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In Annual Q&A, Mayor Robert Garcia Portrays A City With Momentum



Mayor Robert Garcia's first, and now his second, terms as mayor have been defined by a city under development. Pictured here, Garcia and his staff gather outside what is likely to be the decade's crown jewel of local public investment, the new Long Beach Civic Center. Pictured from left are: Sharon L. Weissman, senior advisor to the mayor; Abigail Mejia, legislative deputy; Randy Rawlings, field deputy; Isaac Romero, executive administrator; Daniel Brezenoff, senior advisor to the mayor; Detrick Manning, communications deputy; Lauren Vargas, director of innovation delivery and special projects; Mayor Robert Garcia; Mark Taylor, chief of staff; Maria Banegas, administrative aide; Tim Patton, senior administrative deputy; Justin Ramirez, deputy chief of staff; and Luke Klipp, special projects officer. (Photograph by Brandon Richardson)

■ By **SAMANTHA MEHLINGER**
Editor

Mayor Robert Garcia visited the Business Journal's offices on August 29 to sit down for his sixth annual interview

as mayor of Long Beach. In an interview with the newsmagazine's staff, Garcia laid out a picture of a city that is at once full of momentum, yet hindered by chronic challenges. It is no secret to anyone

who visits or lives in Long Beach that it is a city on the rise – literally. Cranes dot the cityscape, erecting residences, massive warehouses and new retail centers. Streets are being torn up and repaved throughout

the city, with “Your Measure A Dollars At Work” signs reminding residents of the ballot measure they approved that made the improvements possible.

While some residents are

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Vacant Property Fee Proposal Sparks Debate

■ By **ALENA MASCHKE**
Senior Writer

Walking along Atlantic Avenue in North Long Beach, it's easy to see why 8th District Councilmember Al Austin felt compelled to start a conversation about commercial vacancies in

the city. Storefronts line the busy thoroughfare, yet few pedestrians wander about. There are only a few active stores and restaurants along the corridor, their ‘Open’ signs surrounded by boarded up windows and facades bearing the marks of removed neon signage.

Fielding complaints about

blight and vandalism from his constituents, Austin began searching for solutions, and discovered a concept currently under consideration in several cities across the country: vacancy fees. “We have a lot of absentee property owners who are not invested or vested in our community, and

that's really where the challenge is,” Austin explained. “These are property owners who – for one reason or another – have not been motivated to do anything with their properties and their spaces,” he said. “We've got to find motivation for them.”

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MILLENNIAL PULSE

P For Party, Or P For Patriotism?

■ By Editor **SAMANTHA MEHLINGER**

When I was in elementary school – I can't remember how old I was, maybe nine – my family and I took a cross-country drive to visit our relatives in New Jersey. Once there, my cousins, my brother and I made what was undoubtedly mediocre lemonade, which we attempted to sell to the very few passers-by in the small lakeside town. We caught fireflies,

which I had never seen before. There were pranks – my cousin startled me by puffing on a cigarette in her bedroom, which turned out to be a gag made out of candy. There was a game of Ouija, played in whispers in the dark, that landed me in serious hot water. We also, very briefly, went to New York City.

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PortSide: Keeping Up With The Port Of Long Beach

■ By **ALENA MASCHKE**
Senior Writer

When Shana Espinoza was in high school, she had no ambitions of working in civil service. “I wanted to be the weather girl,” Espinoza remembered, laughing. Today, the deputy chief of staff for the Port of Long Beach Board of Harbor Commissioners looks back on a 21-year career with the City of Long Beach and its port administration. “Working for the city and being exposed to the community, working in the community, going to town hall meetings, and just seeing the important role that city gov-

ernment plays: I got hooked,” Espinoza explained. At the Port of Long Beach, it’s the confluence of business and government she enjoys the most, as well as the international relationships she helps foster. “The world is so big, yet so small,” Espinoza mused, while listing the trade partnerships the port maintains across the globe. But despite the port’s role as a juncture for international trade, Espinoza said it’s the administration’s local initiatives and engagement that make her proud to be a part of the administration. “There’s still this big focus on the community, making sure that the port is connected to the community,” she noted. ■



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New Initiative Aimed At Business Retention, Employee Ownership



The City of Long Beach and the nonprofit Project Equity hosted a kick-off event September 5 at Studio One Eleven, 245 E. 3rd St., to commemorate the launch of the Accelerate Employee Ownership Initiative. The initiative will connect Long Beach business owners with a regional consultant from Project Equity to develop succession plans. