (laughs)

**Charter Changes**

**LBBJ:** Since we're short on time, let's talk about future City Charter changes. We keep hearing rumors that you're interested in looking at a full-time city council or some kind of L.A. system. Is that something you want to talk about?

**Garcia:** That would be a rumor. Listen, people are always discussing the Charter. You discuss it all the time. Folks discuss it all the time. We have a couple of years to have discussions about what the government structure should look like. But I don't think it's broken. I don't think we're in a position where it's not working; I think it is working. Could it be improved? Possibly, but I think we'd have to do a lot of research to figure what exactly would work for Long Beach. So there is no proposal and there's not one that's being actively discussed, either.

**LBBJ:** Would you consider a mixed system like many cities are going to, where there are six council districts and three people elected at-large? That way, people would vote for four of the nine part-time councilmembers, increasing accountability and voter turnout.

**Garcia:** I don't know that that would be a better system than what we currently have, but I'm willing to entertain . . . if we decide to make changes to our structure, I want to entertain every possible change to see what could work or could not work.

**LBBJ:** We talked to the National League of Cities, and evidently many large cities have a mixed system and more cities are going to it. By having three citywide councilmembers, they could concentrate on the big citywide issues, while the others focus on district issues. After all, the port, the airport belong to all residents. Crime is a citywide concern.

**Garcia:** I think if we have a serious discussion about Charter change, particularly leading up to the 2018 election or whatever election in the future, I think we have to entertain everything. That is one idea of many ideas out there on how to reform government.

**LBBJ:** So, if that's case, before the 2018 election, you have to start thinking about that soon.

**Garcia:** If there are discussions about changing the Charter, I think that next year would be the appropriate time to start talking about it because there's plenty of time.

**LBBJ:** Anything else you'd like to discuss?

**Garcia:** I love being mayor. I enjoy this job. The Long Beach economy is booming. We have challenges to address with infrastructure and some public safety needs, but if you were to ask me, because this is a business publication, if you were to ask the general business community, I think people are feeling good about the future of the city. ■

**Brascia Builders, Inc.**

CA License # 860308



Live Nation Entertainment Lobby, Stage & Bar Remodel



Live Nation Entertainment Lobby, Stage & Bar Remodel



Live Nation Entertainment Lobby, Stage & Bar Remodel



Wiltern Theater Historical Restoration

A Leading General Contracting Firm Specializing in Healthcare, Hospitality & Commercial Construction. Our clients range from Local Businesses such as Beach Pizza to National Leaders in their respective industries including Live Nation, House of Blues & Marriott Hotels. Excelling in Fast Track & High profile Projects, our services include General Contracting, Design/Build & Construction Management

2801 E Anaheim Street | Long Beach, CA 90804  
(562) 576-0900 | www.BrasciaBuilders.com

ANNUAL FOCUS ON THE

Long Beach Westside Industrial Area

Publication Date: September 13

Advertising Space Deadline: September 8

Call Heather at 562/988-1222



Award Winning Designs  
Tenant and Center Signs  
Gateway and Landscape Displays  
Freeway Pylon Signs  
Master Sign Programs and More...

A business without a sign...  
Is a sign of no business



www.superiorsigns.com



# From Humble Beginnings To Health Care Giant: The Story Of Molina Healthcare's Corporate

■ By **SAMANTHA MEHLINGER**  
Senior Writer

In 1980, Molina Healthcare started with one Long Beach medical clinic dedicated to providing Medicaid patients access to primary care. If he were alive today, the emergency room doctor who founded the company – Dr. C. David Molina – would be “astounded” to see how the company has grown, his son and the company’s CEO, J. Mario Molina, M.D., told the Business Journal in his Downtown Long Beach office.

“My father never expected the company to get very big,” Molina reflected. But it has. The company now operates nearly 30 clinics; offers Medicaid, Medicare and health exchange plans in 12 states and Puerto Rico; and manages health care information systems for state governments. Its annual revenue in 2015 was about \$13.2 billion. In Long Beach alone, Molina Healthcare employs 8,000 contracted, part-time and full-time workers. And, according to Molina, the health care firm based in Long Beach is still growing.

“Originally, this was a family business, and he was just trying to take care of people who were having [health care] access issues,” Molina said of his father. As an emergency room doctor, the senior Molina often treated Medicaid patients who were unable to receive primary care because they

couldn’t find a physician who would take their government insurance coverage. He opened the first Molina Medical Center clinic in Long Beach’s harbor area in 1980 to help these patients.

“I remember when my dad bought the first clinic building,” Molina said. “We walked through it and it was a mess. [There were] leaves on the floor. I walked down the hallway, looked up and I could see blue sky. And I thought, ‘Boy, my dad has really lost his mind.’”

All five of David Molina’s children – whom he and his wife, Mary, raised in Long Beach near the state university – worked in the clinic at some point. “I worked in the clinic the first summer before I went off to medical school,” Molina said. “Janet and Josephine did a lot of the billing. . . . John has worked in the organization since high school,” he said. John Molina is now CFO of the company, but Janet and Josephine are no longer with the firm.

Also a medical doctor, sibling Martha Molina Bernadett’s first job coming out of residency was opening a new medical clinic for the company in Placerville, near Sacramento, according to Molina. “There was only one clinic up there that was seeing Medi-Cal patients and they had closed,” he recalled. “The county called us and asked us if we could open up an office, so we did. We sent her.” Bernadett is now chief innovation officer for Molina Healthcare and is the founder of The Molina Foundation, a

nonprofit aimed at reducing disparities in educational and health care access.

Until 1994, Molina Healthcare was operating as a medical group. “We contracted with the state to take care of Medi-Cal patients,” Molina said, referring to California’s Medicaid program. “Then the state said that they were no longer going to contract with medical groups – you had to be a licensed health plan,” he recalled. “That was what caused us to make the transition from being purely a medical group to being a health plan – an insurance company, essentially.” In 1994, Molina Healthcare became licensed as an HMO health plan provider.

David Molina’s vision to establish medical clinics from Southern California to Sacramento soon grew beyond these boundaries. Just before his death in 1996, the decision was made to expand the company into Utah. “What we learned is the problems that people have accessing health care, especially if they are low income or uninsured, are pretty much the same regardless of what state you’re in,” Molina said. In 1997, Molina Healthcare expanded its health plan into Utah and, later in the year, expanded into Michigan as well. In 2000, the company expanded into Washington.

Molina Healthcare now operates clinics in Florida, New Mexico, Virginia and Washington, in addition to California where its clinical presence is the largest with 19 locations. The company offers

health plans in California, Florida, Illinois, Michigan, Ohio, New Mexico, South Carolina, Texas, Utah, Washington, Wisconsin and Puerto Rico.

In 2003, the company went public on the New York Stock Exchange. In his office in downtown’s Molina Towers, Molina pointed to a frame on his desk. “In fact, this is the first share of stock we traded on the New York Stock Exchange the day we opened,” he said.

“We went public because we needed money to grow,” Molina explained. “As a health plan, you have a lot of cash that comes through your company. The state pays you, you turn around and pay the providers. But you don’t have a lot of assets. So we would go to the banks and say, ‘We want to borrow some money – we want to do an expansion.’ And they would say ‘Well, you have nothing to secure the loan.’ So for us to get access to capital, the best thing for us to do was go public.”

Going public has helped fuel the company’s growth and has provided the funding to acquire other health care firms in several states. Earlier this year, Molina Healthcare acquired Pathways, a behavioral health and substance abuse treatment provider with operations in 23 states. “We’ve grown from 500,000 members when we went public to 4.2 million members today. None of that would have been possible without being able to access capital through the public markets,” Molina said.



Executives of Molina Healthcare are shown at a meeting in the company's Molina Towers in Downtown Long Beach. Pictured, from left, are: Ann Koontz, senior vice president; Rick Hopfer, chief information officer; Lisa Rubino, senior vice president; Bob Gordon, senior vice president and senior advisor; Dr. Martha Molina Bernadett, chief innovation officer; Dr. J. Mario Molina, CEO; Joe White, chief accounting officer; and Karen Warren, vice president. (Photograph by the Business Journal's Larry Duncan)

Dr. J. Mario Molina and his sister, Dr. Martha Molina Bernadett, have been with Molina Healthcare since their father opened the firm's first clinic in 1980. Mario is now CEO, and Martha is chief innovation officer. She also founded the nonprofit The Molina Foundation, which is dedicated to reducing educational and health care access disparities among children. (Photograph by the Business Journal's Larry Duncan)

## Presence In Long Beach And Beyond

As part of the merger of insurers Aetna and Humana, Molina Healthcare is in the running to acquire about 290,000 of Aetna's members, Molina noted.

About 10 years ago, Molina Healthcare expanded to provide plans for Medicare patients. "What we were really interested in were patients who were on both Medicare and Medi-Cal. They're called dual eligibles," Molina said. "We were taking care of some of these people, and we were responsible for their Medicaid benefits but not their Medicare benefits. . . . We thought we really should get a Medicare contract so we could manage the full scope of benefits."

Molina Healthcare isn't just in the business of insurance and clinical care — in 2010, it became something of a tech firm as well. "Very early on, my father recognized that using computers and the ability to manipulate data was going to be very important in health care," Molina said. "He was one of the first doctors to start using computers here in Long Beach."

When the company got into the health plan business, it was necessary to keep track of a large amount of data electronically. "We were doing this for our health plans, and then we realized that state governments needed the same services and were using very similar systems," Molina recalled. "Every state has to have an information system for their Medicaid program."

In 2010, Molina Healthcare purchased a Medicaid information management company called Unisys. The firm managed Medicaid information systems for state governments — contracts that Molina took over through the acquisition.

Molina Healthcare's mission to provide health care coverage to low income individuals and those on government health plans set the company up to benefit from the implementation of the Affordable Care Act (ACA), according to Molina. Thanks to the ACA, Molina Healthcare has contracts with California and the federal government to provide care for dual eligibles, he said.

Some states have chosen to expand Medicaid coverage to new pools of individuals, which has also been beneficial for the company's growth. Additionally, Molina Healthcare takes part in ACA-established health care exchanges in nine states.

Last year alone, Molina Healthcare added 1.2 million members, and the company has already added about 700,000 new members so far this year — growth Molina attributes to the ACA. "The Affordable Care Act has given access to health care for a lot of people who didn't have it before, especially in states like California where you have seen expansion of Medicaid and you've seen the marketplace really flourish," he said. "We clearly wouldn't be as big as

we are now if it hadn't been for the Affordable Care Act."

