Despite Steep Competition, Hospitality And Tourism Industry Continues To Grow

By SAMANTHA MEHLINGER

With increasing convention and meetings bookings and growing interest in the city as a tourist destination, Long Beach Area Convention & Visitors Bureau (CVB) President and CEO Steve Goodling is bullish on the future of the city’s hospitality, tourism and convention industry in 2019 and beyond.

In 2018, the CVB booked 274 conventions and meetings, bringing 1,408,816 visitors to the city and generating 208,097 overnight stays at local

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Connecting With Canada

Long Beach Enters New Partnership To Promote Trade With Canada

By ALENA MASCHE

The Long Beach City Council recently approved the formation of a new partnership with the MAPLE Business Council, an organization that specializes in promoting economic activity between Southern California and Canada. As a result of the agreement, the two parties are planning to host networking events, expand training programs for business owners interested in working across the border, and arrange for business delegations to visit our neighbor to the north.

The partnership agreement is still under wraps until it has been signed by both parties, but the business

(Please Continue To Page 16)

Unresolved Business 2018

By BUSINESS JOURNAL STAFF

As 2018 draws to a close, there are a number of unresolved or unfinished matters that stand to impact the City of Long Beach in the future. The Business Journal has compiled a list of updates for several of these issues, including: the state’s minimum wage increase, the city’s Styrofoam ban, the future of Community Hospital, the future title sponsor of the Grand Prix of Long Beach, the status of repairs to the Queen Mary, recreational marijuana, a proposed short-term rental ordinance, revisions to the city’s conditional use permit process, the East San Pedro Bay Ecosystem Restoration Feasibility Study, BNSF Railway Co.’s proposed railyard project adjacent to Westside neighborhoods and major capital improvement projects at the Port of Long Beach.

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Sustainability Office Helping Businesses Go Green

By PIERCE NAHIGIAN

Long Beach businesses that commit to environmental and sustainable practices are not only being recognized by their community, they’re now certifiably green. This year, the Long Beach Office of Sustainability launched its Green Business Certification and Recognition Program to enroll local businesses in the California Green Business Program.

“The goal of the program is to change the business culture so that sustainable practices become the standard practices,” Courtney Clatterton, communications specialist at the sustainability office, told the Business Journal.

The statewide Green Business Program helps local businesses to conserve energy and water, minimize waste and reduce their carbon footprints. Those businesses that are certified green exceed environmental regulations and implement specific practices to

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Focus On The Environment

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Millennial Pulse

Millennial Women Face Steeper Challenges In Entrepreneurship

By Editor Samantha Mehlinger

The Millennial generation is often looked at as the harbinger of the future: the future of tech, the future of finance, the future of giving, the future of politics, and so on. And it’s no wonder. The generation makes up the largest living cohort in the United States, and is the
In The News

PortSide Keeping Up With The Port Of Long Beach

Tony Harris, now the principal construction inspector at the Port of Long Beach, has been working in construction since he was 18 years old. A Long Beach local, Harris started working for a small construction company after high school. He then took a position with the gas department at the City of Long Beach, where he primarily worked on digging ditches and putting pipes in the ground before advancing into a role in inspection. About seven years ago, this experience led Harris to his position at the port’s construction management division. Harris said one of the reasons he was drawn to the port was the opportunity to work on different aspects of construction. “There are so many different things that go on down here that the challenges are never ending,” he said. Harris mainly oversees site inspection assignments for construction projects while coordinating with tenants, terminal managers and maintenance division personnel. Harris has worked on capital projects such as the construction of racks for reefers, which are refrigerated storage units for containers, at the port’s Middle Harbor terminal. His work now solely focuses on overseeing high-priority construction projects on an on-call basis. One of the projects he is currently overseeing is the restoration of a rock dike, which protects the coast against ocean waves, by the harbor. Harris credits his joy of coming to the job to the people he works with. “I’ve had so many good mentors throughout the years down here in the harbor department in particular,” he said.

Article and photograph by Staff Writer Annette Semerdjian
Councilmember Rex Richardson  
9th District

By Samantha Miehlinger, Editor

Note: This is the last in our series, Talking Business With The City Council, which launched with the July 31 edition. Previous interviews are available at lbusinesjournal.com. Click on Past Editions.

LBBJ: Do you feel business owners in your council district are happy with the direction the city is going?

Richardson: Absolutely. North Long Beach businesses – new businesses, small businesses, legacy businesses – are doing better today than they were before we began our work. That’s evident by the improved focus on our area, from the infrastructure improvements in major corridors, to amenities like libraries and fire stations. Better [fire department] response times help our businesses as well. Our response times in North Long Beach when I took office were three minutes slower than the rest of the city. Now we’re on par.

When I started as [former Councilmember] Steve Neal’s chief of staff, there was no Uptown Business District. I knocked on every one of those doors, gathered almost every one of those petitions to create it. When we first started talking about a business district in North Long Beach, the pundits said, “North Long Beach isn’t ready.” They said it would take us 10 years. We got it done in two, and we have now renewed it for 10 years. Now we can think about what’s next, what enhanced economic development activities we can do. . . . The private investment that’s happening now is our best shot at creating the next thriving business corridor in the city.

Higher education is a key piece. The Long Beach City College board voted to explore North Long Beach for its next satellite [campus]. . . . When you bring in higher education, it brings in an entirely different civic actor to the corridor.

LBBJ: In your years on the council, how have you worked to build relationships with businesses in your district?

Richardson: Businesses in my district feel a big disconnect from downtown. Businesses own businesses across the city, including those in my district? Earlier this year, we launched Everyone In [an economic inclusion initiative]. We did a series of five policy meetings . . . to help scope out a game plan around economic inclusion in the city. Separately, we conducted a plan to attract such businesses?

What sorts of businesses do you feel your district has a need for? Do you have a plan to attract such businesses?

Richardson: We’re the one district in the city with no bank. By focusing on financial and economic inclusion and engaging with the banks . . . we now have a commitment to bring a bank in 2019 to North Long Beach. It’s going in at Atlantic and Artesia [Boulevard].

As the elected representative for the businesses in your council district, what steps have you taken to make Long Beach business friendly?

Richardson: I have taken steps to make Long Beach small business friendly with a lot of the economic inclusion work. I proactively engage with them. . . . This is about making it whole, a complete community. North Long Beach is one-fifth of the city’s population. 20% of all the residents in the city. We don’t get the economic resources that we need. A fifth of the city’s students go to school here. There’s not a lot of philanthropy taking place. We’re changing that. When I started, we only had one nonprofit in the whole district, Pools for Hope. But now Long Beach Opera is right here in the district, Long Beach Community Action Partnership . . . . We’ve got some really cool active churches. . . . Now every geographic mesh of my district is covered with 13 neighborhood associations, plus community watch groups, plus a business improvement district. None of this was here five years ago. All of this creates synergy between businesses, the civic actors, and even agencies working together.

LBBJ: What sorts of businesses do you feel your district has a need for? Do you have a plan to attract such businesses?

Richardson: There are a lot of catalytic projects. We’re talking multiple coffee shops, eight or nine restaurants, two breweries, a bank. It took work, it took the city’s cooperation, investment. It didn’t just happen. . . . The improvements here take cooperation between the property owners and the city.

LBBJ: Given the history of North Long Beach, what have we accomplished, where are we going, I think this is a case study for economic inclusion and we need to do this in more areas of town.
Angel Crossing

Inspired by a love of collecting, Wendy Reed started her business, Angel Crossing, in 1996. Reed had often collected angel figurines, but could not find them on sale after the holidays. For this reason, her business originally sold angel paraphernalia before expanding to sell different types of knick-knacks, home decor, cards, accessories and collectibles. She sells products at her shop that vary in price point in order to cater to different customer budgets. Reed noted that gift shops like hers were more popular during her business’s early years, when collecting was trendy. “There were all kinds of collectible lines, and whenever a new piece came out, people would clamor to get them to add to their collection,” she said. “Hopefully collectibles will come back again, and then maybe we will see a revival of more of these little unique shops.” One of few retailers tucked away in the Parkview Village corridor of Viking Way, Reed often does not get enough new customers due to lack of foot traffic in the area. Yet, she credits the quaint part of town for having locals living nearby who want to support small businesses like hers. For example, a local who walks his dog in the area often stops by, and Reed has dog treats ready for them. It is this sense of community that makes Reed happy to have a shop like hers open in the neighborhood. Angel Crossing is located at 4133 N. Viking Way. For more information, call 562/443-8066 or visit angelcrossing.net.

EightNine Barbers

Cesar Valdez, owner of EightNine Barbershop, worked in the corporate world before deciding to pursue self-employment. Valdez noticed a need for barbershops in Long Beach, “That’s when my vision first started,” Valdez said. “And it took a couple of years to plant my seed and harvest it and bring it to fruition.” EightNine Barbershop opened in a neighborhood that offered convenient parking and less traffic than dense areas like downtown. About five years ago, he opened his barbershop in Parkview Village in East Long Beach. Not a barber himself, he had one trained barber on staff. After seeing a growth in his business, Valdez realized that he had a need for more qualified personnel. He then decided to attend school to become a licensed barber himself. Once the shop began to gain new and regular clientele through social media and marketing, barbers in the area noticed the shop’s stability and wanted to come on board. Valdez now has a staff of six barbers, including himself. His staff knows how to service people with any hair texture, whereas most barbershops do not cater to everyone, according to Valdez. “Being one of the most diverse cities in the country, I knew going in that we had to be one of those barber shops that services anyone,” he said. “We do short hair, long hair, curly hair and thick hair.” EightNine Barbers is located at 4112 N. Viking Way. For more information, call 562/452-7171 or visit eightninebarbers.com.

Small Business Dollars & Sense

4 Tips To Running A Greener Business

As the world becomes more environmentally conscious, more and more small business owners are beginning to look at environmental initiatives as necessities rather than passing trends. And while going “greener” is mostly about doing the right thing, you may be surprised to learn that it can also be good for your bottom line. Below are four tips to consider when thinking about going “green.”

Start with the basics – At its core, going greener simply means making changes to your lifestyle or business practices for the safety and sustainability of the environment. Often, the first measurable changes are the most obvious so look at the small changes in your business you can implement right away. For instance, adjusting thermostats even a little or switching to more efficient light bulbs can result in immediate cost savings.

Integrate sustainability throughout the business – Being a green business is really more about integrating environmental thinking into the core business strategy and priorities. To try to decide, what your major opportunities on the environmental front are. What can you influence? What are the risks of not going greener? Once you’ve thought about your long-term goals consider the different approaches you could take. For example:

- Commit to participating in community service programs such as beach cleansups or educating young entrepreneurs about greener business practices.
- Reduce waste. Technology and cloud computing can help eliminate the use of paper documents.
- Educate young entrepreneurs about greener business practices.
- Reduce the use of paper by using digital communication and online statements. Certain software even allows you to email receipts to customers.
- Institute green practices in the workplace. Think about all the ways you use paper, then investigate ways to become more efficient. For instance, consider using online banking to pay bills or opting for receiving online statements. Certain software even allows you to email receipts to customers.

Be authentic – Instituting environmentally sustainable practices can generate ripple goodwill if your initiatives are authentic, ongoing and widespread. It’s important to incorporate going greener into your whole business model. That is, don’t treat environmental initiatives like a marketing campaign with an expiration date. Truly integrate ‘greenerness’ in all you do, or you run the risk of being called out for ‘greenwashing.’ Greenwashing is a term to describe a company that uses PR or marketing language to promote their business for being environmentally friendly, when it really isn’t. To avoid greenwashing, be specific when making environmental claims, make sure you consider every aspect of your business that could be greener, and follow through with those initiatives before labeling yourself a greener business.

Involves your staff – This isn’t just a job for top management. Management can set broad goals and make investments in energy-efficient equipment, but you still need people to close the refrigerator door, use the proper recycling bins, turn off their computers at night, and so forth. By involving your employees, you may find they have valuable suggestions or ideas to contribute.

Whether you’ve already implemented environmental initiatives or are starting from scratch, it’s generally a good idea to tackle the green process by implementing some of the tips mentioned above. While your small business doesn’t necessarily become green overnight by making a couple of little changes — keep an open mind, stay vigilant for ideas or suggestions to contribute.
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A BAROQUE CHRISTMAS
MUSIC OF JOY TO CELEBRATE THE SEASON

The great Baroque Christmas Concert in true European fashion with holiday favorites.

Director: Martin Haselböck
Soprano: Teresa Wakim
Tenor: Thomas Cooley
Guest Choir: Long Beach Camerata Singers

Saturday, December 8th | 7pm | Beverly O'Neill Theater

Arcangelo Corelli (1653 – 1713):
Concerto grossa g - Minor, op. 6/8 “Christmas Concerto”

J. S. Bach (1685 – 1750):
Cantata “Jauchzet Gott in allen Landen”
BMW 51 for Soprano, Trumpet and Orchestra

G. F. Handel (1685 – 1759):
Ode for St. Cecilia’s Day, HWV 76 for Soprano, Tenor, Choir and Orchestra

A holiday favorite straight from Vienna, award-winning Martin Haselböck is here to lead Musica Angelica as they ring in the holiday season with majestic and rousing trumpets, oboes, strings, voices, and more!
The performance kicks off with Corelli’s joyful “Christmas Concerto”, famed for evoking the searing beauty of wintry scenes. Soprano Teresa Wakim soars in Bach’s famous cantata “Jauchzet Gott in allen Landen” before being joined by tenor Thomas Cooley and the Long Beach Camerata Singers for a beautiful performance of Handel’s exuberant “Ode to Saint Cecilia”.

 Purchase your tickets now.

Musica Angelica Baroque Orchestra | MusicaAngelica.org | (562) 276-0865
Millennial entrepreneurship from a gendered perspective, profiling the newest generation of entrepreneurs and learning about their experiences first hand.”

In a phone interview, Nina Roque, the NWBC’s executive director, explained why her organization decided to create the report. “There’s a lot of talk about Millennial women in general, but how are women faring in that greater category?” she queried.

The NWBC’s decision to convene focus groups of Millenials in the tech industry was purposeful, given trends in the industry and in education. “The reason was really because there is such a high growth in that field,” Roque said.

The report found that while Millennial women are the most likely generation of women to hold a degree in a STEM field, there is no corresponding data to show that an increasing number of them are starting firms in STEM industries, she explained. “Women entrepreneurs are missing out on that growth, on the revenue that growth firms generate,” she said. “Why is that? Is that because they don’t have the mentorship, or they don’t see themselves in that field? What’s going on?”

Roque highlighted some of its key findings about the characteristics common among Millennial women pursuing their own businesses. “Millennial women entrepreneurs are the most educated entrepreneurs that we’ve seen pretty much in any generation. About 60% of Millennial women entrepreneurs have received an associate’s degree or higher. That’s very remarkable,” she said.

“Millennial entrepreneurial women are more likely to be mothers and have children than their non-entrepreneur counterparts,” Roque noted. “A lot of Millennials become entrepreneurs because they don’t want to be constrained to nine-to-five work hours, and they want more flexibility for their families. That has been a factor for entrepreneurship for many generations, but we’re seeing it again for Millennials.” She pointed out, “A lot of people don’t necessarily think of Millennials that way. They think of Millennials as getting married later in life, being more independent. But they still are going to entrepreneurship to solve some of those work family conflicts.”

The report’s findings around the gendered experiences of Millennial entrepreneurs found that women tended to hit more obstacles than men.

The report’s authors wrote that its findings presented a different picture of the Millennial entrepreneur than has often been depicted in the media. While, for example, the founder of Millennial Magazine has stated that 60% of Millennials consider themselves to be entrepreneurs, data suggests that this figure isn’t representative of reality, according to the NWBC. Less than 5% of American Millennials currently run a business, and they start fewer businesses than older generations did at the same age, the NWBC found.

The greatest roadblock to entrepreneurship appears to be financial risk. The NWBC’s report cited data illustrating that the number of students who borrowed money for education increased 89% between 2004 and 2014, and that average debt balances grew 77% in the same time period. This led the NWBC to investigate whether Millennial women might be forgoing entrepreneurship in lieu of traditional employment because of concerns regarding financial risk.

To find out, NWBC asked focus groups in Los Angeles, Boston and Denver comprising Millennial women entrepreneurs working in the technology field. The organization found that the financial impacts of the Great Recession on Millennials had more of an influence on women’s risk tolerance than on their male counterparts. Women were more likely to say that having student debt was incompatible with entrepreneurship and were also more likely to say that they would pay off their debt before starting a business. Interestingly, men with student debt were more likely “to take a ‘head in the sand’ approach to handling their student debt.”

More women than men who had started businesses told the NWBC that having a “side hustle” – Millennial slang for a secondary job – was an important tool to start their businesses. Access to capital is a struggle for Millennial women, as it has been for prior generations of women in business. In fact, NWBC’s report referred to the gap in access to capital between male and female Millennials as “tremendous.” In 2017, the report stated, women business founders received just 2.2% of total venture capital.

NWBC’s focus groups revealed that both male and female Millennial entrepreneurs in tech found it most important to secure a “traditional” mentor to help gain start-up capital – “in this case, an old white male presence.” Men and women in mixed-gender business partnerships “reported that in meetings with funders, women received questions on the defense whereas men received questions that promoted the business idea. . . . women felt particularly strong about this and described inappropriate social questions such as their marital status and their plans for children.”

Roque noted that one way to address the roadblocks identified by Millennial women who participated in the focus groups would be to increase mentorship opportunities for women entrepreneurs. “What our focus group shows is that Millennial men tend to have more mentorship and role models of men who are open to taking risk in business,” she observed. “We would definitely like to see that more for women entrepreneurs as well. That’s not just across Millennials, that’s across all generations,” she said.

At 31, Roque is a Millennial. As executive director of the NWBC, she leads a nonpartisan federal advisory council charged with serving “as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners,” according to the organization’s website.

The council itself is made up of eight small business owners who Roque said are “diverse in terms of political party, sector, race and ethnicity.” She noted, “These are women who are established entrepreneurs. . . . It is very important to the council to support membership opportunities on the state level, the local level, but also when it comes to the federal government.”

The NWBC is assisted by the Small Business Administration, and works closely with the SBA, the White House and Congress on issues related to women and entrepreneurship. Roque said, “We are very cognizant of the fact that we do need to have mentorship. It’s very important for Millennial entrepreneurship, specifically, because we are the future of entrepreneurship.”
Holiday at the Beach.

Take a break and enter the world of sugar plum fairies, angelic voices and holly jolly Christmas with the Long Beach Performing Arts.

Check out the Convention Center Theaters’ premier performances — Long Beach Ballet; Long Beach Camerata Singers; Long Beach Symphony; and Musica Angelica. This Christmas season is 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, your holidays are sure to be merry and bright.

Long Beach Camerata Singers
Handel’s Messiah
This 90 plus choral partners with Musica Angelica Baroque Orchestra performing one of the most popular oratorios in the world.

Fri, Nov 30: 7:30pm | Sat, Dec 1: 3:30pm

Musica Angelica
A Baroque Christmas: Music of Joy to Celebrate the Season
The Yuletide evening opens with heralding trumpets, oboes, strings and voices for an evening of joyful Christmas music.

Sat, Dec 8: 7pm
Long Beach Ballet
The Nutcracker
The Long Beach Ballet tells the classic tale with vivid and fantastical sets, lavish costumes, exciting magic and special effects.

Sat, Dec 15: 2pm, 7:30pm | Sun, Dec 16: 2pm
Fri, Dec 21: 7:30pm | Sat, Dec 22: 2pm, 7:30pm
Sun, Dec 23: 2pm

Long Beach Symphony
Holiday Pops!
Long Beach Symphony, the Camerata Singers with special guests the Long Beach Youth Chorus present this festive concert of holiday favorites such as Silent Night, Let It Snow, You're a mean one, Mr. Grinch, Hanukkah Festival Overture, and The Night Before Christmas.

Sat, Dec 22: 8pm

Look for future performances. (562) 436-3636 | longbeachcc.com
North Long Beach Continues

Tom Carpenter.

project in the fourth quarter of 2019, ac-

tion in March or April, and to complete the

quired. Frontier hopes to begin construc-

patio space. The project also includes 81

3,650 square feet of outdoor dining and

of which will occupy the shipping con-

use nearby residents requested of the devel-

and is slated to become a bank, which is a

ings during its December 6 meet-

ers, and since building codes tend to ad-

kirkpatrick said. Working in partnership

Weather permitting, the facade improve-

ments should be completed by the end of

the year, with L.A. Fitness planning on a

late January or early February opening,

kirkpatrick said. Working in partnership

According to Ray Rasker, executive di-

ector of Headwaters Economics, a consult-

ing group in Montana that advises govern-

ments on water infrastructure and municipal

employees, as well as a willingness to en-

force tougher rules is probably called for.

“You would have fire hydrants. You

would have full-time firefighters in your

neighborhood. You would require sprin-

kers,” Rasker said. “And you’d have a fire

department inspect your building and your

property once a year, with strict penalties

if you don’t comply.”

Many Malibu residents complained

about the lack of firefighters in their neigh-

borhood. This is an issue that will no doubt

be examined in the months ahead.

It appears that there are many issues that

need to be addressed when it comes to pre-

venting the kind of catastrophic fires that

have ravaged California this year. This is

not going to be easy since many of the so-

lutions to these problems create even

greater challenges and issues. One thing is

certain; you now have thousands of resi-

dents who have lost their homes. Now those

people need housing along with the thou-

sands that were already underserved by

the lack of homes in this state.

(Terry Ross, the broker-owner of TR

Properties, will answer any questions about
today’s real estate market. E-mail ques-
tions to Realty Views at terryross1@csx.com or call 949/457-4922.)

Commission Considering
North Long Beach
Retail Center Proposal

The Long Beach Planning Commission is con-

sidering the approval of Frontier Real

estate owner Gregg Kirkpatrick, managing

partner of Long Beach-based Kirkpatrick

Companies, is updating the facades for the

entire center.

“The original developer of the center

built it in the mid-1970s, and it really hasn’t

been updated since then,” Kirkpatrick said.

“I bought the center [around] 2004, and we’ve

been waiting to update it until L.A.

Fitness renewed their commitment because

we didn’t know who the next tenant would

be if L.A. Fitness did not stay. We coordi-

nated [our work] with the work that L.A.

Fitness is doing for themselves.”

Before it was a gym, the space was a gro-

cery store. Bally Total Fitness took over the

location, which was then acquired by L.A.

Fitness in 2011, along with 170 other Bally

locations. In that time, the space changed

very little. However, contractors have since

gutted the facility, making way for a com-

pletely new gym inside and out. The space

will feature brand new equipment and a re-

finished pool area, according to Kirkpatrick.

Real Estate Investment
North Long Beach Continues

Construction is underway on a full re-

model of the 35,000-square-foot Uptown Commons retail center development during its December 6 meet-

ning. Located on the northeast corner of At-

lantic Avenue and Artesia Boulevard in North Long Beach, the proposed project consists of six buildings, including two

made of repurposed shipping containers.

The largest building is 2,780 square feet

and is slated to become a bank, which is a

use nearby residents requested of the devel-

oper during the initial planning phase. Four

restaurants are included in the project, two

of which will occupy the shipping con-

The Long Beach Planning Commission is considering the approval of the Uptown Commons retail center on the northeast corner of Atlantic Avenue and Artesia Boulevard during its December 6 meeting. (Rendering courtesy of Frontier Real Estate Investments)
with Lakewood Regional Medical Center, located across the street, a 24-hour urgent care facility is soon opening at a 4,000-square-foot storefront facing South Street, he added.

**Downtown Long Beach Office Building Sells For $60.5 Million**

The Hubb, a 210,428-square-foot creative office building in Downtown Long Beach, has sold for $60.5 million, real estate advisory firm Newmark Knight Frank (NKF) announced November 26.

“Ocean West [Capital Partners], alongside its capital partner Singerman [Real Estate], executed a tremendous repositioning of this asset and established The Hubb as one of Long Beach’s premier creative office environments,” NKF Co-Head of U.S. Capital Markets Kevin Shannon stated.

Originally built in 1986 at 100 W. Broadway, the six-story towers had $12 million of improvements completed in 2017 and are 88% leased. Upgrades included the addition of high and exposed ceilings, operable windows, polished concrete floors and full height glass walls and doors in both the
Los Altos Sears
And Kmart To Be Sold

Sears Holdings Corporation on November 21 filed a motion to sell 505 Sears and Kmart stores, including one of each in Long Beach, following its Chapter 11 bankruptcy filing in October. In a letter filed by financial advisory and asset management firm Lazard Frères & Co. LLC on behalf of Sears Holdings, the company indicated it would consider liquidation bids, as well as those that allow the stores to continue operating.

The Los Altos Gateway Kmart building located at Spring Street and Bellflower Boulevard measures 131,363 square feet, according to owner Robertson Properties Group. Los Angeles County lists the Los Altos MarketCenter Sears building, located off of Stearns Street and Bellflower Boulevard, at 125,451 square feet. Transactions are expected to be announced on January 16, with a final hearing slated for February 1, according to the document.