While the ACA has enabled the company to expand its coverage and its real estate footprint with new and acquired offices and clinics, Molina said this growth presents a challenge. "How do you manage the rapid growth?" he asked. "The revenue numbers have been huge. We've gone from [having revenue] a couple of years ago [of], I think, \$9.6 billion, and this year we're going to do around \$16 or \$17 billion in revenue," he said. "It has been staggering." The firm now has 20,000 employees, with the largest concentration of employees in Long Beach.

Eventually, Molina said he expects the "hyper growth" that has characterized the first few years following the ACA's implementation to plateau. "But there are still lots of growth opportunities in Medicaid," he said. One such opportunity is in long-term care. "Medicaid is the largest payer of long-term care services in the country, and most of that is unmanaged. So there is an opportunity there as states begin to contract out with companies like Molina to take care of those services."

Over the past few years, Molina has continued to expand within Long Beach, where it is headquartered. "We have recently taken space in the World Trade Center because we just ran out of room here [in Molina Towers]," he said. Other

recently acquired office space includes two buildings at Pine Avenue and 6th Street and an office on Hughes Way.

Molina Healthcare is active in the Long Beach community in a number of ways beyond its business practices. Its internship program employs many California State University, Long Beach students — more than 50 in all since the program was started, according to a spokesperson. The company holds an annual free health-screening event and also gives out microgrants to local organizations that assist community members in need. The company runs a free public shuttle from North Long Beach to the Wrigley neighborhood to provide underserved areas with access to basic needs like groceries, pharmacies, laundromats and more.

The Molina family, which has had a presence in Long Beach since the early 1950s, continues to be active in the local community. Three of the Molina siblings — John, Janet and Josephine — still live here. John serves as chair of the board for the Aquarium of the Pacific, a position his older brother once held. The Molina Foundation distributes books to low-income children through various community organizations, Molina said.

"All of my siblings were born and raised here," Molina reflected. "All of us went to school here, and we're just very proud to be a part of the community." ■



Hofman Hospitality Group, parent company of restaurants Hof's Hut, Lucille's Smokehouse Bar-B-Que, Saint & Second and Mighty Kitchen, is a family affair. Pictured at the site of the original Hof's Hut, on 2nd Street in Belmont Shore, now the contemporary Saint & Second, is Craig Hofman (right) with his children. From left: Brad Hofman, director of marketing and operations; Ryan Hofman, director of construction and facilities; Ashley Pedersen, brand manager; and Dirk Hofman, executive bar manager for specialty concepts. (Photograph by the Business Journal's Larry Duncan)

**Y**ou would be hard-pressed to find a longtime Long Beach resident who hasn't heard of Hof's Hut – or Lucille's Smokehouse Bar-B-Que, for that matter. And it's no wonder – the Hofman family has been making their culinary mark in the greater Long Beach area for four generations now, beginning with a burger stand on the beach at 5th Place in the 1930s.

Run by the third and fourth generations of the Hofman family, the Hofman Hospitality Group (HHG), based in Signal Hill, traces its roots back to the little burger stand opened by President Craig Hofman's grandparents, Dirk, a merchant mariner, and Sjoukje, a Dutch immigrant. The company now runs a family of restaurants: the American home-cookin' Hof's Hut chain, the Southern-style Lucille's Smokehouse Bar-B-Que chain, Belmont Shore's culinary-and-spirits-driven Saint & Second, and a new sliders and "rollers" (the hot dog equivalent of sliders) concept called Mighty Kitchen in Los Alamitos.

Craig's father, Harold, grew up working summers at the original burger stand. When an injury derailed his budding basketball career, he decided to join the family business. Eventually, he decided to start a year-round enterprise, opening the first Hof's Hut in Belmont Shore in 1951. The Hofman family still owns the location, which today is the spot for one of its most recent concepts, Saint & Second – named for its address at the corner of St. Joseph Avenue and 2nd Street.

"I was born into the business – that's the story," Craig told the Business Journal in an interview with his son and marketing chief, Brad. "I was born the night Hof's Hut was opened in Belmont Shore." Back then, the joint was

"a little 15-stool restaurant," rather than the two-story eatery with multiple patios it is today.

"I grew up being a fountain boy – that was my first job when I was like 10 or 11," Craig recalled, earning laughter from his son, who told him he was dating himself with the soda fountain reference.

Craig's father died the same year he graduated from high school and left Long Beach to attend Arizona State University. His mother, Donna, took over running the business, which had expanded to five Hof's Hut locations. "After a couple years, she said . . . 'If you're interested in taking these [restaurants] over at some point, you really need to come back here and help me,'" Craig recalled. "So I left Arizona State, went to work for the company and finished my degree at Long Beach State."

The Hof's Hut brand eventually grew to 13 locations at its peak. Now, some have been converted to HHG's successful Lucille's Smokehouse Bar-B-Que brand, which has 22 locations in all. There are three Hof's Huts locations – Torrance, Los Alamitos and Long Beach's Los Altos neighborhood.

A Hof's Hut in Bixby Knolls suffered an extensive fire about a year ago, and Craig said it won't be reopened. "We went through a long, protracted battle with the insurance companies. After it was all said and done, we elected to give the space back to the landlord, and he's going to do something else with it," he explained.

Like their dad, Brad and his three siblings grew up in the family business. "It was kind of a requirement of our parents to work summers and get a taste for the business," he said. "I started at 13 as a front desk host at the Torrance Hof's Hut. And then it was every summer after that." Brad said he has always enjoyed working in the family business.

All the Hofman siblings continue to work at HHG. "My older sister, Ashley, is our brand manager, so she is respon-

sible for helping to maintain the look and feel of each of our restaurant concepts," Brad explained. Craig added that she also does graphic design and web content work.

"My next-youngest brother, Ryan, is an engineer, so he is our director of construction. He builds our restaurants and maintains them and is also our facility manager," Brad said. "Then my youngest brother, Dirk, is kind of a mixologist. He really spent a lot of time on the bar side, and he helped develop a lot of the recipes and the program at Saint & Second and our newest concept, Mighty Kitchen."

When asked how it feels to have his kids working with him, Craig responded, "Leave the room, Brad," making them both laugh. "It has been a great experience," he said. "It kind of reinvigorated me. I've been doing this for over 40 years, and to come in and have your children involved in the business and see them on a daily basis has been very rewarding. And seeing that they really want to take the business to another level has been a good thing."

In the 1990s, Craig started to look into creating a new restaurant concept. "I kept seeing more and more theme restaurants come online and do really well in the late '90s. And I just thought it was time to try something different," he said. "Then somebody who worked for me said, 'You know, when my parents come into town, I don't know where to take them for authentic barbecue. A lot of it is in places that I don't want to go at night, or they don't have a bar.'"

Craig decided to pursue the idea of a barbecue-themed restaurant and began taking trips to states throughout the South to get a feel for the food. He found that it was great food that Californians would love – but perhaps not the way it was often presented in the South in a very casual assembly-line style. "We upscaled the concept with cloth napkins, cloth wet wipes, a full bar and live entertainment," he said.

# A Family Affair: Hofman Hospitality Group's Local Presence Spans Four Generations

■ By SAMANTHA MEHLINGER, Senior Writer



In 1999, the Hofmans opened the first Lucille's at Long Beach Towne Center. "It has been the brand that has been the most expandable," Craig said. The concept behind the restaurant – "serving the best barbecue with the finest Southern hospitality" and in big portions – has made the brand "a hit," he said.

HHG currently operates Lucille's locations in Southern and Northern California, one in Tempe, Arizona, and two in the greater Las Vegas area of Nevada. The first Nevada location opened in 2004. "The Vegas market has been very good to us," Craig said. The Lucille's brand continues to expand, with the next location planned in Montebello. "We're continuing on an expansion program with Lucille's – just in the West at this point. We're not going farther than that," he noted.

A couple of years ago, HHG closed the Hof's Hut adjacent to Marina Pacifica Mall and relocated the Lucille's from the original Hof's Hut building to that location so they could pursue a new venture on 2nd Street. "What kind of prompted that was it was just such a unique building," Brad said. The two-story building allowed them to create an upstairs patio and two patios on the main level, as well as a bar that is open to both floors.

In 2015, HHG opened Saint & Second at the original Hof's Hut location. "The people around there have really embraced it because there are so many ways to go in there and enjoy [themselves], whether it's a drink or dinner downstairs or whatnot," Brad said. Craig said the restaurant is meant to be unique, with a creative beverage program and chef-driven food.

While Craig considers all the concepts developed by HHG successful, not all the firm's ventures succeeded. A recent foray into a pizza franchise, SPIN! Neapolitan Pizza, didn't pan out. "We were continuing to expand Lu-

cille's and I just thought it might be a good idea to hedge ourselves with more of a fast, casual concept not so geared to protein," Craig said.

"I found this concept in Kansas City called SPIN! Pizza that was doing really well and went back there and met with them," Craig recalled. "And we decided to do some test stores in California to see if it would work out here as a potential franchisee." HHG opened locations in Huntington Beach, Orange and Los Alamitos.

The competition was steep. "At the same time, everybody else was opening pizza places like Blaze [Pizza] and Pieology and PizzaRev," Craig said. "And they were kind of geared to more of the Chipotle model with less service. I think that was part of it. We got priced out of the marketplace a little bit. We were too expensive, and it just didn't take here in California like it did in Kansas City."

HHG pulled out of the franchise. Its Los Alamitos location has been converted to HHG's newest restaurant, Mighty Kitchen. The eatery opened just a few weeks ago. "It's brand new and it's a full-service restaurant, but it's kind of created around the slider food items," Brad said, adding that it also has a full bar.

The Hofmans have faced other roadblocks over the years. The Great Recession brought a "significant drop in sales," as it did for all restaurants, Craig said.

"The biggest challenges have been the mandates by government, whether it be Obamacare or the minimum wage or paid sick leave," Craig reflected. "The continual mandates that require us to raise our prices [while] trying to figure out how to still deliver that quality and value to our guests – and keep our business without raising our prices too much and losing business. It's a real tough environment for restaurants right now," he explained.

Brad said he hoped the Long Beach City Council would

decide to go with the state's minimum wage increase schedule instead of its more aggressive timeline. Craig agreed. "In my lifetime, I've never seen this kind of increase [to the minimum wage]," Craig said. "The real challenge is going to be as we keep these restaurants full service, to be able to employ the amount of people that we have and . . . [keep] our menu prices affordable for our guests." After delaying a vote on this matter on August 23, the city council has agreed to take up the issue at its September 6 meeting.

In all, HHG operates four locations in Long Beach, and Craig said he still sees the city as a good place to invest. Of HHG's 4,000 or so employees, approximately 600 work in the Long Beach area. "I don't have a negative feeling about Long Beach in terms of the business climate. I think it has got a lot of potential to get much better as things improve in the economy overall," he said.

Brad called the restaurant scene in Long Beach "more ambitious, more locally driven, more authentic and as good as it's ever been" since he came in to the business 12 years ago. The local restaurant industry has also shifted from a focus on retail center locations to being more neighborhood driven, he noted.

Craig shared the sentiment, chiming in, "There have been a lot of small restaurants that have come in with very authentic and different types of cuisine that are not chain driven. I think that that has been a plus to the community."

If Craig's parents could see the company today, they would look on it with pride, he said. In particular, "I think that they would be proud to have their grandchildren in the business. They would be excited that they have kept the business going all these years and have been able to make different modifications to brands to survive." ■

(Photograph by the Business Journal's Larry Duncan)

# Learn More About Some Of The Firms And Entities Doing Business In Long Beach And Signal Hill

(The following information has been provided by the company)

## Ace Hardware

Serving Our Community For 30 Years

“Ace is the helpful place,” they say. This couldn’t be truer for Tyler Barnes, owner of Long Beach Ace Hardware as well as Anaheim Street Ace Hardware. It has been 30 years now since Tyler opened his first Ace store on Anaheim Street near Temple Avenue. It wasn’t long before the Anaheim Street store became so busy that Tyler decided to open a second store located on Fourth Street in the Downtown East Village.

The two stores take a lot of pride in their unparalleled customer service, competitive pricing, and amazing convenience.

Besides basic hardware like plumbing, electrical, and tools, both stores carry many hard to find items that are specific to the older neighborhoods in Long Beach. If the item you are looking isn’t in stock, the staff is always happy to special order it.

Ace also provides many services for its customers. There is a full Screen Department that makes new screens or fixes old ones. There is also a Glass Shop where they can cut glass, fix broken windows, and order specialty glass. Ace also has a full Paint Department with computer paint matching. Our Key Department does key duplication and lock rekeying. Most of these services can be done on the same day.

A large portion of Ace business comes from commercial accounts such as apartment owners, property management companies, and business owners. Ace specializes in products and services that cater directly to property management. A customer can have custom screens made, paint color matched, and a lock rekeyed all in the same place.

Most of Ace’s loyal customers join the Ace Rewards Program. The Ace Rewards Program offers exclusive member benefits such as instant savings on rebates and money saving coupons. This is a great way to save even more over their already low prices.

Once people start shopping at Ace Hardware, they become loyal customers. They quickly get used to the amazing service, low prices, and incredible convenience. Come in and see for yourself why no other store can compete with Ace Hardware’s overall value! ■

## Bragg Companies



Scott Bragg

Founded in 1946 with just one crane, the Bragg Companies have grown into one of the largest integrated service organizations in the construction industry. In our 70th year of operation (and the fourth generation of family ownership), Bragg Companies has locations throughout California, Nevada, Arizona, Utah, and Texas. Bragg Crane Service, Bragg Crane & Rigging, and Heavy Transport are available 24/7 to provide a complete range of services, including structural steel erection, large-scale moving, and crane rental. As an industry leader in industrial construction services, Bragg Companies are

ready to assist with any project, large or small, and pledge to exceed your expectations in every aspect of safety and service.

Working together, Bragg Crane Service, Bragg Crane & Rigging, and Heavy Transport divisions combine to provide seamless solutions for the most complex projects. The comprehensive resources of all three core divisions can be used to integrate a simple, efficient, single source strategy that eliminates the need for multiple contractors.

Our experience on turnkey projects allow us to bring all elements of large scale projects together; from the most obvious requirements to the finest details, nothing is overlooked. Cranes, rigging, hauling, and engineering are combined to bring your projects from the design phase to project completion.

“The nature of our work at ULA spans a wide range both in scope and cost, from very small to very large. I consider that any company should be judged by the character and performance of their people and how they respond to their customer’s needs... The Bragg Companies has, in all aspects of their work, exceeded our expectations at the SLC-6 Launch Complex.” - John Nelson, United Launch Alliance ■

## Brascia Builders, Inc.



Mike Brascia

Brascia Builders, Inc. shares a building with the most infamous bar in Long Beach, Joe Jost, and we’re centrally located in the business district of Long Beach. Brascia Builders works as an extension of the community and our clients. Owner, Mike Brascia, has always made giving back and lending a hand a core value of the company and one that will be a long standing tradition. He currently chairs the advisory board for Community Hospital, volunteers time to the Long Beach Ronald McDonald House and donates to various organizations within the Long Beach community. We are a full service general contracting firm headquartered in Long Beach. Brascia Builders has successfully turned over several jobs in healthcare, hospitality, mixed-use, commercial and education. We are excited to announce that we will be starting a job for the Long Beach Unified School District within the next week and we look forward to any future projects with LBUSD. We share that same excitement as we’re wrapping up a job for Millworks in downtown Long Beach. Our focus is to work hand in hand with our partners in Long Beach to realize the cities long term development goals. ■

## Downtown Long Beach Associates



Kraig Kojian

We’re proud here at the Downtown Long Beach Associates (DLBA)—and not just of our organization and what it has done to contribute to a more vibrant downtown, but how DLBA has begun to attract the investment and development we need to make Long Beach as a whole better.

The discussion of higher-density development is one that will, no doubt, be at the epicenter of civic debates as cities across the nation grapple with increasing population and creating sustainable environments. All the while, this has to be balanced with intelligent urban design, expansion of transit services, and increased housing development.

For some, density is counter-intuitive when discussing community development; they feel that such development contributes to the worst aspects of human growth. In actuality, development contributes to economic diversity and benefits people across the board—and it’s

something that we as leaders need to discuss with our respective communities.

Study after study points to the fact that suburban sprawl contributes toward higher pollution, higher traffic, lower accessibility to housing, and lower standards of living—which is why Downtowns have become attractive to younger professionals and a pertinent part of the overall discussion of urban development.

Urban centers don’t revolve around individual wants but communal needs: the intelligent use of space, the promotion of and accessibility to transit options that lower the dependency on individual vehicles, and creation of a dynamic space that caters to both business-minded people as well as community-oriented people.

Downtowns prove that business and community are not antonymous in the discussion of higher-density development and, in fact, have to work with one another. The DLBA consistently caters to this ideal; that is why when we recently invited investors, brokers, and developers to look at the booming developments in the pipeline for DTLB’s future, we also invited civic leaders, small business owners, and community members to mingle.

We know that if the people who’ve already invested time and money into DTLB don’t have the chance to explore the context under which developers are developing, density can and will be detrimental. So as we foster partnerships, encourage interaction and dialogue before actions, we encourage all of Long Beach to do the same. ■

## FCI Management



Patricia Watts

Ms. Watts is the Founder, President & CEO of FCI Management. FCI provides expertise, knowledge and leadership to its customers by delivering innovative strategies and solutions in the energy and water industries. Creating a sustainable global environment means delivering energy efficient solutions ranging from lighting solutions to solar installations for both residential and commercial customers.

FCI works with most major utilities in California, with Southern California Edison, SoCal-Gas, and LADWP as major clients. Nationwide, FCI also works with a variety of utilities and municipalities. Corporate Clients include U.S. Bank, Lockheed Martin, Honeywell and a wide range of businesses investing in a sustainable environment. FCI’s focus is on marketing innovative technologies and energy efficiency strategies that lower energy costs for consumers while improving the quality of our environment by reducing the carbon footprint.

FCI offers energy audits and assessments, energy and water efficiency retrofits, lighting controls, weatherization programs, sustainable facilities management, electrical contracting, utility program management and training/education. Its most popular program is SCE’s Direct Install and FCI has been the prime contractor for Southern California Edison for years. In just this year, FCI has completed over 2500 retrofits in the city of Long Beach alone.

Expertise in energy solutions has allowed FCI to introduce two new services: Supply Management Services and FCI’s Maintenance Program. Supply Management Services is designed to help contractors navigate the complex world of the minority contracting system, while the Maintenance Program enables businesses in every industry save money and energy with preventive maintenance and replacement of lighting solutions.

With over 30 years of experience in the utility industry, Ms. Watts has held management positions in customer service, energy services, marketing, public affairs, and community relations.

Ms. Watts is an executive member of several boards such as VP of the Low Income Oversight Committee and Hall of Fame inductee for the

National Association of Women Business Owners. Last month, she was inducted into the inaugural 2016 Los Angeles Black Business Leaders Hall of Fame for her Excellence in Community and Philanthropy work. ■

## Grand Food And Beverage



Dan D'sa

For us it’s always been about the experience not just the event. With a history of over 45 years of hard work and service, we are an established catering company with old school values about timeliness, temperature and flavor with a modern, fashionable twist on presentation and menu design. Providing everything from a 10 person corporate continental breakfast to appetizers and dinner for a 1000 person black tie gala, Grand Food and Beverage prides itself on overall quality.

Although we have never counted on or expected repeat business, our main goal with clients is to establish long-term relationships. It’s that culture that has made us a stand out among a multitude of caterers and the reason we have been able to maintain many long-term clients.

You’ll never find us celebrating our past events; but instead using our resources to improve all our future ones. That mindset has forced us to work extremely close with our clients. What we’ve found is people don’t want the same old thing. So we’ve made a commitment to our clients and ourselves to make something better and more exciting. No matter the event size it’s always fun working with our clients to create something great. We truly love what we do. ■

## Holiday Inn Long Beach Airport Hotel And Conference Center

Style and comfort meets convenience and affordability at the Newly Renovated Holiday Inn Long Beach Airport Hotel and Conference Center.

Centrally located between Los Angeles and Orange County, less than one mile from Long Beach Airport, and amid an array of landmark corporations and venues, Holiday Inn is a premier hotel choice for business and leisure travelers from around the world.

With complimentary amenities, newly renovated guest rooms and lobby, and over 5,000 square feet of meeting and banquet space, Holiday Inn Long Beach Airport Hotel and Conference Center stands out as one of the best hotel choices in the area.

The Holiday Inn Long Beach Airport Hotel and Conference Center staff is committed to providing the best possible hotel experience for the greatest value in the region. Our Local Preferred Accounts programs and “GROUP” discounts support cost effective accommodations while providing an excellent hotel experience.

**GREAT YEAR-END GROUP DISCOUNTS** - Let us help you lower your travel expenditures! Book a group with 10 rooms or more from September 4, 2016 through December 31, 2016 and receive UP TO 25% off our Best Flexible Rate. (Subject to availability)

2017 Corporate Account Rates now available for qualifying accounts.

**COMING SOON** - VUE Bar and Restaurant located on Penthouse Level with spectacular city views.

## Hotel Maya

Hotel Maya Invests In  
The Community, Focus Of  
'Heart Of The House' Tour



Kristie Allen

Congressman Alan Lowenthal (D-CA) visited Hotel Maya – a DoubleTree by Hilton on August 17 as part of the American Hotel & Lodging Association's (AH&LA) "Heart of the House" hotel tour to build a relationship with Long Beach hotel employees and see firsthand what issues matter most to hotels and their employees.