If the Long Beach locations are liquidated and closed, they will join the 35,000-square-foot Best Buy at Marina Pacifica, which closed in October, as the most recently shuttered big-box stores in the city. Underperforming Sears and Kmart locations have been closing since 2012.

City Seeks Input On Inclusionary Housing Policy

In an effort to develop an inclusionary housing policy to improve access to affordable housing in Long Beach, the city is conducting a study with input from the community related to local housing needs and opportunities. Two community meetings are scheduled, which each include a presentation by the city before a public comment period:

- Wednesday, December 5, 6-8 p.m., Long Beach Polytechnic High School cafeteria dining room, 1600 Atlantic Ave.
- Saturday, December 8, 10 a.m. to noon, Silverado Park Community Center, 1545 W. 31st St.

For more information, contact Andrew Chang, Long Beach Development Services administrative analyst, at 562/570-6710 or by e-mail at andrew.chang@longbeach.gov.

Inclusionary Housing Policy

City Seeks Input On

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For more information, contact Andrew Chang, Long Beach Development Services administrative analyst, at 562/570-6710 or by e-mail at andrew.chang@longbeach.gov.

Community Meeting For Signal Hill Development

Signal Hill Petroleum is hosting a community meeting tonight, Tuesday, December 4, from 6-8 p.m. to provide an update and receive feedback on its proposed Heritage Square mixed-use development. Located on eight acres on Cherry Avenue across from Home Depot, the proposal includes 199 multi-family units, four single-family homes and 28,800 square feet of retail space, in addition to the existing 14,000-square-foot Mother’s Market, which opened earlier this year. The meeting is being held in the Signal Hill City Council Chambers, 2175 Cherry Ave.

Recent Transactions

By Centennial Advisers

The following is a list of recent residential and commercial property sales by the team at Centennial Advisers, working out of the company’s Long Beach office. The descriptions were provided by the Centennial team:

926 Redondo Ave. – This 2,881-square-foot office building was built in 1976 and includes water features and a private parking area, and is walking distance to the beach and numerous restaurants. It’s one of the highest-priced per foot properties sold in all of Long Beach, and is the original offices of design firm C. Robert Langslet & Son Inc., according to Centennial.

- Sold Price: $1,600,000
- Sold Date: 9/25/18

1628-1632 N. Stanton Pl. – After years of owning this 3,212-square-foot, four-unit multi-family complex, a group of four business partners decided to go their separate ways for continued investment. Multiple offers at or above the list price were received and careful consideration of the quality of the offers was done to select the strongest, most highly probable buyer to complete the sale.

- Investment Adviser: Eric Christopher
- Sold Price: $860,000
- Sold Date: 9/25/18

12 W. Plymouth St. – This property sale included the restaurant’s liquor license, furn...
niture, fixtures and equipment. The building space is 8,640 square feet. The operator of El Cortez Mexican Restaurant and Sports Bar, who also owned the property, was ready to retire.

- Investment Adviser: Eric Christopher
- Sold Price: $1,650,000
- Sold Date: 10/18/18

Sandy Cove, 1119 Dawson Ave. – The seller of this 7,790-square-foot, nine-unit multi-family complex received multiple offers and selected a high-quality buyer. Using a 1031 exchange, Centennial successfully helped the seller invest in another property that was not only closer to her home in the Bay Area, but also fit her situation better than the relinquished property.

- Investment Adviser: Eric Christopher
- Sold Price: $2,145,000
- Sold Date: 10/10/18

Downtown Long Beach
Development Wins Award

An assisted living development located at 810 Pine Ave. in Long Beach received the 2018 Shaping Advancements in Generational Environments (SAGE) Award for “Best 55+ Assisted Living or Special Needs Community – On the Boards” by the Building Industry Association of Southern California. KTGY Architecture + Planning announced November 30. Developed by Irvine-based Global Premier America, plans for the high-rise project consist of 78 units and continuum of care services, such as assisted living and memory care, in two buildings. The project is currently in entitlement with the City of Long Beach and is expected to break ground in the third quarter of 2019, according to the announcement.

An assisted living development located at 810 Pine Ave. received an award from the Building Industry Association of Southern California’s Council on Shaping Advancements in Generational Environments. (Rendering courtesy of KTGY Architecture + Planning)
Unresolved Business

(Continued From Page 1)

While not discussed below but covered extensively by the Business Journal over the past year, the unpredictability of lingering tariff disputes is another issue affecting the local economy. One reason for the suspensions on the issue of notified tariffs remains the ongoing trade war with China could significantly impact trade flowing through the Port of Long Beach.

Minimum Wage Increase

The minimum wage in California is set to increase to $11 an hour for companies with 25 employees or fewer, and $12 an hour for companies with more than 25 employees starting January 1. The increase is part of a six-year plan, in which a $1 minimum wage increase is scheduled for the beginning of each calendar year until 2023. Smaller businesses received a one-year delay at the beginning of the increase schedule in 2017, placing them $1 behind each calendar year.

While California cities may choose to institute a higher minimum wage for workers within their jurisdiction, Long Beach doesn’t have a local minimum wage requirement, but even if the city must comply with the minimum wage standard set at the state level.

Phase Two Of Styrofoam Ban Begins In March

The second phase of Long Beach’s expanded polystyrene ordinance, known informally as the “Styrofoam ban,” is scheduled to take effect on March 3, 2019. The ordinance prohibits the use of single-use food and beverage containers made of expanded polystyrene (EPS) foam and non-recyclable and non-compostable material in prepared food distribution.

The first phase of the ordinance began on September 3 and banned EPS foam from use in city government. The second phase expands the ordinance’s reach to include prepared food sales at large businesses and restaurants seating more than 101 persons, franchise restaurants, grocery and convenience stores, any food truck and the Long Beach Unified School District.

The third and final phase of the ban is scheduled for December 3, 2019. This will include prepared food sales at small businesses, defined as seating fewer than 100 persons. After this phase takes effect, retail sales of polystyrene ice chests and polystyrene bean bags and crafts will also be prohibited.

Lease Negotiations Continue For Community Hospital

The city and Molina, Wu, Network, LLC (MWN), the selected operator for the Molina Healthcare and partner in MWN, told the Business Journal that MWN’s goal is to open the hospital “as soon as we can.” There are still details to be finalized, he continued, such as negotiations between MolinaCare regarding a commitment on site and having Community inspected by an outside agency. Molina said MWN is hoping to open the hospital by January 1, but would provide a more formal date soon.

Grand Prix Of Long Beach Still Seeking Title Sponsor

Earlier this year, Toyota bowed out as the title sponsor of the Grand Prix of Long Beach. Event organizer Jim Michaelian, president and CEO of the Grand Prix Association of Long Beach, said that the process of securing a new title sponsor is still underway. “We’re diligently out in the marketplace looking to find the best kind of deal we can put together and hope to have something finalized soon,” he told the Business Journal.

Michaelian said his organization might consider a nonautomotive company as title sponsor, which would in turn create an opportunity for an automotive sponsor as well. “We have had numerous conversations talking to different entities,” he said, adding that “time is of the essence.” The next Grand Prix is scheduled for April 12-14, 2019.

City Staff To Report On Queen Mary Repairs In December

This month, city staff plan to update the city council on outstanding safety and structural concerns at the Queen Mary. The city has, however, finally received funding for the repairs needed, Zaharoni was sanguine on the outcome. “We do have a panel that is taking to the most critical repairs to the historical ship have been completed, a remaining 20 projects are only partially funded or unfunded. The department reported that, without additional funding, the HCIP could remain incomplete until late as 2027.

Dan Zaharoni, the chief development officer at Urban Commons, said that his firm has addressed most of the urgent issues that have affected the health and safety of its visitors, as well as the structural stability of the ship. Regarding funds for the additional repairs needed, Zaharoni was sanguine on the issue. “Between our own funds and investor funds and activities that we have planned for the next two years, we feel we are adequately funded to handle the ship’s repairs.”

Johnny Vallejo, property services officer for the Long Beach Economic Development Department, said that his department is in the process of preparing a written update on the remaining HCIP projects.

Recreational Cannabis Update

California voters approved the legalization of marijuana for “medical use” — in form of Proposition 64 on the 2016 General Election ballot, but it wasn’t until January 2018 that the state allowed the cultivation, manufacturing and retail of cannabis for recreational use. According to the state’s general localization, Long Beach decided to institute a six-month moratorium to flesh out new rules and regulations for recreational cannabis licenses, which were signed into law by Mayor Robert Garcia in mid-July.

The city allowed the sale of recreational cannabis starting August 17, and since then, 12 businesses have successfully secured licenses to sell recreational cannabis, according to data provided by the city manager’s office. All shops licensed to sell recreational cannabis are co-located with medical marijuana dispensaries, as required by the ordinance. The city is currently processing 396 applications for cannabis-related businesses, with a majority of applicants hoping to secure licenses for medical manufacturing and cultivation. The total number of dispensaries to be licensed is capped at 32, according to the ordinance.

City Council To Vote On Short Term Rental Ordinance

The Long Beach City Council is scheduled to vote on an ordinance to regulate short-term rental units, such as those listed on platforms like Airbnb and HomeAway, on December 4. After a period of community outreach this year, city staff created three options for a new ordinance, with each option providing a higher level of regulation. The staff recommended option would limit the number of STRs per host and establish maximum occupancy for STRs. The Long Beach Department of Development Services recommends the adoption of this option “because it addresses the primary concern of quality of life issues consistently voiced by the community.” If approved, this ordinance would generate 40% to 50% less revenue and incur higher administrative and enforcement costs. To view the complete proposal with other options, visit https://bit.ly/2Rn7SH1.

Fee For Conditional Use Permits Reduced

In December 2016, 2nd District Councilmember Jeanne Parch asked that the city manager, city attorney and the relevant city agencies conduct a study of the city’s process for awarding conditional use permits (CUP). The purpose of the study was to make the CUP process more cost effective, streamline the public notification process, expedite CUP modifications for existing businesses and make it easier for businesses to receive a CUP for an additional location.

In September, the city council approved a series of amendments to the city’s municipal code that reflected the recommendations made by the consulting firm. The amendments focused on the removal of use permit requirements for laundromats, thrift stores, live-work units and daycare facilities, and a reduction of the public notification radius for most projects to 300 feet as required by state law accompanied by an increased use of digital and newspaper notices. As a result of this ruling, reduction in notification costs, the city has reduced the fee for all use permit categories by $590.

East San Pedro

Bay Study Reviews Breakwater Alternatives

The East San Pedro Bay Ecosystem Restoration Feasibility Study, a project that was kicked off by the City of Long Beach and the United States Army Corps of Engineers in February 2016, is in its environmen- tal impact report phase, according to data provided by the city manager’s office. This process began after the last official update on the project released by the city in late September. The update outlined outreach efforts to local stakeholders and presented multiple alternatives to Long Beach’s current breakwater structure.

The study aims to propose alternatives to the breakwater that would continue to protect the harbor, also help to improve the aquatic ecosystem, and increasing biodiversity and ecosystem value. The value of an ecosystem is assessed by policymakers based on the natural resources it provides and ecosystem services that an ecosystem provides to the surrounding community, according to the Washington, D.C.-based Environmental Literacy Council.

BNSF Railway Still In Limbo

BNSF Railway’s proposed Southern California International Gateway (SCIG) project at the Port of Los Angeles is still in limbo. BNSF and the Port must address deficiencies found in the project’s environmental impact report (EIR) by a state court of appeals in order to move forward with the project, but as of yet have not taken action to do so. In 2016, a trial court found that certain environmental impacts conducted by the parties through the initial EIR process were insufficient. A court of appeals later overturned the court’s decision, except in the case of two specific air quality issues it found needed to be addressed. In April this year, the California Supreme Court denied petitions for review of this decision.

An official port statement sent to the Business Journal said, “The city of Los Angeles has suspended all SCIG project activities, which shall not resume unless the city and BNSF take future actions to certify a revised EIR under CEQA [California Environmental Quality Act] and adopt related environmental and project approvals. The Port of Los Angeles believes in the need for these types of environmentally progressive infrastructure improvements that improve efficiency in marine cargo infrastructure. The Port of Los Angeles continues to work with the city and BNSF on finding a solution to move forward with this project.”

Update On Port Of Long Beach Projects

The Port of Long Beach is undertaking a more than $4 billion capital improvement program, which includes significant projects that will prepare its facilities for larger vessels and improve quantity and operational efficiencies. Bids are being solicited for the largest open port projects, as provided by Darin Tong, manager of government affairs at the city manager’s office.

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allow additional clearance for larger, more efficient cargo ships, and will also be wider to ease the flow of cars and trucks that use the bridge. The new bridge’s towers are already the tallest points in the city at 515 feet. Construction started in 2013 and is scheduled for completion by the end of 2019.