As the most populous state in the United States, California hotels are an important segment of the state's economy, generating nearly \$8 billion in tax revenue. Additionally, many properties are small businesses, making up half of the jobs in the state. The hospitality industry intersects with many other industries, including transportation, restaurants, agriculture, manufacturing, and recreation, supporting nearly \$40 billion in total sales throughout the state.

"Supporting local businesses like Hotel Maya that invest in our communities, create life-long career possibilities and contribute to the economy serve as vital incubators to help strengthen the development and impending success of our communities," said Congressman Lowenthal. "While restoring the economy continues to be a top issue I fight for every day in Washington, it is encouraging to see the hotel industry's commitment to economic and community growth, while never losing sight of the people they employ and the guests they serve."

The tour was hosted by Hotel Maya's Vice President of Hotel Operations, Kristi Allen, and AH&LA's Vice President of Government Affairs, Troy Flanagan.

"Hotel Maya illustrates the unique culture of Long Beach where Latin American and Southern Californian styles meet. We proudly immerse ourselves into the community, whether as a job provider for local residents, a getaway destination for our guests, or a hub for local business meetings or weddings," said Allen. "We are grateful to AH&LA and Congressman Lowenthal for the opportunity to discuss the issues that matter to our industry, tour our property that reflects who we are as a business and as a Long Beach community partner."

AH&LA engages with members of Congress on the "Heart of the House" program, providing tours of hotels for members of Congress and staff, and offering an in-depth look at career opportunities and economic and community impact of the lodging industry. ■

## Luke Hiller, Inc.

Luke Hiller has 35 years of experience as a residential and commercial flooring specialist. He's worked on sensitive historic properties, including the Bembridge House, Rancho Los Cerritos, Rancho Los Alamitos, and other local homes with architectural significance. His team is committed to reclaiming, preserving and restoring vintage materials, but is well versed in all the new LEED certified engineered flooring systems.

Hiller's experience has provided him with an intimate understanding of the unique challenges and opportunities inherent in working on older homes. His skill at seamlessly blending new and old wood, and color matching, are unsurpassed. He's also one of a handful of artisans who craft custom staircases from scratch, and can perfectly integrate them into existing homes.

Hiller's company has the equipment and experience to tackle the largest commercial

flooring challenges. They are skilled in flooring demolition, surface preparation, and concrete polishing. They've recently completed work at the newly reopened Packard Motors Building, and were part of the team that undertook the massive flooring demolition of Southern California Mervyn's Department Stores. They also completed the polishing of 80,000 square feet of concrete at the historic Firestone factory in South Gate.

Hiller's company works with independent business owners, property management and commercial real estate companies, bringing their professionalism and experience to every job, no matter how big or small.

Luke is a certified inspector for the National Wood Flooring Association, which required extensive training, and rigorous testing. His reports are used to establish adherence to industry standards and manufacturer's product guidelines. His intimate understanding of the standards and guidelines assures that his work is of the highest quality. He's also a member of the United State Green Building Council.

Hiller is a long time Long Beach resident, and lives with his wife, daughter, and dogs on 4th Street, just a few blocks east of Retro Row. His love of community informs his commitment to using sustainable materials and practices. To schedule a project evaluation or estimate, please call 562-597-4252, or send a message to [info@lukehillerinc.com](mailto:info@lukehillerinc.com). ■

## Miller Nash Graham & Dunn

Picking A Law Firm That  
Works For Your Business



Trajan Perez

Law firms come in all shapes and sizes, and the key to retaining one that works best for your business is to ask the right questions up front. A small investment of time in selecting proper counsel can yield reduced costs and better legal outcomes. Here are

some key questions to ask and important steps to take when your business is ready to hire a law firm:

**Interview more than one firm.** Not all firms are alike and interviewing various firms will help your business find the right cultural fit. Use the interview process to determine the firm's philosophies, does it complement your values or not? A law firm that is well-versed in your business and your particular industry can be more effective than a firm hired quickly in the midst of a crisis.

**Probe for creative thinking.** Lawyers should be able to wear a 'business hat' when deciding how to respond to legal matters; for example, being able to identify opportunities for increased efficiencies. Asking how a firm would approach a legal issue can give your business valuable insight into how its work will be handled.

**Establish a budget.** Ask the firm what businesses need to consider when setting a budget for a given project or for a given piece of advice over the coming year. The right law firm will help your business determine a realistic budget, as well as help to identify ways to better manage a limited budget.

Taking the time to ask these questions will allow your business to determine its overall goals, create a budget, and set a standard for services received. Finding a law firm that understands your business needs is a necessary piece in a successful business strategy, particu-

larly when legal issues arise unexpectedly.

For more information, contact Trajan Perez, Partner-in-Charge of Miller Nash Graham & Dunn's Long Beach office. He is a litigation attorney with extensive experience in a broad range of matters including contract and commercial disputes, environmental, products liability, and more. He can be reached by email at [trajan.perez@millernash.com](mailto:trajan.perez@millernash.com) or by phone at (562) 435-8002. Visit us at [www.millernash.com](http://www.millernash.com). ■

## P2S Engineering



Kevin Peterson and Kent Peterson

P2S Engineering, Inc. is a consulting engineering, commissioning and construction management firm based here in Long Beach. As a firm, we are committed to innovative designs, sustainable solutions and high-quality energy saving services for clients, both locally and nationwide. In 2016, we're celebrating our 25th anniversary and we're doing it in style, growing and expanding the scope of our services, geographic reach and even the company office spaces. P2S is taking the wealth of experience, lessons, and knowledge gained during the last 25 years and applying them to help navigate the design challenges of the next 25 years.

As a leader in sustainable design, P2S is at the forefront of Net Zero Energy buildings, the future of buildings in California. P2S has designed a number of projects designated as Zero Energy Buildings. P2S can advise you on how to minimize your energy usage and costs.

P2S distinguishes itself with unique research clusters that develop high-end innovations for use in the built environment. These research teams are part of a corporate strategy emphasizing innovation as a means to retain a competitive advantage and we encourage employees to participate. P2S research clusters have resulted in numerous technology innovations that have led to new innovations and expansion into new markets.

We're a company with receptive management, strong core values and a renowned dedication to people and community. We work tirelessly to optimize efficiencies, save clients' money and help preserve the environment. In addition to our people driven company culture and research, P2S offers competitive compensation packages with premium benefits. Our offices are modern, sustainable work environments filled with amenities and perks because we want to ensure that employees feel at home and are empowered to do their best work every day. ■

## Queen Mary

Once a world-class ocean liner, the Queen Mary is now a full-service Long Beach hotel, historical landmark and entertainment venue, offering guests unique accommodations and a wide array of attractions that simply cannot be found anywhere else.

With an impressive history and tradition of excellence, the Queen Mary gives visitors a unique glimpse into a bygone era when steamships were the most regal way to travel, an experience that visitors will never forget. Marrying iconic tradition and modern technology, the Queen Mary has everything necessary to facilitate a flawless event experience and is one of the most unique meeting, conference and social gathering destinations in Southern California.

With over 80,000 square feet of functional meeting, exhibit, banquet and event space in 14 remarkable Art Deco salons, the Queen Mary provides an unrivaled authentic historical event experience and is the perfect place to host a cel-

ebration or social gathering of any kind. Conference rooms start at 522 square feet, perfect for smaller, more intimate setting; while ceiling height ranges from seven feet to an astonishing 130 feet in our 70,000 square foot Queen Mary Dome.

From corporate year-end-events to sorority or fraternity parties, anniversaries, baby showers and more, the Queen Mary is more than just an events venue - it's an entire experience. From historic tours, to paranormal attractions, shops, spa and various events, there are a wide variety of things to do and see while aboard the ship.

The Queen Mary's award-winning culinary staff creates innovative banquet cuisine for groups from 10 to 5,000 and even offers event goers the unique experience of enjoying the maiden voyage meal. Our chef's expertly recreate the meal that travelers ate in 1936 when the Queen Mary first set sail. Take a culinary journey with world-class meals from all over the globe.

When the Queen Mary epitomized luxury ocean travel, she raised the bar for customer service and satisfaction. Although the ship no longer crosses the Atlantic Ocean, our dedication to customer service has never wavered. From the moment you step onto our famed wooden decks to the moment you depart, we guarantee you will receive nothing but first-class treatment.

Transport yourself back in time aboard the legendary Queen Mary. ■

## Superior Electric

Superior has been in business for over fifty years. Our principal owners, Jim Sterk and Stan Janocha, combined have over 90 years of signage industry experience. Based in Long Beach, California, we are one of the largest privately owned custom signage fabricators in the western region of the United States, serving our clients nationally and internationally. Our client base, many of world class stature, is testimony to our company-wide dedication and commitment to meet and exceed our client's needs by providing quality workmanship and excellent service at competitive prices.

Our Long Beach facility sits on approximately one hundred thousand square feet of land. From this location we manage all aspects of sign production – including metal fabrication, plastic forming, custom painting, vinyl application, and digital printing. To complement our manufacturing capabilities, we boast a talented, award winning staff of on-site graphic art designers. In addition, our experienced installation crews and their fleet of trucks work to ensure timely completion of our projects. Finally, to fully meet the needs of our clients, our Service Department is available for all maintenance and repair work of interior and exterior signage and lighting, including parking lot lighting and LED conversions to aid clients in their ongoing effort towards "green" and efficiency. With over 125 employees Companywide, about 40 reside in Long Beach.

With such world-renown clients like Starbucks, CVS Pharmacy, McDonald's, Disney, Universal, and Denny's, we take an enthusiastic approach to their ever-changing business requirements, while meeting their strict quality standards and protecting their sensitive company information.

Over the years, we have dedicated ourselves to meet the production requirements of all of our clients. We take pride in the strong working relationships that we have developed with our clients. These relationships foster a special loyalty and an understanding that each and every job is mission critical. We believe that our proven track record, vast industry experience, and all-encompassing production capabilities gives us a distinct advantage over others. We are certain that we can meet the changing needs and expectations of all of our clients, not only regionally, but nationwide. ■



### Songyun "Steffi" Qian Aeroplex/Aerolease Group

Aeroplex/Aerolease Group, an aviation property management and consulting company, recently hired Songyun "Steffi" Qian to support the firm's marketing and social media efforts. Qian earned a bachelor's degree in aviation administration and a minor in business from CSU, Los Angeles. While there, she took courses from Curt Castagna, a professor and the president and CEO of Aeroplex/Aerolease. Castagna was impressed by "her high degree of integrity, responsibility and ambition," according to a company statement. Qian is a student member of the Southwest Chapter of the American Association of Airport Executives (AAAE). She served as treasurer of the student chapter of AAAE while studying at CSULA.

### Kathryn McDermott City of Long Beach

Kathryn McDermott, a business development and real estate professional with more than 30 years of experience, has been named interim director of economic and property development for the City of Long Beach. She replaces Mike Conway, who retired. McDermott is responsible for enhancing the city's efforts to grow business and overseeing the sale of redevelopment agency parcels and the city's lease with Urban Commons for the operation of the Queen Mary and development of the surrounding land. She has served as deputy executive director for the Port of Los Angeles, director of properties for the Port of Long Beach and real estate manager for Southern Pacific Railroad.



## The Guidance Center Celebrates 70 Years Of Serving Children And Their Families

September marks the 70th anniversary of The Guidance Center, a Long Beach-based nonprofit organization that provides free mental health services to underserved children and their families. The organization was founded in 1946 by concerned community members and employees of Seaside Hospital, which is now Long Beach Memorial Medical Center. The center, which started in the basement of the hospital, is now located in a 40,000-square-foot headquarters on Pine Avenue and operates clinics in San Pedro and Compton. The organization serves about 3,000 children and their families each year. "Our focus really is the most disadvantaged children and families in our communities. We're serving families that have very severe struggles," Patricia Costales, LCSW, CEO of The Guidance Center, told the Business Journal. These families are often low income and would not have access to mental health services without The Guidance Center, Costales added. The anniversary is being celebrated at the nonprofit's annual fundraiser, Sunset Sip, on September 10. Hosted by Los Angeles Kings alumnus Jim Fox, the event features a wine tasting contest, as well as live and silent auctions. Mayor Robert Garcia, Long Beach Police Chief Robert Luna, former Kings players and supporters of the center plan to attend. Sunset Sip takes place from 6:30-9:30 p.m. at the Museum of Latin American Art, 628 Alamitos Ave. Tickets are \$100 per person or \$175 per couple. For more information, visit [www.tgclb.org](http://www.tgclb.org). Pictured at The Guidance Center are, from left: Luis Maimoni, boardmember for The Guidance Center and a marriage and family therapist intern; Costales; Ana Perez, vice chair of the board and real estate consultant; and Shelley Reed, SHRM-CP (Society for Human Resources Certified Professional), director of human resources of The Guidance Center. (Photograph by the Business Journal's Larry Duncan)



## Assumption Of The Blessed Virgin Mary Greek Orthodox Church Donates Backpacks To Children; Annual Greek Festival Coming Up Labor Day Weekend, September 3-5, On Church Grounds

Children from the parish of the Assumption of the Blessed Virgin Mary Greek Orthodox Church recently brought backpacks to the church to donate to kids in need. For 10 years, the church has given backpacks full of school supplies to For The Child, a Long Beach nonprofit dedicated to preventing domestic abuse of children and assisting those who have been abused. Children from the parish brought backpacks for donation, as well as their own school bags, to the church to be blessed by Father Christos Kanakis, pictured at center. The church holds activities throughout the year to teach children about the value of giving, according to a church volunteer. The Assumption of the Blessed Virgin Mary Greek Orthodox Church is host to the annual Long Beach Greek Festival, which takes place Labor Day weekend, September 3-5, at the church, 5761 E. Colorado St. The festival includes food, drinks, vendors and entertainment. Parking is available at CSU Long Beach with free shuttle buses to the festival and back. For more information, visit [www.lbgreekfest.org](http://www.lbgreekfest.org). (Photograph provided by the Assumption of the Blessed Virgin Mary Greek Orthodox Church)

**Randy Campbell, Frontier Communications**



Frontier Communications promoted Randy Campbell to area general manager for the firm's beach cities operating area, which includes Long Beach, Huntington Beach, Palos Verdes, Torrance, Manhattan Beach, Redondo Beach and Santa Monica. He is charged with overseeing operations, community engagement and market growth. Frontier serves more than 500,000 households in the beach cities region. In his prior position as area manager for Verizon Communications, Campbell oversaw a team of 130 managers and technicians to establish video and voice services in the beach cities.

**Martin Bannon, Richard Martinez  
Grand Prix Association Of Long Beach**



The Grand Prix Association of Long Beach promoted Martin Bannon (top left) to director of marketing and sponsorship and Richard Martinez (bottom left) to manager of corporate sales. Bannon is succeeding Mike Clark, who retired after 11 years in the position. Bannon previously served as manager of corporate sales for 10 years and, prior to that, oversaw the Toyota Grand Prix of Long Beach's Lifestyle Expo. Martinez is taking over the position previously held by Bannon and is responsible for hospitality and group sales. He started with the association as an intern in 2008 and has since been involved in hospitality, Lifestyle Expo and group sales work.

**Hotel Maya Honors 40-Year Employees**

Two 40-year employees were honored by the Hotel Maya – a DoubleTree by Hilton Hotel on August 23 in the hotel's Jardin De Palmeras. Employees Vicenta Martinez (pictured below, left), a room attendant, and Celsa Gonzalez, housekeeping supervisor, were both hired in 1976. At the time, the hotel – then called the Queensbay Hilton – was just two years old. Kambiz "Kam" Babaoff, chair of Ensemble Real Estate Solutions, the firm that owns the hotel, presented the employees with plaques and bonus checks. "Rarely do you get a chance to honor long term employees, and to be able to share in the recognition of not one, but two 40-year employees is a remarkable opportunity," Babaoff stated in a post-release. "We are very proud of their service and grateful for their time throughout all these years. It's a pleasure to be with them on their special day." (Photograph provided by the Hotel Maya)



**Eckart Preu Chosen New Symphony Music Director**

Eckart Preu has been selected as the Long Beach Symphony's new music director. The maestro's three-year contract as the new conductor begins with the 2017-2018 season. In the interim, he is serving as music director designate and is returning to conduct "The Sorcerer's Apprentice" on February 4 at the Terrace Theater. Tickets go on sale on September 10. Preu was chosen after a two-year search by the symphony. He was one of nine guest conductors who led symphony performances during that time. Preu is also music director of the Spokane Symphony in Washington, a role he will retain. He is stepping down from the same position with the Stamford Symphony in Connecticut. "In Eckart Preu, I have found a partner who shares a vision for a future that will deepen our programming, provide greater access to more residents and further our artistic excellence," Long Beach Symphony Executive Director Kelly Ruggirello said in a news release. Preu holds a masters degree in conducting from the Conservatoire National Supérieur de Musique. He has also served as music director of the Orchestre International de Paris in France and as assistant conductor for the American Symphony Orchestra. Preu was born in Erfurt, a town in East Germany, and currently lives in Spokane with his wife and two daughters. (Photograph provided by the Long Beach Symphony)



**Grocery Outlet Bargain Market Opens On 7th Street**

Grocery Outlet Bargain Market, an "extreme value" grocery store, is now open at 1340 E. 7th St. in the city's 2nd District. The location was formerly a Fresh & Easy grocery store. This is the second Grocery Outlet store to open in Long Beach in the past year – the other is on Spring Street in East Long Beach. The brand has 250 locations in six states, all of which are owned and operated independently. At a ribbon-cutting event on August 25, store owners Steve Uhrinak and Karie Stepanski donated \$2,000 to Precious Lamb, a preschool for local homeless children, and \$1,000 in food and groceries to the local food bank, Food Finders. Stepanski and Uhrinak are pictured with their daughter, Emily, giving a check to Precious Lamb Executive Director Lailanie Jones (right). (Photograph by the Business Journal's Larry Duncan)



**Charlene M. Fontenot Named President of National Council of Negro Women – Long Beach Section; Clothing Giveaway September 10**

Charlene M. Fontenot was recently named president of the Long Beach Section of the National Council of Negro Women (NCNW). Fontenot, a Long Beach native, has served as a boardmember and committee member for the organization for 10 years. The Long Beach Section of the council was formed in 1966, making it one of the oldest nonprofit African-American service organizations in the city, according to an NCNW statement. Programs the organization has supported over the years include the Black Infant Health Project, Bethune Transitional School, Camp Fire Girls, Harbor Area Halfway House, Precious Lambs and many others. The nonprofit is holding its 3rd annual free clothing giveaway on September 10, 8 a.m. to noon, at Martin Luther King Jr. Park, 1950 Lemon Ave. Limited school supplies will be available at the event as well. (Photograph by the Business Journal's Larry Duncan)

**Gems & Jewels Opens Second Long Beach Store – This One In Belmont Heights**

Local married couple Lourdes Valles and Jeffrey Winnick have opened a second location of their jewelry retail and repair store, Gems & Jewels Fine Jewelry. The new store is at 3403 E. Broadway in Belmont Heights. The first Gems & Jewels, which Winnick manages, is on Atlantic Avenue in Bixby Knolls. The new location at the southern end of the city allows access to a different market, according to Valles. She and Winnick chose the spot on Broadway just off of Redondo Avenue because they liked the relaxed, small-town vibe of the business corridor, she said. In addition to offering a selection of fine jewelry and Swiss watches at the location, Gems & Jewels also provides jewelry repair and restoration services. Valles recently completed the Goldman Sachs 10,000 Small Businesses program, which "teaches you how to be a disciplined business owner," she said. Participating in the program inspired her to grow her family business and create more jobs in the community. For more information, visit [www.gemsandjewelsfinejewelry.com](http://www.gemsandjewelsfinejewelry.com). (Photograph by the Business Journal's Larry Duncan)



# City Council: Go With State Minimum Wage Law – Let’s Not Hurt Long Beach Businesses

■ By **GEORGE ECONOMIDES**  
Publisher’s Perspective

At the September 6 Long Beach City Council meeting, elected officials plan to vote on which version of the minimum wage law local businesses must follow (refer to chart). The Long Beach ordinance requires businesses to pay a higher minimum wage one year faster than does the state law.

The question is, will councilmembers give local businesses a level playing field by using the state law, or penalize them for being located in our city? If they choose the latter, they need to explain why beyond “that’s what L.A. and a handful of other cities are doing.”

During the first year, the hourly mini-

imum wage required by both the state law and city ordinance is the same for businesses with 26 or more employees: \$10.50 per hour, up from the current \$10 per hour, which went into effect this past January 1. Small businesses and nonprof-

its with 25 or fewer employees are given an extra year to comply.