• Middle Harbor Terminal Redevelopment Project: The $1.493 billion modernization project is creating the greenest, most technologically advanced terminal in North America. Construction began in 2011, with the first half of the new Long Beach Container Terminal opening in 2016. Completion is expected in late 2020. The project adds on-dock rail capacity, shore power hookups and a longer wharf, which will allow the new terminal to move twice the cargo with half the air pollution of the terminals it replaces.

• Port Headquarters: The new harbor department administration building at the civic center in Downtown Long Beach will encompass 239,000 square feet of highly efficient, flexible and sustainable space. Set for completion in 2022, with the entire project completed by 2032.

• Pier B On-Dock Rail Support Facility: Designed to shift cargo containers from trucks to rail, the planned $870 million facility will help the port stay competitive and meet environmental targets. The facility will allow railroads to assemble longer trains that will move goods more efficiently into and out of the port while also limiting truck traffic. Construction is scheduled to start in March 2022, with the entire project completed by 2032.

New Business Association Aims To Bring Events Back To Downtown Core

By SAMANTHA MEHLINGER

Although the City of Long Beach and the Downtown Long Beach Alliance have worked for many years to improve downtown and position it as a successful area to do business, employers are taking steps to do more. With Ron Hodges – owner of Shannon’s On Pine and Shannon’s At The Top – spearheading the effort, businesses along Pine and The Promenade North are teaming up to form a new organization: the Downtown Entertainment District Association.

Hodges has been kicking the idea around for years, he told the Business Journal while chowing down on “Irish nachos” (fries covered in meat, onions and some kind of enticing sauce) and a sandwich at Shannon’s On Pine.

How long has Hodges been pondering this new association, exactly? “It was something I talked about for years. Originally we were thinking of calling it Pine Square Association. . . . Pine Square was the name of the movie theater here,” Hodges said, referring to an AMC theater that closed its doors in 2010.

Hodges went so far as to have sketches drawn up illustrating how the downtown entertainment district – as he calls the stretch of Pine Avenue from Fourth Street to the Pike, plus the Promenade between 3rd Street and Broadway – could look if it were branded as such. He proposed an Art Nouveau theme for the area, with a wrought iron gateway and installations laced with bougainvillea spaced evenly along the streets. “It wouldn’t be very expensive. I sent it out to all the e-mail addresses I had. I didn’t get one single response from anybody. Although today people still say, ‘oh, I remember you did that,’” he said.

But as Hodges ran the idea for a new association by various business owners over the years, it gained interest. The DLBA’s cancelation of its annual New Year’s Eve event last year ultimately signaled to Hodges that it was time to put his plan into action. The DLBA is the nonprofit association that oversees the business improvement districts in the area. Fees collected from district members go toward marketing, events, security and other efforts.

“Last year, with the cancelation of New Year’s Eve, there were a lot of people complaining,” Hodges said. “Not so much the big businesses, although they were dissatisfaction too. But the cigar shop, the bagel shop – places that had stayed open either all night or late on New Year’s Eve. [Last year] they shut down at 10 o’clock or something because there just wasn’t anything going on,” he explained.

“Finally, I couldn’t put it off anymore. I
New Downtown Group

Promoting Trade With Canada

New Rules Passed for Flight Slots at Long Beach Airport, Airlines Split on the Issue
Hawaiian Airlines. JetBlue operated 35 flight slots until September of this year, when it downsized to 23.

Before the passage of the new resolution, airlines were required to operate at least three flights per slot per week over any 180-day period. In other words, an airline had to use a slot at least 57% of the time over a six-month period, or risk forfeiting the slot. Further, airlines that did not use at least 30 flights per slot in any 60-day period -- or utilize it 50% of the time over two months -- also risked forfeiting their slot.

In his report to the city council, Romo stated that this level of utilization “arguably provides for the potential to engage in anti-competitive behavior by maintaining flight slots that are underutilized,” thus restricting opportunities for their use by new or incumbent airlines.

**Resolution Changes**

Under the new rules, a slot must now be used 60% of each month (or about four days per week), 70% each quarter (or about five days per week) and 85% each year (or about six days per week).

The rationale for this increase, Romo said, was manifold. His report explained that doing so:

- **Ensures that air carriers adequately utilize their flight slots**
- **Reduces the potential for anti-competitive conduct**
- **Promotes airport operation on “fair and reasonable” terms and without “unjust discrimination”**
- **Reinforces the proposition that flight slots “are not, and must not be permitted to become” the property interests of commercial airlines**
- **Adopts an administrative penalty provision where underutilization is documented**

The ordinance states that failure to comply with the minimum use requirements may incur a “reduction in the number of flight slots consistent with actual utilization” as well as “potential disqualification from receiving additional permanent or supplemental flight slots for a period of time.”

Romo noted at the November 20 meeting that flight allocation procedures “have been amended six times to date.” The passage of this latest resolution marks the seventh amendment.

“Generally, changes to the flight allocation procedures are made in response to market conditions,” Romo told the Business Journal. “Given that we have a limited number of slots, it is essential that the city actively manages these limited resources fairly and efficiently.”

**JetBlue’s Response**

When the city first began discussing changes to allocation procedures in 2017, it sent a letter to its airlines for comment. JetBlue and Southwest were the only respondents.

Southwest was supportive, writing that it had no objections to the amendments under consideration and that “there must be an effective mechanism to assure maximum usage” of allocated flight slots. JetBlue was against the proposed changes and offered counter proposals.

Nearly eight months after the initial letters were sent and the city continued with its plans for the resolution, Robert Land, the senior vice president of government affairs and associate general counsel for JetBlue, sent a follow up e-mail that criticized the proposed changes. Romo included both Land’s e-mail and the September 2017 letters from JetBlue and Southwest in his report.

“Regrettably, it appears that the city . . . has chosen to disregard all of JetBlue’s suggestions,” Land wrote in the e-mail dated May 30, 2018. “It is further regrettable that the city continues to take steps that appear specifically designed to harm JetBlue.”

As Land alludes to in his e-mail, this is not the first time JetBlue and the City of Long Beach have clashed over airport procedures. JetBlue was highly supportive of opening up LGB to international flights, a motion opposed by the city council in January 2017. JetBlue was also frustrated by the lengthy construction delay and the downsizing of the original plans for the new airport concourse that opened six years ago. And for each violation of the airport’s noise ordinance, JetBlue incurs a $6,000 fine. This figure was arrived at following several months of discussion and litigation between the city and the airline, ending a longstanding dispute over JetBlue repeatedly arriving past LGB’s 10 p.m. curfew.

In his May 2018 e-mail, Land warned that, “Any city action to unilaterally impose changes to the ordinance or allocation resolution that are more restrictive or facially discriminatory could have unintended consequences and be deemed presumptively invalid.” Land further stated that the city could risk a collapse of its grandfathered noise ordinance as a result of the amendments.

In his May presentation to the city council, Romo noted that the airport’s noise ordinance would not be affected in any way by the changes proposed in his report. He emphasized that again when he spoke to the Business Journal: “The noise ordinance is not being changed,” he said.

Prior to filing his report, Romo reached out to Federal Aviation Administration (FAA) officials for their legal opinion on the matter. “FAA does not believe the proposed amendments raise ANCA issues,” he wrote. He further added that the administration “encourages the city, as the airport proprietor, to make the necessary business decisions to encourage and promote competition at the airport.”

**Next Steps**

When reached for comment, Doug McGraw, vice president of corporate communications at JetBlue Airways, said that JetBlue is “a proud member of the Long Beach community” and will continue to offer residents “the best onboard experience of any airline that flies here.” Regarding the passage of the resolution, McGraw said, “While we believe this rule change is unnecessary as evidenced by the numerous unused slots already available, we remain committed to providing a level of flying in Long Beach that the market will support.”

Romo said that the amendments are necessary. “We have an established waiting list of carriers that would like to obtain permanent slots,” he said. “However, the current process only allows for temporary use of the unused slots on a month to month basis.” That uncertainty limits the utility of those slots, he continued, when time is of the essence. It takes time to schedule aircraft and flight crews, as well as to market for additional service, he explained.

“This is a difficult proposition on a month to month basis,” Romo concluded. “We feel that some degree of certainty is best for the airport, our airline partners and our customers.”

Romo said that the airport and the city are currently working through the process of adopting the new resolution. He anticipates the new changes to be implemented January 1, 2019.
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ultimately convinced the company to
place for 2019, a site visit to Long
Beach’ s convention center with CVB staff
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people. “It has I think one of the best views of
the Pacific Ocean looking out its win-
dows,” he said, noting that the venue is horse-
shoe shaped. “To the right side, it’s a great
city view and a great shot of the Queen Mary.
We put a cool pool table in there, some great
Restoration Hardware Chandeliers, some
great furniture. It’s not finished yet,” he said.
“The one thing I find interesting is when
I meet these clients, when we get into the
younger meeting planners, they instantly
respond to these spaces,” Goodling said of the
center’s turnkey venues. “The older
meeting planners, they think it’s fun, they
like it, but I don’t see their enthusiasm be-
cause I don’t think they truly get what it is.
. . . We’re prepared for the continued ascent
of Millennial meeting planners. And these
Millennial meeting planners are responding
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have been created.”
The CVB continues to leverage these
venues in its marketing to meeting plan-
ners, citing the cost savings they offer as
unique to Long Beach. The venues help the
CVB stand out amongst the competition,
which, according to Goodling, are prima-
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At the top of the list of competitors is Gaylord
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“everything in one place.” These hotels, ac-
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hotels. For fiscal year 2019, which began
in October, bookings are already showing
an increase over the prior fiscal year, ac-
cording to Charlie Beirne, general manager
of the Long Beach Convention & Entertain-
ment Center.
“IT’S going to be a busy year. We’re having
a tough time finding space for people, which
is a positive for us,” Beirne said in an inter-
view with Goodling. Beirne noted that en-
tertainment bookings at the Terrace Theater
are on the rise, particularly among comed-
ians. He attributed the increase to efforts to
grow relationships with event promoters.
“The other thing that is happening is
we’re starting to get some more traction
with the corporate market segment,”
Goodling said. “We’ve always been a great
national association market. But we’re
finding that corporations, because of our
facilities and because of the downtown
continuing to mature, are now looking at us
as a great option.”
Instructure, a Salt Lake City-based ed-
cational software company, is the latest
corporation to jump on the Long Beach
bandwagon for its annual convention. Al-
though the firm already had a contract in
place for 2019, a site visit to Long Beach’s
convention center with CVB staff—
initially meant to scout the location for
an event planned years down the road—
ultimately convinced the company to
come to Long Beach next year instead,
according to Heather Gonzalez, national
sales director for the CVB.
“They came out looking at us for one of
the future years, like 2022, and then they
ended up falling in love with Long Beach
when they came,” Gonzalez said. “They are
expecting around 3,000 attendees, and it’s
about 5,300 or 5,400 room nights for the
city.” Gonzalez said the convention center’s
turnkey event venues, such as the Pacific
Room, Terrace Theater Lobby and Plaza,
and The Cove, were the main draw for the
group.
According to Beirne and Goodling, the
most in demand venue is the Pacific Room
at the Long Beach Arena. A 46,000 square-
foot venue with the flexibility to accommo-
date events ranging in size from large
receptions to concerts, the facility is
equipped with a professional lighting truss
system and décor that event planners may
use for no additional cost. Most weekend
dates for the Pacific Room are booked
solid in 2019, Goodling said. Beirne noted
that the venue is often requested for re-
hearsal space by musical acts, but because
they require a block of seven to 10 days of
venue use, he is no longer able to accom-
modate such requests. “We actually got a
call from a guy from KISS to do a rehearsal
and we just couldn’t do it,” he noted.
This year, the CVB and convention
center celebrated the completion of the
Terrace Theater Plaza’s fountains, which
were refurbished and upgraded with tech-
nology to create a Bellagio-like, cus-
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tion space, and even boast amenities such as water parks, spas and nightclubs.

Gaylord operates hotels in the Western, Central and Eastern United States, making it appealing for planners who rotate their convention sites each year to sign multi-year deals with the chain, according to Goodling. Also, as Gonzalez pointed out, Gaylord only requires the negotiation of one contract for all services, while a meeting planner organizing a convention in Long Beach would have to sign contracts with a multitude of entities, including hotels, the convention center and any other venue they need to use.

“Our challenge for us is just like a theme park. . . you have to keep new rides and new experiences opening up,” Goodling said of what it takes to keep Long Beach competitive in this environment. “We as a city need to continue evolving and growing in the unique offerings that we have.”