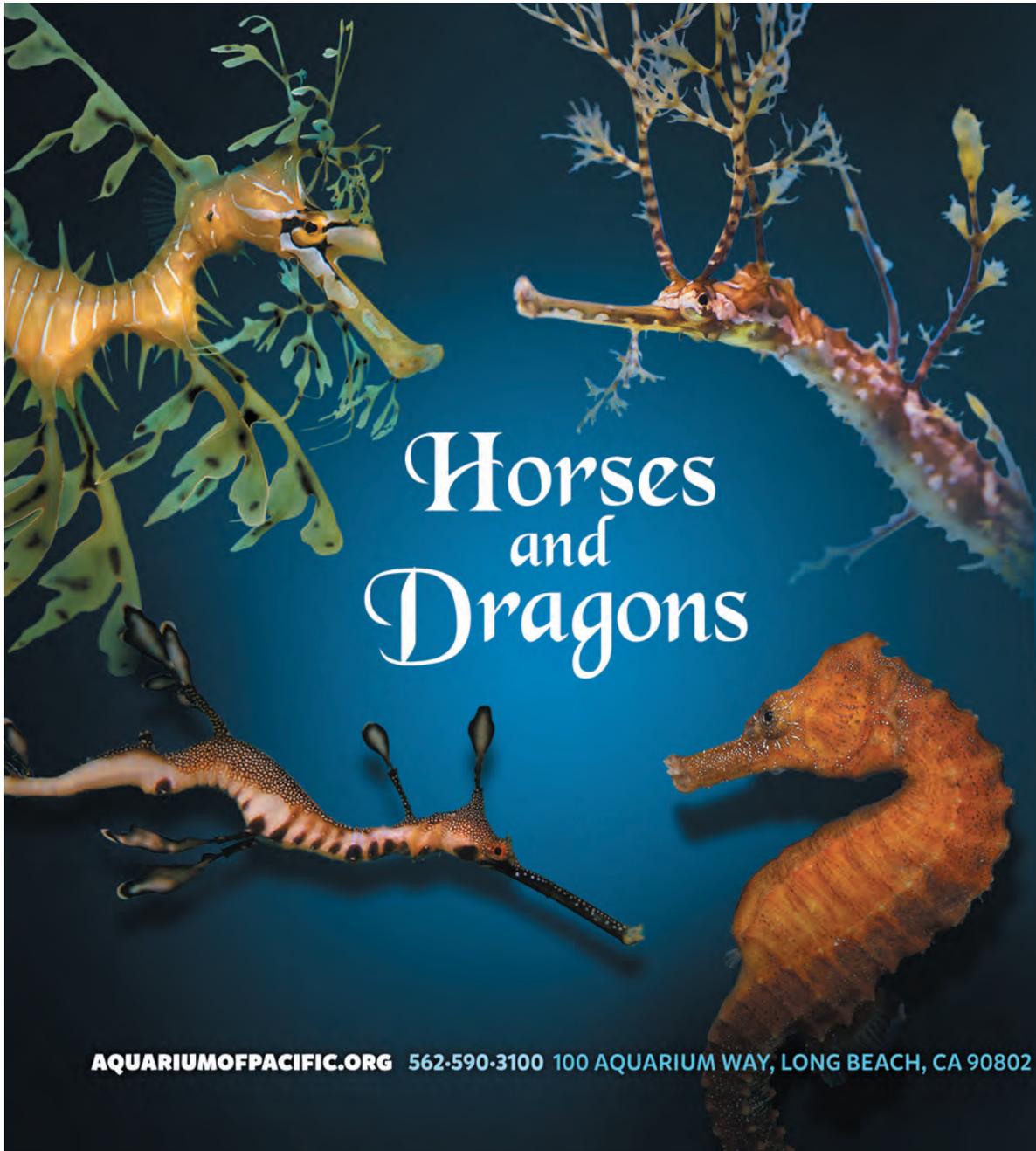
However, the real impact for smaller businesses and nonprofits hits on January 1, 2019. That’s when the Long Beach ordinance jumps an additional \$1.50 per hour

– from \$10.50 to \$12 – while the state law increases by only 50¢ to \$11 an hour. That’s a 14.3% jump under Long Beach’s ordinance and only a 4.8% increase under the state law. That’s a significant disparity.

(Please Continue To Next Page)

City of Long Beach	State of California
<b>Medium &amp; Large Business (26 or more employees)</b> January 1, 2017 wage increase \$10.50 January 1, 2018 wage increase \$12.00 January 1, 2019 wage increase \$13.00 (Supplemental study and pathway to \$15) January 1, 2020 wage increase \$14.00 January 1, 2021 wage increase \$15.00	<b>Medium &amp; Large Business (26 or more employees)</b> January 1, 2017 wage increase \$10.50 January 1, 2018 wage increase \$11.00 January 1, 2019 wage increase \$12.00 January 1, 2020 wage increase \$13.00 January 1, 2021 wage increase \$14.00 January 1, 2022 wage increase \$15.00
<b>Small Business &amp; Nonprofits (25 employees and under)</b> January 1, 2018 wage increase \$10.50 January 1, 2019 wage increase \$12.00 January 1, 2020 wage increase \$13.00 (Supplemental study and pathway to \$15) January 1, 2021 wage increase \$14.00 January 1, 2022 wage increase \$15.00	<b>Small Business &amp; Nonprofits (25 employees and under)</b> January 1, 2018 wage increase \$10.50 January 1, 2019 wage increase \$11.00 January 1, 2020 wage increase \$12.00 January 1, 2021 wage increase \$13.00 January 1, 2022 wage increase \$14.00 January 1, 2023 wage increase \$15.00

Once the minimum wage hits \$15 an hour, state legislation calls for future increases tied to the Consumer Price Index (CPI). However, if the state economy is stagnant, the increase can be delayed. The city ordinance is not tied to the CPI.



## Horses and Dragons

**AQUARIUMOFPACIFIC.ORG** 562-590-3100 100 AQUARIUM WAY, LONG BEACH, CA 90802

ONCE UPON A TIME there lived fantastical creatures beneath the ocean... seahorses and seadragons that defy imagination. What tales about them await your discovery? Visit **Horses & Dragons** and learn the truth about these beautiful and fascinating animals.



D-NP8

**\$8 Off Adult Admission**

Present this coupon at the Aquarium ticket window and receive \$8 off regular Adult Admission. Limit (4) discounts per coupon. Not applicable with online tickets or any other offer. Not valid at off-site sales locations. Distribution or resale of this coupon is prohibited. No cash value. Valid through 9/30/16.

*Aquarium  
of the Pacific*

If councilmembers stick with the local ordinance, the result will be that, over a three-year period – from December 31, 2015, when the minimum wage was \$9 per hour, to January 1, 2019, when it goes to \$12 an hour – Long Beach small businesses will have been hit with a 33.3% increase in the minimum wage. When the cost to match social security (6.2%) and Medicare (1.45%) are added in, plus workers' compensation costs, which are based on salary, the impact is nearing 45% in three years. That is a job killer.

Keep in mind that businesses with 26 or more employees – nearly all of which are also considered small businesses –

will see the same percentage increase a year sooner.

There is little doubt most small and mid-size businesses will not be able to absorb that type of payroll increase. Since most local businesses compete with firms in nearby cities such as Signal Hill, Lakewood, Los Alamitos, Seal Beach, etc., simply raising prices is insufficient. According to small business owners, they will have little choice but to reduce staff and cut work hours.

Some councilmembers, and possibly the mayor, will point out that the city and county of Los Angeles have their own ordinance that also is higher than the state's. In fact, there are 28 other jurisdictions in

California with their own minimum wage ordinances – half of which are similar or higher than Long Beach's. But, there are approximately 460 cities in California that follow the state law.

Another argument to go with the state law is that 75% of the Long Beach workforce does not live in the city. That means most worker paychecks are not spent here, so the city's ordinance doesn't benefit the city or a majority of its residents.

Lastly, long Beach taxpayers will be forced to pick up the hefty tab for education and enforcement. The Fiscal Year 2017 budget states on Page CM6: "The proposed budget includes \$475,000 in one-time funding to implement the local Minimum Wage

should the City Council pass a local minimum wage ordinance, in addition to the existing new State minimum wage law. This implementation will provide initial education and enforcement for failing to properly implement any new City ordinance."

The city council's priorities seem questionable: \$475,000 to implement an unneeded ordinance when they could use that money towards hiring three to four police officers? What do you think?

Using the Long Beach ordinance is unnecessary and hurtful to our small business community, which makes up 95% of all city businesses. Councilmembers who support the city ordinance should be considered anti-business. ■

## Inside City Hall

### If You Can't Measure It, You Can't Manage It: Part 1



By GERRIE SCHIPSKE

Even the most basic management course contains information about the importance of organizations utilizing performance measures to determine efficiency, cost-effectiveness and quality. Quite simply, without these measures, it is difficult to appropriately align staff and financial resources.

As the city council of Centennial, Colorado, stated in its Performance Management ordinance: "Performance measurement and reporting systems are the basis for providing accountability to the public, determining whether quality services are being provided at a reasonable cost, facilitating City Council decision-making and communication with citizens, improving City Management and service delivery, and enhancing citizens' understanding of government performance."

In a continuing era of scarce financial resources, cities throughout the U.S. are utilizing ongoing performance measurement as a tool to make certain that they are meeting their goals and spending taxpayer money effectively. Without these measures, there is no way for management (or the public) to know if the programs and services provided are effective or even necessary.

I was recruited to Long Beach city government in the late 1970s by City Manager John Dever, who was insistent that city departments be held accountable. He instituted "Total Performance Management," which utilized an ongoing process to set goals and to measure performance for each department. This process was especially helpful when Proposition 13 passed. Dever was able to move quickly to pare down the size of city government to be in line with reduced property taxes.

Fast forward to 2006 through 2014 when I served on the city council. My constant call for performance measures fell on deaf ears or, more precisely, was laughed off as "too expensive to implement."

Sadly, the current budget is no different from the budgets given to the council when I served: there are no meaningful performance measures included and the ones that are included are the same three to four included since 2006. Let's look at the big three: fire, police and public works.

Fire, with a \$106 million dollar budget, has three performance measures: response time to structure fires; response time to dispatch calls; and percent of fires confined to room of origin. Where are the performance measures concerning fire inspections, ambulance transport rates, costs per transport, safety plan checks, hazardous materials contained, arson investigations, etc.? And, most importantly, where are the measurements concerning response times for paramedic and medical service calls?

The budget for police is \$216 million and contains three measures: average response time to priority 1 calls; violent crime rates; and number of calls for service responded to. What about all felony crimes and property crimes? Where are the measures for traffic safety? How about total civilian complaints, lawsuits filed, payouts?

The budget for the public works department is \$177 million and has four measures: number of square feet of sidewalk repairs; number of potholes filled on a monthly basis; number of traffic safety and parking investigations completed; and city's waste diversion rate. How about the number of projects completed on time and under budget? Where are the data on how many streets, curbs and sidewalks still need repair? How about maintenance for city facilities? Or what about the number of vehicles in the fleet and how quickly are they repaired? How about measures on the many, many things this department does?