Helping Long Beach get the leg up competitively is the promise of multiple new hotels in downtown and near the airport, Goodling noting, “The Breakers is going to add a lot of cache to our marketplace and I think will become a destination boutique hotel,” he said. Pacific6, an investment firm based in downtown, is currently renovating the historic building on Ocean Boulevard to transform it into a hotel by 2020. “The Breakers has been very instrumental in us getting the additional rooms that we needed to fulfill the requirements for sleeping rooms for a convention,” he said.

Goodling also cited a planned new hotel on the corner of Ocean and Pine Avenue by developer American Life, the planned conversion of the historic Security Pacific National Bank building at Pine Avenue and 1st Street by developer Cambria Hotels, and the addition of a Staybridge Extended Suites adjacent to the Holiday Inn Long Beach Airport.

When it comes to tourism, Goodling noted that Long Beach is receiving growing attention from media outlets. “This has been the best year yet in terms of writers visiting Long Beach,” he said. The New York Times published two pieces on Long Beach this summer – one, a tourism-focused piece highlighting the city’s attractions, and another focusing on the city’s development boom.

Goodling cited the expanding Aquarium of the Pacific, growth among local tourism businesses such as Harbor Breeze Cruises, investment in the Queen Mary and ongoing annual events like POW! WOW! Long Beach as indicators of the tourism industry’s health. He also pointed out that business corridors such as 2nd Street and Retro Row continue to be a draw for visitors to the city. “As a destination for getting away, Long Beach is continuing to grow in terms of recognition,” he said.
SoCal’s Stella Award Winning Event Space
Blue sunny skies. Bright city lights. Long Beach’s latest experiential turnkey innovation, the Terrace Fountains, are surrounded by an expansive outdoor plaza which can accommodate anything from an intimate gathering of 100 on up to 5,000 excited guests. A perfect after-meeting party space to lounge around or play around, this large reflecting pool with its ooh-and-ahh inspiring theatrical dancing water displays can be designed with your personalized colors chosen from hundreds of LEDs. Stylish furniture, professional light and sound design that can save you up to $100,000 in rental costs and set in a highly walkable downtown — it’s the hottest new convention event space in the coolest beach city.
A Nonprofit With A For-Profit Attitude:
CVB’s Marketing Team Credits Entrepreneurial Spirit To Its Success

BY SAMANTHA MEHLINGER
EDITOR

When it comes to marketing Long Beach to meeting planners, the Long Beach Area Convention & Visitors Bureau relies upon the city’s assets – principally, its unique and turnkey venues at the Long Beach Convention & Entertainment Center and nearly year-round Southern California sunshine – as well as a focus on relationship building with publications and prospective clientele. Although the organization is a nonprofit, its marketing team boasts an entrepreneurial attitude with a penchant for taking risks to make sure Long Beach gets in, and stays in, the spotlight.

“We may be a nonprofit organization, but we have a for-profit mentality,” Jeff Forney, the CVB’s vice president of membership, marketing and special projects, told the Business Journal in a meeting at the organization’s offices. “Our job is to be as successful as possible.”

Seated beside him, Loren Simpson, director of digital communications, finished his thought: “And to make you as successful as possible.”

Forney noted that the success of the CVB and the convention center – demonstrated again this year with the designation of second “best in the west” by trade publications Successful Meetings and Meetings & Conventions – are due to the CVB’s penchant for getting ahead of industry trends. “Usually what happens is it takes centers and buildings years to catch up, whereas we see trends and stay ahead of them,” Forney said. “When we’re [now] seeing, five years down the road, trends and stay ahead of them,” Forney said, “When we’re [now] seeing, five years down the road, trends and stay ahead of them.”

Forney has developed personal relationships with industry publications, he noted. Cultivating these relationships has multiple benefits. “We work with them to get connected to the writers, the editors, and to really help pitch our story about the destination,” Forney said. “Also, negotiating the [ad] rate keeps our cost down because we do it directly and we hold them to those rates. Since 2006, the rates we negotiated in print have not gone up.”

Working directly with publications also helps ensure the CVB’s ads are given desirable page placements, Forney noted. “As an example, in Convene, we always have the inside front cover on page two, every month,” he said, referring to a meeting industry publication.

The CVB’s advertisements highlight different aspects of Long Beach that make it a unique place for a convention or meeting, to find out what meeting planners are looking for and to advertise to those desires, Forney said. The CVB relies on relationships developed by its sales executives in key markets throughout the country. “We’re all about relationship selling. The sales team really knows the clients well and they talk to them about what their needs are, what the trends are,” he said. “On our [annual Washington D.C.] mission where we see 300 clients in a week, we talk to them about what they read, what they’re looking for.”

For meeting planners in the central and eastern United States, what they’re looking for is often an escape from colder weather. “Great weather, sunshine, palm trees, beach,” Simpson said. “It’s particularly gloomy elsewhere in the country, she and her social media team will push out content showing Long Beach’s sunny weather and active coastal lifestyle. “We’re still telling the same story, the weather, the sunshine, palm trees, beach,” Simpson said. “It’s particularly gloomy elsewhere in the country, she and her social media team will push out content showing Long Beach’s sunny weather and active coastal lifestyle.”

“We had not only champagne, but white-gloved hands offered glasses of champagne. “We had not only champagne, but white-gloved hands offered glasses of champagne.”

The CVB pays a publication to take over its Instagram in order to spread the word about Long Beach as a destination for meetings and tourism to new and wider audiences. This year, for example, Simpson orchestrated a takeover of Los Angeles Magazine’s Instagram account. Digital ad buys are often rolled into print advertising purchases as added value, according to Forney. Typically, the CVB chooses to advertise digitally via e-mail campaigns sent out by industry publications because it is easier to track how many people click on or see the ad, he explained.

The CVB also attends key conventions for meeting planners, taking the opportunity to give prospective clientele an in-person experience that showcases what Long Beach has to offer. Case in point, according to Forney and Simpson, was this year’s IMEX America convention. Held in Las Vegas, CVBs from America’s major cities, and even from countries abroad, vie for attention from meeting planners. “You’re going up against nations. Scotland has a 60 by 60 [foot] booth. It’s massive,” Forney said of the convention.

To stand out in such an environment, the CVB took some risks with their booth – an eight-foot-tall immersive screen wrapped around guests, giving them a sense of what it would be like to visit Long Beach and attend a meeting there, Simpson explained. Guests were greeted by a head-turning art installation – a model wearing a headpiece made of flowers that completely obscured her face – and a wall of modules through which stretched, white-gloved hands offered glasses of champagne. “‘We had not only champagne, but white-gloved hands offering glasses of champagne.

“We had not only champagne, but white-gloved hands offering glasses of champagne.”

The booth successfully attracted hundreds, and drew new business for the city, according to the CVB’s marketing team. (Photograph provided by the Long Beach CVB.)
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Sales Coordinators: The Long Beach CVB’s Special-Ops

By ALENA MASCHKE
STAFF WRITER

Housed in one of Long Beach’s tallest buildings, the Shoreline Square office tower, the Long Beach Area Convention & Visitors Bureau has a stunning view of its domain. Nineteen floors above the glistening harbor, a small team works behind the scenes to bring ashore millions of dollars for the city’s hospitality industry, with cash flows rippling far beyond its ocean view hotels.

The CVB’s five sales coordinators are tasked with marketing the city to potential clients across the country, wrapping all its amenities and attractions into one irresistible package. “We’re promoting Long Beach,” Gary Waters, who has been with the CVB for almost 12 years, summed up as his team’s mission.

After a client contacts the CVB to request a proposal that showcases Long Beach as the ideal location for an event, the sales coordinators put together a “bid book,” which outlines everything the client needs to know: hotel capacity, prices, transportation, meeting spaces and any other requested amenities. “Our bid book is part of our marketing. It’s giving the clients an overview in regard to what we can offer within the city for their clients,” Pauline Taylor, who has been with the CVB for almost 12 years, summed up as his team’s mission.

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The sales coordinators work on tight deadlines, handling projects that may bring in millions in commercial revenue and occupancy taxes. “If they screw something up, we could be out $25 million at the snap of a finger,” Bob Maguglin, the CVB’s director of public relations, said. “It’s really important, really vital work.”

The added challenge of working with clients and sales directors in different time zones means there’s never a dull moment. “There isn’t really a typical day, every day there’s something new happening,” Waters said. “There’s nothing boring about the job.”

Despite the intense pressure and responsibility their position entails, the team has an impressive retention rate. Even factoring in the newest addition to their team, who joined a year ago, the average member has been with the CVB for almost nine years. The supportive work environment and recognition they receive both from inside their office and from the city goes a long way, Sales Coordinator Kathy Ford said. Presenting the CVB’s annual report to the city council and showcasing a year’s worth of hard work to city leadership is an especially emotional moment for Ford. “It almost makes me want to cry, it makes me really proud whenever I get to see that,” she said. “It’s a beautiful thing.”

To turn around leads for the CVB’s sales directors and proposals for clients on often tight deadlines, each sales coordinator has to rely on a well-nurtured network of contacts in the city’s visitor-facing industries, such as hospitality, entertainment and transportation. “They know their pets’ names, they know spouses, children, who had a new baby. They really know these people,” Loren Simpson, the CVB’s director of digital communications, said.

Most members of the team have previously held positions at Long Beach hotels, an experience that has groomed them for their daily negotiations with hotel staff on behalf of potential clients. “We’ve been here for so long and we all come from hotels,” Sales Coordinator Lillian Olguin said. “We just start meeting them, building relationships.” The team works so closely with hotel staff that they often feel like colleagues or even extended family, Ford added.

These close and positive relationships are a noticeable benefit to clients, Sales Coordinator Shannon Yates said. Yates joined the sales coordination team last year, after interacting with the CVB on behalf of the EEM Longines Masters Series horse jumping event for several years. “The CVB really creates a family atmosphere,” Yates said. “They’re able to create an all-encompassing experience for the people who come here.”

One event from Yates’ time with the Longines Masters shone a particular spotlight on the all-hands-on-deck approach the CVB takes to pleasing clients. When EEM organized a scavenger hunt that featured a large, red horse statue, the CVB used their social media accounts to help spread the word and even organized a forklift from the Aquarium of the Pacific to move the statue. “They’re super on board with that mentality of making sure that the people who do business in the city are part of the Long Beach family,” Yates said. “We didn’t get that white-glove, red carpet service when we were in other cities.”

Members of the team say they see their mission and that of the CVB as one that exceeds the transactional nature of proposals, bids and sales. “We support the charities in the city,” Ford said, pointing to the CVB’s donations of time and money to the Long Beach Ronald McDonald House and the city’s homeless shelters. Waters pointed to the city’s partnership with the organizers of POW! WOW! Long Beach, an international series of art festivals, which was initiated in part by the CVB and has brought dozens of murals and visitors to the city in the past five years. “We’re excited to tell people about these things,” Waters said. “I don’t know a lot of cities you can say that about, that you’re excited to sell the city that you work for.”

Having observed the development of Long Beach over the past decade, the team’s most senior members said they see the impact their work has made. “Long Beach has exploded,” Taylor said. “Long Beach used to be kind of a sleeper, and it’s not anymore. We are very competitive throughout the United states with what we can offer here in Long Beach.”

By helping sell the idea of Long Beach as a destination for professional meetings and conventions, the team believes they’ve helped spark that development, most noticeably the renovations of the Hotel Maya, the Breakers Hotel, and the construction of new hotels in the city. “These people are willing to build brand new hotels and invest in Long Beach, because we’ll be able to fill those hotels,” Waters pointed out. “It’s such a cool thing to see how much we do impact all of Long Beach.”

The Long Beach Area Convention & Visitors Bureau’s sales coordination team, whose task it is to promote Long Beach to large-scale business clients, is pictured in the bureau’s “closing room,” named for its power to close a sale by providing a stunning view of the Long Beach harbor. From left: Gary Waters, Shannon Yates, Kathy Ford, Pauline Taylor and Lillian Olguin. (Business Journal photograph by Matt Fukushima)
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By ALENA MASCHKE
STAFF WRITER

When a friend told Chef James Miller that he should join him in the kitchen of the Long Beach Convention & Entertainment Center, Miller was skeptical. As a passionate and creative chef who had spent the last 10 years touring Southern California’s fine dining scene, Miller wasn’t quite sure large-scale gastronomy was the right fit for him.

“You think convention center, you think grey chicken and dry, overcooked food,” Miller recalled of his initial reaction. Still, he felt like he was ready for his next move and decided to take a chance. Going from executive chef at a fine dining restaurant to sous-chef at the convention center would be considered by some as a step down, but Miller saw the potential of the new position.

“I saw it as a lateral move, because I saw potential to grow in a place like this,” he said, “because of the size, the volume that we do, the names that come through here, the bookings that we get. A lot of exposure.”

After taking over the role of executive chef at the center this year, Miller set out to modernize the way convention centers and their clients think about catering options. “In my experience, I’ve been to a few conventions before I started working here – the style of food they’re doing is probably 10 years behind whatever new restaurants are doing,” Miller said.

After taking over the role of executive chef at the center this year, Miller set out to modernize the way convention centers and their clients think about catering options. “In my experience, I’ve been to a few conventions before I started working here – the style of food they’re doing is probably 10 years behind whatever new restaurants are doing,” Miller said.

Miller regularly seeks out advice from outside of his own kitchen. “I work very closely with a lot of my old chefs and colleagues in the restaurant industry, and try to stay up with the trends,” Miller said. The creative flair Miller picked up during his culinary training and his professional experience in the restaurant industry helps set his work apart from more conventional competitors, the chef noted. For instance, Miller once set up a bar serving prosciutto- and sage-flavored cotton candy paired with orange flower smoke-infused old fashioneds.

Scaling up his ideas and techniques to serve larger groups was a challenge at first. “It’s such a large venue; our kitchen is probably a good quarter of a mile away and up three flights of stairs,” Miller said. “All of that takes a lot of timing and skill, something that I had to learn here.”

Depending on the occupancy level of the 15 food retail locations throughout the center, Miller and his team often cater several different events at once. From plated banquets to buffet style mixers, Miller said he works closely with each client in putting together a catering experience that fits their needs. “I work very closely from day one with the sales person to try and create a menu that our guests are going to love,” he said.

Looking toward the future, Miller envisions more open-format dining arrangements that allow guests to mingle, and a greater diversity of menu options. “I’d like people to be more open to trying new things,” the chef said. According to Miller that means: less surf-n-turf or chicken, starch and veggies, and more outside-the-box, locally sourced menu items.

By presenting guests with unexpected dishes like quid ink risotto with seared diver scallops, yuzu beurre blanc and a paquillo pepper foam, Miller is confident that his cuisine is helping the center succeed. “The venue brings the guests in, the food keeps them coming back,” he said proudly.
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Long Beach Hospitality And Tourism Businesses Report Steady Sales, High Optimism In 2018

By Pierce Nahigyan
Staff Writer

Last year the Business Journal reported that 2017 was the "best year ever" for Long Beach tourism. While 2018 is not expected to seize that crown, businesses are reporting steady sales and optimistic outlooks going into next year. Overall, development in the city’s downtown and an engaging assortment of entertainment venues and events continue to bring in visitors and locals alike.

Hotels
The occupancy rate in Long Beach hotels was essentially flat in 2018, according to Bruce Baltin, managing director of CBRE Hotels, a global firm that provides analyses and forecasts of hotel markets. CBRE has calculated the 2018 occupancy rate for the city at 79.4%, versus 79.3% for 2017. The plateau is hardly bad news, Baltin said.

In December of 2017, Hilton opened its dual-branded Homewood Suites and Hampton Inn at the Long Beach Airport, bringing 241 new hotel rooms into the city. The fact that total occupancy has dropped only 0.1% since that time is the sign of a healthy market, Baltin said. "It means it was fully absorbed."

Because occupancy was essentially flat, Baltin went on, so were average daily room rates charged for overnight stays, which dipped about 0.5%. Last year boasted the highest occupancy rate that CBRE had seen in Long Beach in 25 years of analysis. Hotel occupancy rates were well above the national average for the past two years. "National average occupancy is at an all-time high this year at 66.2%," Baltin said.

Tourism visits are increasing to Long Beach and more people are moving in, Baltin said. He pointed to the continued improvement of the downtown area and growing number of enplanements at the Long Beach Airport as positive influences on the economy.

While the passage of Measure WW, a new law that sets prohibitions on how hotels market to guests, would limit the amount of marketing that hotel staff can do per shift, it may impact hotels’ bottom lines, Baltin said. It won’t necessarily impact future occupancy rates.

At the Long Beach Marriott, General Manager Imran Ahmed believes Measure WW may necessitate the hiring of an additional 15 housekeepers. Because of the measure’s "human workload" standard, hotel employees cannot clean more than 4,000 square feet (approximately 10 average-sized rooms) in an eight-hour day. With 309 total rooms, Ahmed described his hotel as the largest at the airport.

As of November, the Marriott was about 4% behind in occupancy from 2017, with revenues per available room at about $150, or $5 less than last year. This was partially due to the opening of the Homewood Suites/Hampton Inn by Hilton Long Beach Airport, he said. Occupancy may slip again in 2019, he estimated, as the Marriott makes improvements to its existing rooms. "As soon as the renovation gets done, we will have brand new rooms," he said, and new rate increases. Ahmed is hoping renovations will be completed by first quarter of 2020.

Pamela Ryan, general manager at the Renaissance Long Beach Hotel and chair of the Long Beach Hospitality Alliance, reported occupancy was between 82% and 83%, on par with 2017. Ryan did not expect Measure WW to affect the Renaissance, as its ratio of rooms to housekeepers is not outside the bounds set by the new law. "I’m not as impacted as some of our other hotels are," Ryan said.

Steve Goodling, president and CEO of the Long Beach Area Convention & Visitors Bureau, told the Business Journal that the Renaissance’s recent upgrades to its ballroom is helping his organization book meetings in the city. He also pointed out that planned renovations to the Westin Long Beach’s lobby should do the same.

"They are going more to a lifestyle concept with a great bar in the middle and then great seating around it," he said.

The Hotel Maya, a DoubleTree by Hilton hotel, reported a slightly higher occupancy than last year, but General Manager Kristi Allen noted that it tends to pull a greater number of leisure guests than hotels located near the convention center or airport. Those tend to book higher group rates for corporate events, she explained. "We’re probably skewed higher towards the transient traveler versus the group [business]," she said.

Observing a trend also reported by several businesses interviewed by the Business Journal, Allen said that tourism seems to be on the rise in the city. "Long Beach has been increasing its leisure demand," she said. "There’s a lot of development downtown. The Queen Mary has been doing a lot of events, and that does drive leisure demand." Daily room rates and the revenue generated per available hotel room is flat compared to last year, she reported. That, too, she attributed to fewer group rates and more transient occupancy. Group bookings can lead to more business overall, she explained. "They come in on conventions and they have big functions, breakfast, lunch, dinner, and they’re here on expense accounts. We like that," Allen said. "But being able to fill the room nights with a leisure guest is nice as well."

Business continues to be good at the Maya on the whole, Allen said, and 2019 is expected to be a stronger year for group bookings. "Next year is pacing considerably up from this year on the group side," she said.

Tourism
For both visitors and locals, Long Beach offers myriad options for day trips and even longer voyages. Businesses operating from the harbor are available for those looking to sightsee or just get away from it all. Some like, Dan Salas’s Harbor Breeze Cruises, have long-established reputations. Salas has been operating his whale watching tours out of Long Beach for nearly
two decades. His low-emission, double-deck sightseeing vessels are designed for premium comfort and breathtaking views. After founding Harbor Breeze Cruises in 2001 with one charter sportfishing boat, Salas is now a commodore of sorts, overseeing eight passenger boats – including the 500-passenger Sir Winston. Sir Winston is the newest addition to Salas’s fleet and is primarily employed for corporate dinner cruises, events and weddings.

Salas reported uniform sales in 2018, but he said that’s the price of good competition. “When we first came into Long Beach in the early 2000s, competitors underestimated Long Beach,” he said. Operators out of Marina del Rey, Newport Beach and San Diego “never really gave Long Beach a shot,” he added. That enabled Harbor Breeze to build up its business and develop key relationships with the city, including a lasting partnership with the Aquarium of the Pacific.

“We bring [Aquarium] naturalists onboard . . . and they lead the excursion out into the ocean and give the customers the latest information on the dolphins, the whales, the sea birds, [and] what we can do to help curb the storm drain runoff,” Salas said. The professionalism and care of these educators has both developed the reputation of his company and the value of Long Beach as a major sightseeing location, he said.

President and CEO of the Aquarium Dr. Jerry Schubel called Dan Salas “a great citizen.” By offering combination tickets for Harbor Breeze Cruises and the Aquarium, Schubel said their combined promotion has done lasting good for the harbor. “It’s been a wonderful partnership,” he said. “The sightseeing opportunities in Long Beach’s harbor and its continued business and residential development, Salas said, “all of a sudden, our competitors woke up.” But Salas welcomes them. Long Beach is pro-business, he said, and he’s thankful for it. “Competition’s what drives better equipment, better service. Just up your game and the marketing efforts,” he reflected.

Salas’ newer vessels all have wheelchair accessibility, including ramps and accessible restrooms, and his fleet has been upgraded to meet all clean air standards imposed by the state. “I can’t say enough about working with the city for almost 20 years,” he said. “And the

ports, and growing a business here in Long Beach, it’s beyond my wildest dreams.”

Like Harbor Breeze Cruises, Catalina Express reported equivalent business compared to last year. Though, for President Greg Bombard, that’s something of a relief. Bombard was concerned that, after ending a six-year promotion to offer free rides on travelers’ birthdays, ridership would decline. Yet sales continued to be steady.

For 37 years, Catalina Express has ferried passengers to and from Catalina Island. Bombard’s company now operates a fleet of eight vessels that offer smooth rides. “People who think that boats are something they can’t really get along with, they’ll be shocked at how well they do it and how much they’ll enjoy it,” he said. “They’ve all got ride control, which means they have wings underwater that help the boat stay flat.”

The boats are also fast, Bombard added, with the voyage taking about 65 minutes from Long Beach to the island. “This last summer we operated as many as 38 trips a day over and back,” he said.

Bombard credited his steady sales to the many facilities and attractions available on Catalina, which continues to draw visitors from both California and the greater United States. Bombard listed off the many activities on the island: camping and hiking, paddleboarding and kayak tours, jeep tours, watersports, snorkeling, museum and festivals. “Take the whole family, because there’s something for people to do no matter if the kids are three or up to if they’re teenagers,” he said. “They’re going to enjoy their day, and they’re going to enjoy what they see on the island.”

Hornblower Cruises and Events, which offers private charter cruises out of Long Beach as well as holiday public dining cruises, reported to the Business Journal that its bookings increased 10% over last year. “In 2019, we are working towards the same increase,” Hornblower’s Associate Director of Marketing Elizabeth King said.

Hornblower works closely with the City of Long Beach to promote its cruises to locals and tourists, King said, and is a member of the Long Beach Area Chamber of Commerce and the Long Beach Area Convention & Visitors Bureau.

Business has continued to be strong for the largest ships in the harbor, too. Currently, Carnival Cruise Line operates three ships year-round from Long Beach: the 3,012-passenger Carnival Splendor, which sails seven-day Mexican Riviera cruises and 14-day Alaska and Hawaii voyages, and the 2,056-passenger Carnival Imagination and Carnival Inspiration, which operate three- and four-day cruises to Catalina Island and Ensenada. When the new 4,008-passenger Carnival Panorama replaces the Splendor in 2019, Carnival expects to increase its capacity for its week-long cruise by 33%.

“Bookings have remained constant over the years as we sail at capacity regardless of ship or cruise duration,” Fred Stein, Carnival Cruise Line’s vice president of revenue planning and development told the Business Journal. He added that the new Panorama is expected to carry 650,000 passengers a year from Long Beach, “the most of any cruise operator on the West Coast.”

Cruise goers board these ships from the Long Beach Cruise Terminal located beside the Queen Mary. Notable for its geo-
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Corresponding to the rise in sales, Fixen estimated that Shoreline is seeing more visitors over time. “The population of Long Beach is growing along with the historic Queen Mary,” Fixen said. “It helps take cars off the road and it helps us to give people an opportunity to do things they wouldn’t have done had they had to drive by themselves all day,” LBT President and CEO Kenneth McDonald said.

In addition to its Passport bus, LBT offers special summer programs like its Museum Express, a $12 roundtrip from Long Beach to several museums and education centers, including the Getty Center, Griffith Park Observatory, Ronald Reagan Library, Bowers Museum and many others. The Galaxy Express is a free shuttle that takes passengers from StubHub Center to L.A. Galaxy home games. “That is a partnership we’ve had for over two years now with the StubHub Center,” McDonald said. Public transit has faced competition from ridesharing services like Lyft and Uber, McDonald said, but the majority of LBT’s ridership comes from local commuters, not tourists or folks out on the town. “About 80% of our ridership are people going to school or going to work,” he said.

Overall, McDonald said that ridership has risen from 2017 but is about 1.5% below 2015. McDonald said the numbers may stabilize heading into Fiscal Year 2019, which began in October. Ridership has increased 0.9% for that month year over year, he added.

In the meantime, McDonald and his staff are considering ways to make transit easier and more convenient for commuters and the rapidly developing downtown community.