Where are the measures in any department of the rate of citizen satisfaction with the services provided?

There continues to be no meaningful performance measures in spite of City Auditor Laura Doud continuing to expose management inefficiencies with taxpayer dollars.

Next column, let's look at what other cities are doing to measure and manage performance.

(Gerrie Schipske was elected to both the Long Beach Community College Board of Trustees and the Long Beach City Council. She is the author of several books on Long Beach history. Her blog is [www.longbeachinside.blogspot.com](http://www.longbeachinside.blogspot.com).)

## Trade And Transportation

### Trade And Transportation Literacy



By TOM O'BRIEN

The trade and transportation industry offers tremendous opportunities to young people in our region. Our role as a leading trade gateway means employment opportunities in a wide range of fields; and our relative proximity to trading partners in Latin America and Asia creates a demand for skilled personnel who not only know how the supply chain works but also how to navigate the political, social, economic and cultural differences among and between trading partners.

Language plays a big part in this. More doors will be open to job applicants with knowledge of a second or even a third language. And we are increasingly a linguistically diverse nation. America's foreign population has grown from just 10 million in 1970 to more than 42 million today; and roughly one-fifth of Americans speak a language other than English at home. There are close to 200 languages spoken in the greater Los Angeles area according to the Census Bureau, a figure second only to New York's among the 15 largest metropolitan areas in the country. Of the 35.3 million people in the State of California over five years of age, 15.35 million speak a foreign language at home.

The Millennial generation is even more diverse than the general population. According to the U.S. Census' 2014 American Community Survey, one in four Millennials speaks a language other than English at home. In New York, New Jersey, Texas, New Mexico and Nevada, that proportion increases to one in three. In California, fully one-half of all Millennials speak a language other than English at home.

We've looked at the role that language plays as part of our research at the Southwest Transportation Workforce Center (SWTWC) at California State University, Long Beach. SWTWC's study area is an eight-state region stretching along the U.S.-Mexico border from California to Texas and including Nevada, Oklahoma, Colorado and Utah as well. Our analysis of the transportation labor market in the region indicates that, in addition to employment opportunities in the trade sector, there will also be tremendous growth in other transportation sectors. This includes a 22.6% increase in demand for transportation and operations engineers by 2022 and a 13.5% increase in rail-related operations positions over the same period.

For the next generation workforce, readiness for these positions will depend upon a range of skill sets that include those often grouped together as the STEM disciplines. But language also plays a critical role. Surveys of employers often reveal concerns about the lack of soft skills that new hires exhibit. These skills include basic communication, both oral and written. Language learning helps develop these skills. And when we talk about language development, we shouldn't forget that what we learn in English language class is also integral to success on the job.

Innovative educational programs increasingly contextualize the learning process so that students have an opportunity to develop discipline-specific knowledge while they are learning languages. This may mean using on-the-job training manuals in the English-as-a-Second-Language (ESL) classroom or asking English students to write critically about transportation-related topics.

It also means paying close attention to digital literacy. Communication these days is increasingly mediated through electronic channels. How to effectively use these channels is another challenge that new entrants to the workforce will face, and we should not assume that a generation raised on computers always knows how to use them on the job.

All of this increases the complexity of the workforce development process and places added responsibilities on those of us in the education sector who prepare students for the workplace. Making the most of our comparative advantage as a region, including our diversity, depends upon harnessing the efforts of the education community in concert with industry. Only in working together can we both identify the skills needed by employers and assess our effectiveness in producing graduates with those skills.

(Dr. Thomas O'Brien is the executive director of the Center for International Trade and Transportation at CSULB and an associate director for the METRANS Transportation Center, a partnership of USC and CSULB.)

## Education Guest Commentary

### The LAB Learning Space: Education Reimagined In Downtown Long Beach

By STEVE CHESSE

The LAB Learning Space (LAB) is a new learning community for students and parents looking for education alternatives. According to LAB Executive Director Dr. Lyndee Knox, it is modeled after the Khan Lab School (<http://khanlabschool.org>), founded to develop new, personalized learning practices for each student. Knox says, "The LAB Learning Space represents the first replication of the Khan Lab School concept outside of Silicon Valley." She adds that they offer a cutting edge education to everyone, regardless of ability to pay, and hopes to get community support in order to make the program accessible to all.

#### What's Different?

U.S. Secretary of Education Arne Duncan identifies personalized education as vital to the future of education and, according to Knox, the LAB is there now. They don't use traditional tools like homework, or benchmarks like grade levels and grades. Instead the program is mastery-based and provides personalized support for each child using a combination of online instruction and project-based learning. "Our model is not the 'Sage on the Stage,' but the newer idea of 'Guide by the Side' where teachers help facilitate students in building the skills they need to be autonomous learners," Knox says. Students are in grade equivalents 1-8, and share the same classroom.

Students who experience difficulties with a subject have the opportunity to practice more until they reach the required level. Students who are working at more advanced levels can move forward as they desire, and not be tied to the requirements of their particular grade level.

**Accountability.** The LAB uses the i-Ready diagnostic tool to measure student progress in reading and math three times a year, and identifies students' strengths and needs. Other assessments are used for science and social science courses. The LAB also uses an Independence Progression tool, which measures seven areas of competence at five levels, ranging from Early Independence to Career Ready. The LAB is affiliated with Inspire Charter Schools, and graduating students are academically qualified for admission to any high school.

**Parents and students agree.** Students who are having difficulty learning in traditional education environments or who are not being challenged, thrive at the LAB.

"My son, Ty, is 11 years old and in the 5th grade. When he started at The Lab in January he was 1.5 years behind in math and worried he would not be ready for middle school. Now, in May, not only is he approaching graduation completely up to speed, he is confident and happy." Tova P.

"I think I have learned almost a grade's worth of information in half of the year . . . I have fun with my teachers and my friends." Ty P., student

"It is great to see a program that lets kids learn at their own pace and allows them to move to the next level upon mastery of new skills not depending on age or grade levels." Cece H.

#### Going Forward

The LAB is in the 900 block of Pine Avenue, a few blocks north of Restaurant Row but far removed in socio-economic terms. Knox says the LAB hopes to serve as an "anchor business" helping to revitalize the Pine Avenue corridor, and offers its facility as a public space after hours. The LAB enrolled its first class of 18 students in the winter of 2016, and expects to enroll 35 students in September for the 2016-17 academic year. Looking ahead, Knox says "Our approach is radically different because we provide a personalized approach to every student. We are early adopters of innovation: the future direction of education."

(Steve Chesser is a consultant for local non-profit organizations.)

## Small Business Dollars & Sense

### Small Business Optimism Up Slightly In 3rdQ



By BEN  
ALVARADO

Our latest Small Business Index score increased slightly to 68 in July from 64, representing the highest optimism reading since January 2015. Small business owners also reported an increase in the ease of obtaining credit, 36% saying that it was somewhat or very easy for their company to obtain credit over the past 12 months – the highest reading on this measure since the fourth quarter of 2008. Small business owners' rating of their company's cash flow over the past 12 months improved in July, as 60% rated their company cash flow as very or somewhat good, compared to 55% last quarter.

In the July survey, small business owners were asked about the 2016 presidential election campaign. When asked how well they understand the candidates' positions on issues that would affect small businesses, 54% said extremely or very well and 33% say they feel the candidates are discussing the issues most important to them as a small business owner. Ninety-two percent of small business owners report they are following the election very closely, compared to the general population at 40%.

Small business owners also were asked about the types of payments their businesses accept, with check and cash being the top methods (90% and 72%, respectively.) Other top payment methods accepted include:

- Mailed payment via printed check from a bill-pay service (53%)
- Credit or debit card at point-of-sale terminal (42%)
- Digitally, via Electronic Funds Transfer (42%)
- Credit or debit card via a mobile point-of-sale terminal, such as Square Reader or PayPal Here (30%)

Similarly, when it comes to paying bills for their business, most small business owners pay by check, either in person or by mail (91%), by credit or debit card at a point of sale terminal (69%) or digitally via Electronic Funds Transfer (63%).

Business owners who currently use point-of-sale credit card systems also were asked about their acceptance of EMV chip-enabled cards. (EMV is the worldwide technical standard for credit and debit cards based on chip card technology.) The survey found that a majority of these business owners (51%) now report that their systems are EMV chip-enabled, compared to 31% when the question was first asked a year ago, and to 48% when it was asked in January 2016.

When business owners were asked to identify the most important challenges facing their business today, 14% cited attracting customers and finding new business as the top concern. Government regulations were the second most frequent mention at 12%, followed by the economy (12%), and hiring and retaining quality staff (11%). These challenges have been consistently reported as the top concerns of small business owners since early 2013, although the order of concerns shifts from quarter to quarter.

These Small Business Index scores show that, while small business owners are more optimistic about their businesses today than a year ago, many remain uncertain and cautious about what lies ahead. After several years of slow and gradual improvements in the business arena since the Great Recession, business owner perceptions of cash flow, revenue, and their business's financial situation had been on the upswing; however, this trend seems to have plateaued. In this election year, business owners are watching the elections closely, looking for solutions that will allow small business to thrive.

(Ben Alvarado, a 25-year veteran of Wells Fargo, is the president of the bank's So. Calif. Region, which stretches from Long Beach to Orange, Imperial and San Diego counties.)

## Effective Leadership

### E-mail Insanity: 4 Guidelines For Staying In Control



By MICK  
UKLEJA

In 2016 there are over 3 billion Internet users globally – almost half the world's population.

No business, industry, government, university, or person can ignore it. Along with this has and will come great misunderstandings and abuses. Fast pace change does this. In fact, it has so ingrained itself into our daily lives that consumers are

willing to give up alcohol (73%), coffee (69%), exercise (43%), sex (21%), cars (10%), and showers (7%) in order to keep their Internet access. These statistics are global.

There are advantages technology provides – but only if we stay master and not servant. Every advantage can turn into a liability if not controlled

Here are 4 guidelines for mastering this great technology.

**1. Stay in control of your gadgets.** For example, e-mail is one of the most abused forms of communication. It has become such a problem that some companies are experi-

menting banning e-mail once a week. It has become a huge interruption in the workplace and an even bigger interruption in our personal lives. People must educate themselves on how to use this exploding technology. Take control of your online life. Make sure you are the master and not the mastered. Especially when it comes to e-mail. Which leads to...