“We’re looking at mobile ticketing,” he said. “We’re improving our website, how we communicate to our customers, how we enhance the commuter experience.” One idea, he said, that may include real time bus tracking.

LBT is also planning to expand the schedule of its water taxi service. Currently, the company’s AquaBus service operates on weekends from April to October. These 30-foot boats take riders around the harbor from Shoreline Village to the Queen Mary, Aquarium and Hotel Maya. “It is pretty popular with people and we’re trying to expand it so folks can use it more,” McDonald said. LBT is looking at that possibility for early next year.

**Waterfront Attractions**

What makes Long Beach an enduring tourist and business destination, Pamela Ryan told the Business Journal, is its ideal location. “We have this large city that sits just right on the water’s edge,” she said. And curled around that edge is an assortment of charming venues, from Shoreline Village to the Aquarium of the Pacific and the historic Queen Mary.

Overlooking Rainbow Harbor and styled after a Cape Cod fishing village, Shoreline Village is a shopping, dining and entertainment center that has drawn in more sales every year after year. “Every single year we continue to build,” General Manager Debra Fixen said, in regard to retail. Fixen reported 9% sales growth in the 2nd quarter of 2018 and 8% in the 3rd quarter.

Corresponding to the rise in sales, Fixen estimated that Shoreline is seeing more visitors over time. “The population of Long Beach is growing along with the tourist,” Fixen said. “So we see numbers growing from that.” With the expansion of the cruise terminal, Fixen has noted an uptick in visitors from Carnival cruises during breakfast hours, she noted.

Proximity to the convention center and hotels, and a short bus ride from the Queen Mary, makes it popular with passengers, tourists, but Shoreline Village has also expanded its marketing efforts to bring more locals to the area. “A lot of times, locals come out when they have family in town or they haven’t been out for years,” Fixen said. “We try to do different events that will appeal to the locals also.”

Fixen added that the village has always been a great location to watch the Queen Mary’s fireworks display on New Year’s Eve. The center also celebrates Mardi Gras every year with a parade, and hosts a pirate festival in the summer. In December, Shoreline is offering traditional Christmas entertainment with carolers, a brass band, Santa Claus, and Fixen added, maybe even a little snow.

Across the water, the Queen Mary continues to offer a picturesque location for weddings, conferences, concerts and celebrations of all kinds. Since leasing the Queen in 2016, real estate developer Urban Commons has worked to both improve the structure of the 82-year-old ship and expand upon signature events like Dark Harbor, a Halloween scarefest that stretches from September 27 to November 2.

According to Dan Zaharoni, chief development officer for Urban Commons, over 140,000 people attended Dark Harbor this October. “We’re pretty close to capacity on every night that we’re open during October,” Zaharoni said.

For its annual winter carnival, the Queen Mary plans to host light displays, musical performances and many family activities. Urban Commons nixed the ship’s annual CHILL event, which has for the past several years running encompassed land surrounding the ship, including part of the adjacent dome. “We believe bringing Christmas onto the ship is going to be very popular with communities and families in Long Beach,” Zaharoni said, and added that Urban Commons plans to enhance the experience even more in 2019. “We’re really excited about it.”

Urban Commons has also partnered with music festival operator Goldenvoice to bring live music to the city’s historic landmark. “Forbes Magazine called us the hottest concert venue in Southern California,” Zaharoni said. “People are enjoying the Queen like never before.”

On 10 different days in 2018, concerts brought more than 15,000 visitors to the Queen Mary events park. Zaharoni said. “Bringing top-named acts from internationally recognized entertainers to the ship is going to continue in 2019,” he added.

Urban Commons is currently in the process of putting together its winter concert, which Zaharoni predicted will break records in terms of attendance. “We want to give people a good time,” he said. “We feel like we’re doing that better than ever before.”

The Aquarium of the Pacific is also gearing up for its annual holiday festivities. Starting on December 1, the Aquarium is transforming its entryway into a weekend snow play area to run through December 23. “There will be photo opportunities with Santa Claus,” Schubel told the Business Journal. “And people will see a Santa diver giving ‘Fish-mas’ gifts to all the animals every day at 10 a.m.”

While the submarine Santa is delivering his fish-mas gifts, the Aquarium will also feature a daily penguin parade in front of the sea otter habitat. “There are an awful lot of things going on,” Schubel said. Other holiday activities will include weekend crafts, showings of “How the Grinch Stole Christmas” and Hanukkah storytelling in the Aquarium’s Ocean Theater on December first, second, eighth and ninth.

From December 10 to February 28, the Aquarium will feature the work of Southern California artist Truong Bui Giam. Giam’s impressionistic watercolor
paintings of marine life so impressed Aquarium staff, Schubel said, that they are creating postcards of his art.

On December 15, the Aquarium is celebrating its 20th anniversary with an art contest. “We had 100 entries and the top 20 will be shown,” Schubel said. Those winners are to be awarded roundtrip flights on JetBlue Airways, the anniversary’s sponsor. Events on the horizon include the 16th Annual Festival of Human Abilities sponsored by downtown’s Courtyard Marriott Hotel. “This is the festival where we celebrate the abilities of people with disabilities,” Schubel said. Held on January 26 and 27, the festival will feature wheelchair hip hop dancers, scuba divers who have been paralyzed from the waist down, a blind guitarist and a signing choir. “It’s quite emotional,” Schubel said.

“Every one of our festivals does very well,” Schubel said. “The times when we get the most people are when kids are out of school, so summer and then the weekend after Thanksgiving is always a very busy weekend.”

The Aquarium saw a slight dip in attendance in 2018 compared to last year, 1.7 million visitors as opposed to 1.72 million. Gross revenue is expected to close at about $37 million, which is about $5 million shy of last year.

Schubel attributed the decline in attendance to the ongoing construction of the new Pacific Visions wing, which he said is on track and on budget to open in spring 2019. Housed in a gleaming blue whale-shaped building, Pacific Visions will boast a state-of-the-art immersive theater, special exhibitions, art galleries and live animal exhibits. The last of its 839 glass panels was installed on its facade on October 17. “This is a very non-traditional expansion of an aquarium,” Schubel said. “Instead of having bigger tanks for bigger animals, it focuses on the one animal who’s putting all the other animals on the plant at risk. And that animal is us.”

While the wing is slated to feature some live animal exhibits, Schubel said the new wing is meant to focus on the changing relationship of people and the planet “and what we have to do to get that back onto some sustainable track.”

After Pacific Visions opens to the public, Schubel expects the Aquarium will top 1.8 million visitors in 2019. “In 2020, when we have Pacific Visions [open] for the full year, I expect we’ll get to two million visitors,” he said.

Schubel believes that tourism in Long Beach is building year over year. “We do a really good job with conventions, but when you think of all the things there are to see and do in Long Beach . . . I think it’s at the point where we ought to be able to get more people to come for a weekend or even a week,” he said.

Schubel said that he and his staff take great pride in making the Aquarium a gathering place for both residents and visitors. “There are places that we live, the places we work, and then there are third places where we gather to exchange ideas, to experience cultural events, and so on. The Aquarium has become downtown Long Beach’s third place,” he said. “We take that being the third place very seriously.”

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reduce pollution and protect the health of their communities. At present, the network includes over 4,000 businesses in cities and counties across California.

In Long Beach, 50 businesses have begun or completed the steps to certification, according to the office of sustainability. Nineteen have signed up for the program, 21 have initiated the technical process and 10 are now certified green.

Long Beach business owners interested in becoming certified are guided through each step of the process by the office of sustainability. “There’s nothing that is a huge barrier,” Chatterson said. No major remodels are required by the program, apart from replacing lightbulbs with LEDs and water fixtures with more efficient models. In both cases, the office of sustainability helps businesses find rebates to offset the costs.

Practices that qualify for green certification include reducing water use, conserving energy, preventing pollution, using non-toxic cleaners, avoiding waste and commuting sustainably—which can be accomplished by hiring locally to cut down on vehicle use.

Installing double-paned windows or solar panels are significant steps toward energy conservation, but these are non-essential procedures to qualify for official green status. “We’re not trying to put a big burden on businesses to reach this, because a lot of businesses are in rented spaces,” Chatterson explained.

One of the first steps to apply for the certification program is to submit an environmental policy statement. Then, a representative of the office of sustainability goes over to discuss ways to reduce energy and water use, and implement waste disposal and recycling. Composting is considered a definite plus. “Sometimes composting isn’t quite available yet, but we want to see that they’re doing everything they can,” Chatterson said.

Depending on how much work a business has already committed to sustainability, the certification process can take as little as two days and as long as six months, Chatterson said. After a business registers with the office, she schedules a walkthrough at their location and gives them a checklist to review. During the walkthrough, she offers technical assistance and documents what has been accomplished and what needs to be improved. The business then makes its improvements and sends in photos and documentation as proof.

“Once they’ve finished everything on the list, then it’s a second visit to say, ‘Congratulations, here’s your certificate,’” Chatterson said.

The DNA: Fine Feathers Kombucha
One of the newest businesses to receive green certification was Fine Feathers Kombucha Company, a dedicated craft kombucha shop located at 2296 Long Beach Blvd. Co-founders Jay Penev and Jodine West. (Photograph by the Business Journal’s Brandon Richardson)

Fine Feathers Kombucha was the ninth business in Long Beach to receive a Green Business Certification. Its artisanal kombucha is handcrafted and fermented in small batch glass vessels to yield probiotic teas. “We do not overproduce, and that’s a big thing for us,” co-founder Jay Penev told the Business Journal. “Our products are fresh.”

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Apply for a FREE #FoamFreeLB kit to show your customers you made the switch to sustainable containers and for FREE online promotion.

**#FOAMFREELB KIT**

Check the Compliant Product Guide online to verify your packaging materials are compliant with the ordinance.

Fill out the online application at Longbeach.gov/LBrecycles

Once approved, you will get your kit and your restaurant will be featured on our website and social media.

**Longbeach.gov/LBrecycles**

**FoamFreeLB@longbeach.gov**

@LBrecycles

**EPS (Expanded Polystyrene) Ordinance**

**What is the ordinance about?**

The City of Long Beach passed an ordinance prohibiting the use of polystyrene and other non-compostable single-use, take-out food containers.

**When do restaurants need to comply?**

- **>100 seats** - March 3, 2019
- **<100 seats** - December 3, 2019

**What materials are allowed under the ordinance?**

Recyclable or compostable materials such as plastic #1, #2, #5, aluminum, or compostable paper. Check Longbeach.gov/LBrecycles for the "Compliant Product Guide."

More information and resources, including the #FoamFree Kit can be found at Longbeach.gov/LBrecycles

**Longbeach.gov/LBrecycles**

**FoamFreeLB@longbeach.gov**

@LBrecycles
Penev West started fermenting their probiotic kombucha tea beverages in Long Beach in 2014, but their green practices date back to their former home in Portland, Oregon.

“It’s part of our DNA,” Jay Penev told the Business Journal. At Portland State University, Penev led the “green team” in the department of electrical and computer engineering and helped it to adopt sustainable practices like waste reduction and water conservation. When the Penevs started brewing in Long Beach, they were already committed to operating a clean, sustainable business.

Fine Feathers Kombucha composts all of its organic waste, recycles and reuses bottles, and gives incentives to customers to do the same. When a customer purchases a larger vessel of kombucha (a 16, 32 or 64 ounce bottle), they pay a deposit of either four or five dollars. Once they’re done drinking it, Penev explained, they can rinse the vessel and return it to receive the deposit towards their next purchase. The returned bottles are then sanitized and recirculated.

“We have been implementing this practice since the very beginning of the company,” Penev said. “It’s been very successful. Since 2016 alone, we have recirculated over 10,000 vessels through just our retail front.”

When the Office of Sustainability arrived to do its first technical walkthrough, Penev said they passed the waste management examination “with flying colors.”

“We were already doing these things prior to being certified,” Penev said, adding that their company has also been “From the standpoint [of] someone who’s new and wishes to certify, I think it’s very easy. It basically involves familiarizing yourself with what can be changed, how it can be changed and of course why it needs to be changed.”

Jay Penev, Fine Feathers Kombucha

certified as a blue restaurant by the water department. Certified Blue Restaurants (CBR) are recognized by the City of Long Beach for exceptional water efficiency practices. Though separate from the sustainability office’s Green Certified Business program, Chatterson said that her office has aligned its water requirements with the CBR program so that businesses are able to qualify for both.

When asked about the certification process for businesses that may not have the same head start on sustainability as Fine Feathers Kombucha, Penev was encouraging. “From the standpoint [of] someone who’s new and wishes to certify, I think it’s very easy,” he said. “It basically involves familiarizing yourself with what can be changed, how it can be changed and of course why it needs to be changed.”

In the future, Penev wants to see more businesses in Long Beach and other major cities go green. “Everybody should be doing their part in minimizing their waste and recycling,” he said. “These things should just be part of the culture.”

Other Initiatives And Projects

The office of sustainability has many more green projects and initiatives that are already underway. Ongoing projects include a free mulch pickup service, located at 2755 Orange Ave.; a free service in which Long Beach residents may request that a tree be planted in the parkway located between their sidewalk and street; and an electric vehicle (EV) charger giveaway program.

To request a free EV charger, residents can apply through the office of sustainability’s website. The only prerequisite is a permit for the installation, which is available through the city’s development services department. “Either [the applicant] or their electrician goes through the building permit process to get it,” Sustainability Coordinator Larry Rich said.

Since 2018, the office has given away about half of its available chargers, but Rich estimated there are about 130 still available. He noted that EV owners seem to be on the rise in Long Beach, as the total number of electric vehicles in the city has grown by an annual 40% since 2015, according to the California Department of Motor Vehicles.

A program started in 2018 that is continuing into 2019 is the Urban Agriculture Incentive Zone Program, which enables owners of vacant properties to obtain a property tax reduction for turning their lots into urban farms or community gardens. “One lot could be enough to start a seasonal wetland on the property, city staff plan to grow the nursery’s stock of plants, host educational workshops and ultimately establish a system for sale and distribution of plants to Long Beach locations.

Thus far, nearly one-third of the property’s 48 acres has been restored. As it seeks grants to further transform the land, the office of sustainability plans to utilize the existing plants for seeds and cuttings to expand organically. Rich said that, eventually, these plants can be made available to city facilities. “But the real goal is to make those sorts of plants available to residents,” he explained. “So when they’re working with the water department to do its Lawn-to-Garden Program, they can utilize native plants that are grown locally.”

Household Hazardous Waste FREE Disposal Event

Every 2nd and 4th Saturday each month (only 2nd and 4th Saturday in November and December) 9:00 a.m. - 2:00 p.m.

Accepted Items include:
E-waste, paint, used motor oil & filters, cleaners with acid or lye, pool chemicals, expired pharmaceuticals, batteries, pesticides, anti-freeze, fluorescent bulbs, home-generated sharps, used tires, and more.

For more details visit LongBeach.gov/LBrecycles.

Location:
EDCO Recycling Center
at the corner of 28th and California in Signal Hill

LongBeach.gov/LBrecycles
Deconstruction Can Turn One Man’s Rubble Into Another Man’s Roof

By ALENA MASCHKE
STAFF WRITER

In the spring of 2016, 75 construction workers, a 182-foot excavator and a 15,000-pound demolition shear worked almost two months tearing down the old Long Beach courthouse to make space for the new Long Beach Civic Center, which will house both Long Beach City Hall and the Port of Long Beach’s headquarters. Soon, the old Long Beach City Hall building will meet the same fate. But what happens to all the rubble these kinds of teardowns leave behind?

The Long Beach Environmental Services Bureau is hoping that, in the future, a larger portion of materials will be salvaged and reused. Through deconstruction, used materials such as kitchen fixtures or wooden planks can help build a home for a family in need or provide building materials for community organizations. “It ensures that material that can still be used, is still used,” Erin Rowland, a waste diversion and recycling officer with the bureau, said.

Currently, the City of Long Beach requires developers to show proof that they’ve either recycled any materials left behind in the demolition process or that they have deconstructed the old building, sorting out any reusable materials for future use. It’s unclear exactly how many developers choose deconstruction, but it remains a niche practice, according to experts interviewed for this story. In August, the Long

The Deconstruction and ReUse Network, a Long Beach-based nonprofit, deconstructs both residential properties, like the one shown in this picture, and commercial projects, salvaging reusable materials to be donated. Pictured from left: Paula Wise, manager at the Network; Lorenz Schilling, Network founder; Erin Rowland, waste diversion and recycling officer with the Long Beach Environmental Services Bureau (ESB); and Elisa Calderon, recycling specialist, ESB. (Photograph by the Business Journal’s Brandon Richardson)
Beach Development Services Department began implementing a new data collection process for the program to track the deposition of materials. More detail, according to Community Information Officer Richard de La Torre.

In the meantime, the ESB had started to look for ways to promote deconstruction and reuse. “We were curious if there were companies in Long Beach providing that service,” Rowland said. Through online research, Rowland and her team discovered the Deconstruction and ReUse Network, a “hidden gem here in the city,” as she described it. The nonprofit, which is headquartered in Belmont Shore, offers low-fee deconstruction services for commercial and residential projects. The recovered materials are donated to other nonprofits, such as Habitat for Humanity or Corazon, an organization that builds homes for families in need in Mexico’s Baja California region.

“You’re running out of landfill space. I don’t know where we’re going to put it. We’ve got to come up with a solution,” Wise said. Take Santa Monica as an example. Wedged between Los Angeles and the Pacific Ocean, the city has a very limited landfill capacity, prompting its government to be more aggressive in promoting deconstruction and reuse, Wise explained.

Private companies and government agencies alike have become increasingly aware of the challenges presented by the steady decrease of available space, especially in urban areas. “Everyone’s come a long way,” Wise said. “We’re more alert to the situation.” The increased awareness has sparked an interest in innovative solutions, like salvaging construction materials. “In 2008, people looked at us like we were insane; they had no idea what we were doing,” Wise remembered. “It’s so exciting that people actually know what it is now.”

Younger companies and those in the emerging tech industry are starting to include environmentally-conscious practices in their corporate mandates, the Deconstruction and ReUse Network’s founder Lorenz Schilling said. “They’re going to be the ones that are going to be more receptive to these types of approaches than companies that have been doing things a certain way for a long time,” Lorenz noted. “That’s not to say

that these other, let’s say, older industries cannot or won’t also adapt in time.”

For companies and individuals who donate their old construction materials, the benefit goes beyond clearing their environmental conscience. Donors qualify for a tax deduction based on the assessed value of the donated materials, and the value of smaller donations of up to $5000 can be assessed by the donors themselves. In addition to the financial incentive of tax deductions, Wise explained, many of the organization’s clients are happy to see their disposables put to use for a good cause. “I’ve talked to our donors, and they really like to see where the materials go,” Wise said. “It’s nice to see that it’s not just thrown away. It makes them feel good, too.”

Just like the construction industry itself, interest in deconstruction fluctuates based on market demand. “It comes in peaks and valleys,” Wise said. “Deconstruction takes longer. That’s just a fact.” The time deconstruction adds to the overall development process and the associated upfront costs make it a hard to sell concept at times when construction is booming. A downturn in business has the opposite effect, Wise explained. “In 2008, when the recession hit and there weren’t a lot of fish jumping in the boat, [companies] were looking for other opportunities to expand their marketplace,” she remembered. “They were much more open to saying ‘Oh yes, we will add that to our offering!’”

For many developers, deconstruction and other efforts to make buildings more environmentally-friendly immediately raise economic concerns. Scott Choppin of the Long Beach-based Urban Pacific Group said his company hasn’t used deconstruction on any of its sites so far. “We like the idea of it, but to be quite honest with you, the offers that are out in the marketplace for deconstruction are really pretty narrow,” Choppin said. “Presently, there’s very few actual deconstruction companies, therefore their prices are generally higher.”

Choppin believes that nonprofits like the Deconstruction and ReUse Network are positioned to promote the practice, eventually making it a more viable option for everyone, including the for-profit companies necessary to introduce deconstruction into the mainstream. “Nonprofits have an advantage because they can be innovative and aren’t driven by profit motives,” Choppin said.

As a first step, the EBS is planning to promote the nonprofit’s services through the bureau’s social media profile and promotional materials to be shared by the development services department. “I think this is just the beginning of a conversation,” Erin Rowland said. “Hopefully through increased awareness, people will seek out services as they fit for them.” Wise agrees, but hopes that, in the future, people will not only think about reuse once a building is nearing the end of its life cycle, but at the beginning of it. “Building with the idea of deconstructing at the end,” Wise said. “If you build with that in mind, you make different decisions.”

For the Deconstruction and ReUse Network, commercial projects with a larger volume of reusable materials are a more effective use of their limited resources than smaller, residential projects that provide a limited amount of reusable material. Still, homeowners who are updating their properties may contact the nonprofit to donate smaller items like kitchen fixtures, sinks or closets. (Photographs provided by the Deconstruction and ReUse Network)
Not Just Environmental But Also Economical

How Solar Source Turns Sunlight Into Savings

By PIERCE NAHYGAN

STAFF WRITER

Over the last decade, Solar Source has installed photovoltaic solar systems on roofs throughout Southern California. According to its founder and president, Jarrod Osborne, the company operates across a roughly 100-mile radius from its headquarters in Long Beach.

Solar Source handles solar contracts for residential, commercial and nonprofit clients, though residential is by far its largest sector. This year has been a particularly busy one for the company, Osborne said. “We have twice as much business under contract since July as we did going into July,” he told the Business Journal.

Osborne attributed growing demand to the power of referrals. “It’s our relationships we’ve made over time,” he said. “Everyone wants to work with people they can trust, and they know the job will get done right and at a fair price.”

More importantly, he added, it’s important for homeowners and businesses who want to own their systems and save on their electric bill.

There may be another important factor behind the recent surge in contracts, Osborne said, and that’s the sunsetting of the federal solar tax credit.

The solar tax credit allows both commercial and residential clients to deduct 30% of the cost of installing a solar system from their federal taxes. Unless renewed by Congress, this deduction is slated to decrease to 26% for systems that begin construction in 2020, and 22% for systems that begin in 2021. After 2021, the residential credit ends and the commercial credit drops to 10%.

Osborne is hopeful that the tax credit will be renewed before 2021, as it has provided a major incentive for residents and businesses to make the transition to cleaner, renewable power. “It’s huge for the business owner, it’s huge for the homeowner,” he said.

Not Just Environmental But Also Economical

For residential clients that pay up front, Osborne estimated that the return on investment can reach its sustainability and clean energy goals, according to the development services department to completely change the way they process residential solar permits.” When Long Beach Municipal Code 18.77, permits for residential systems less than or equal to 10 kilowatts (kW) may be reviewed, approved and issued over the counter on the same day. These projects undergo a single inspection “that can be scheduled and conducted at the convenience of the applicant,” according to Long Beach Development Services.

A 10kW solar system is able to produce between 29 and 46 kilowatt hours (kWh) per day, depending on local weather conditions and the position and number of panels installed. An average U.S. household uses 11,000 kWh of energy each year, according to the United States Energy Information Administration. That’s approximately 917 kWh per month and about 31 kWh per day. These numbers illustrate how an average household could potentially offset its daily and yearly energy needs with a 10kW system.

Making these systems easier to permit and install is a great way for Long Beach to reach its sustainability and clean energy goals, according to the development services website. It’s also part of a larger statewide goal to develop 12,000 megawatts of small-scale, localized renewable power by 2020.

“Long Beach does a fantastic job with the permitting process,” Osborne said, comparing it favorably to other cities and counties where permits take two to four weeks for similar installations. Though State Assembly Bill 2188, passed in 2015, mandated local governments to implement more streamlined permitting processes, Osborne said many cities have yet to become fully compliant.

“Seal Beach, for a couple years after [2015], was also not in compliance,” Osborne said. “We had multiple conversations with them, and Solar Source was able to get their building department to completely change the way they process residential solar permits.”

Oscott was asked to be the first company to pull a permit under Seal Beach’s new process, Osborne said he and his crew were elated.

For Solar Source, a typical residential installation takes about two days at minimum, and five days max. “Real small systems like 12 panels would be almost a day,” Osborne said.

But installing a solar system entails more than just throwing a few panels on a roof. The placement of those panels determines how much energy they can absorb in a day, so care- ful attention is paid to the angle of the array and obstructions that might cast shade on it. There’s also aesthetics to consider, which is of great importance to Osborne. He’s a firm believer that solar panels should beautify the neighborhood, and not offend the neighbors.

Osborne and his company make it a point to work with clients until a system provides the balance of design, power output and return on investment. “It’s something I take really personal,” Osborne said. “When our company designs a system . . . we’re not just trying to slap as many panels up there as we can. If we can’t do it in a way that’s aesthet-ically pleasing to the customer and the neighborhood, we’re going to advise against it.”

Jarrod Osborne founded Solar Source in 2007. He said his company has an unwritten policy: if an issue arises from a solar panel the company installed, rather than put the customer through the process of dealing with the manufacturer’s warranty, Solar Source replaces it with a new panel. “Then we decide if it’s worth our time to have the manufacturer warranty replace it or just recycle it,” he said. “We don’t deal with it a lot, but that’s how we handle that situation if it arises.” (Photograph by the Business Journal’s Brandon Richardson)
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