**2. Turn off your e-mail notification.** It's a profound concept for some. You can dictate the appropriate time to check e-mail. I have begun the habit of checking mine at noon and then at a later time in the day. It's increased my productivity significantly. You can write e-mails that will eliminate getting too much back. You can set your voice message in a way that you control your phone. The addiction to technology ruins productivity and relationships. Switching back and forth to various activities involving technology has multiplied in our lives. Some call it multitasking. Yet is that a trap that must be avoided? Which leads to...

**3. Avoid the trap of multitasking.** "Switching Costs" is a term used in finance and economics. "Switching Cost" is about the recovery time that is involved with each switch. There is a cost to switching. In the same way let's call it "Switch Tasking," not multitasking. As you switch between various activities you incur lost time and lost attention. And this adds up over the span of a day. Even Superman, when switching tasks, loses time and productivity. He does it at superhuman speed, but it impacts his "super" results. When

you say yes to one thing you are saying no to something else. Do not be fooled. Adopt a system. Which leads to...

**4. Set up guidelines that will accomplish your agenda.** Try these tips.

- Pick certain times to do your e-mail. Don't be a slave to the "ping."
- Do it or delete it on the spot. Read and act – the first time.
- Your inbox is not a "to-do list." It can become an "electronic pile" on your desk, and you'll spend at least 30 minutes looking for stuff.
- Never open spam. It comes in various forms. Withstand the temptation and delete immediately.
- Learn how to write e-mails that are to the point and don't invite unwanted time-wasters.

By following these tips you will create more focused time and productivity. You are also resetting the expectations of those who send e-mail messages. They now realize you aren't lurking behind your computer ready to respond at their whim.

The bottom line is you are creating some margin and leaving room for potential "interruptions." After all, much of life happens in the interruptions.

(Mick Ukleja is an author, speaker and generational strategist. He keynotes across the country on leadership, generational diversity and personal productivity. He is co-author of the best seller, "Managing The Millennials, 2nd Edition." Check his weekly blog at [www.LeadershipTraQ.com](http://www.LeadershipTraQ.com).)

## Realty Views

### The Battle For Home Energy Efficiency



By TERRY ROSS

If given the option, most homeowners would prefer an energy-efficient home. It saves money and helps preserve our environment and natural resources. The challenge is paying for it.

Modern appliances conserve energy, and with solar panels, a homeowner can generate much of their electricity through the power of the sun. But upgrading to the latest energy-saving appliances and installing solar panels can cost thousands of dollars and often takes years to offset in monthly utility bill savings.

Since 2010, many homeowners – especially in places like the Southern California Inland Empire – have taken advantage of loans originated by counties and municipalities for local homeowners to retrofit their homes for greater energy efficiency. The loans are financed through municipal bonds which are then bundled into collateral for asset-backed securities and sold on Wall Street. Besides the fact that these are high-yield securities, they also get additional favor by being environmentally friendly.

Recently, the Federal Housing Administration (FHA) and the U.S. Department of Veterans Affairs (VA) announced that they would insure home mortgages on

homes with these Property Assessed Clean Energy (PACE) liens – a huge step forward for the program. The Obama administration fostered these moves by two of the largest government-backed home mortgage programs as a way to promote energy efficiency. But as usual, the devil is in the details.

The problem with a PACE loan is that it impacts the security of a mortgage lien on the property. Both loans are considered senior liens and would technically be using the same collateral for two different lenders. So in the event of a foreclosure, the mortgage lender could have its recovery reduced by the amount of the PACE lien, which is treated like a property tax assessment – a so-called “super lien” that would take priority over all other encumbrances.

Many conventional mortgage lenders are not in favor of these programs and expressed their displeasure when the FHA and VA recently decided to insure homes with PACE liens against them. The Mortgage Bankers Association put out a caution to its members to tread lightly in adopting the same policy and even encouraged them to look at other ways of financing energy efficiency.

“It’s a classic government move, addressing one side of an equation and forgetting the other side,” noted Richard Andreano, a partner in the law firm Ballard Spahr’s mortgage banking group. “When you do that, you don’t always get the result you want. That’s why [the government-sponsored enterprises] had to revise HAMP and HARP,” he said, referring to two federal programs designed to help struggling homeowners. “It’s lenders and servicers – and particularly the secondary market – that in the end will dictate the success or failure” of FHA funding for properties with PACE liens.

Another issue is that a PACE loan is generally originated based on the property value, not the ability of the borrower to repay the loan. The consumer protections on these programs have also been criticized, such as loan fees as high as 10% of the total amount.

A selling factor for the program, however, is that – like a tax bill – a PACE loan can stay with the home if there is a new owner, while increasing the value of the property.

“Every year, about one in six American homeowners replaces a product or system in their home that affects the level of energy consumption,” said J.P. McNeill, chief executive of Renovate America. “Three-quarters of the time, they select a less efficient option based on upfront sticker price, instead of factoring in the total cost of owning and maintaining the product or system over the course of its useful life.”

A PACE loan is relatively easy to get, is not considered personal debt and does not impact a borrower’s debt-to-income ratio. Detractors claim that they can make homes harder to sell since conventional lenders will not lend on properties with these liens. But others point to statistics showing that while most homeowners only recover 60% of their home improvements at resale, the recovery for energy-efficient homes can be 100% or more of their costs.

The debate continues, but with the FHA and VA now allowing these loans on home mortgages they insure, it will give homeowners and buyers even more options.

*(Terry Ross, the broker-owner of TR Properties, will answer any questions about today’s real estate market. E-mail questions to Realty Views at terryross1@cs.com or call 949/457-4922.)*

## Third Sector Report

### Nonprofit Politics: The Achilles’ Heel Of Leading Organizations?



By JEFFREY WILCOX

As the countdown for the general election ticks onward, every voter has become acutely aware of the power of politics. The political maneuvering to win support, political caucusing to build power structures, and political commentary to steer through choppy waters among divided opinions are all part of the purposeful game.

Political processes and political pressures certainly aren’t limited to government. Charitable organizations, trade associations, community service groups and congregations all operate with a political undercurrent. Politics is the natural result of how people make decisions that affect other people and how groups of people interact with society to advance their missions.

Every organization faces internal and external politics. For many nonprofits, however, it’s the internal politics that pose a bigger threat to their futures.

Learning to manage the political undercurrents in an organization doesn’t happen without scar tissue. Most executive directors, boardmembers, committee chairs and fundraisers earn their stripes during those times when each has found themselves on the wrong end of a political process. It is a well-known

fact that most new nonprofit leaders will have their positions challenged, not by lack of technical know-how, but by their lack of political savvy.

This scenario should not be foreign to people who sit on boards or work in voluntary organizations: A sub-committee of well-meaning citizens takes on a specific task with a clear assignment. The people involved perform a high level of due diligence supported by staff expertise to bring forth an informed and thoughtful recommendation. The group convenes often, and they present the results of their efforts with a deep sense of satisfaction and pride.

A presentation of their efforts to a larger group of people, often the board of directors, encounters mixed support. There are those who embrace the proposed approach, those who remain silent, and those who loudly oppose its content or implications as it threatens something or someone that should be given a higher value.

A lengthy discussion about what’s wrong with the recommendations overpowers what’s right about them. Criticism emerges about potential flaws in the process. Some feel the wrong people were involved. Others perceive the information gathered to base recommendations was biased or insufficient. A vote for accepting the recommendations isn’t taken, as it’s clear not everyone would be in favor; and the organization’s culture dictates that unanimous support is the unwritten decision-making mandate rather than majority rule.

The subcommittee is sent back to the drawing board. Feelings are hurt, sides are taken, some threaten to leave, passive-aggressive behaviors ensue and the needle of progress gets stuck.

Teaching nonprofit board leaders and executives about political leadership is a touchy subject. It’s asking an influencer

of politics to examine their organization’s Achilles’ heel. It requires some introspection with some tough admissions about organizational culture combined with the intentions, power positioning, and egos of its leaders.

Having seen a number of worthy organizations implode, I’ve observed four factors that seem to separate a managed political environment from an organizational free-for-all.

The first Achilles’ heel is expecting every vote to be unanimous. “Unless we are all on the exact same page, we can’t move forward,” sets the table for ongoing political battles in any organization. Cultivating respectful disagreement and constructive debate with active listening and a commitment to negotiation are leadership tools to cultivate to keep an organization moving forward rather than stuck.

The second factor is standing behind decisions and moving on. While revisiting previous discussions and decisions may be prudent in certain circumstances, it can also become a bad habit that says “nothing is really final in the organization.”

The third factor is the management of confidentiality. Unless people know when it’s appropriate and not appropriate to talk about others, a political minefield is laid. Unless a leader is clear about what can and cannot be put into e-mail regarding the organization, its processes and its people, anything is fair game.

The fourth factor is respect of order. People have positions in organizations. Boards have a job. Executives have a job. Committees have jobs. If everybody starts doing other people’s jobs, there’s a problem that is guaranteed to be exacerbated by politics.

*(Jeffrey R. Wilcox, CFRE, is president and CEO of The Third Sector Company, Inc. Join in on the conversation about this article at the Long Beach Business Journal website [www.lbbizjournal.com](http://www.lbbizjournal.com))*

## Long Beach Business Journal

Vol. XXIX No. 17

August 31-

September 12, 2016

### EDITOR & PUBLISHER

George Economides

### SALES & MARKETING EXECUTIVE

Heather Dann

### PHOTOGRAPHER AND

### STAFF ASSISTANT

Larry Duncan

### EDITORIAL DEPARTMENT

### SENIOR WRITER

Samantha Mehlinger

### STAFF WRITER

Brandon Richardson

### CONTRIBUTING WRITER

Gerrie Schipske

### COPY EDITOR

Kellie O'Reilly

### Office

South Coast Publishing, Inc.

2599 E. 28th Street, Suite 212

Signal Hill, CA 90755

Ph: 562/988-1222 • Fx: 562/988-1239

[www.lbbizjournal.com](http://www.lbbizjournal.com)

### Regular Office Hours

Monday-Friday

8:30 a.m.-5:30 p.m.

### Business Journal Subscriptions

Standard Bulk Rate: \$30.00

(add \$2 if paid by credit card)

1st Class: \$70.00

(add \$3 if paid by credit card)

25 issues – 1 year

EEM PRESENTS



# LONGINES MASTERS



GRAND SLAM INDOOR OF SHOW JUMPING

# LOS ANGELES

SEPT 29 - OCT 02, 2016

LONG BEACH CONVENTION CENTER



GUASCO16

RESERVE YOUR SEAT FOR THE N°1 SHOW JUMPING EVENT IN  
THE UNITED STATES\* ON [LONGINESMASTERS.COM](http://LONGINESMASTERS.COM)



#LONGINESMASTERS

#WERIDETHEWORLD

\* NORTH AMERICAN RIDERS GROUPS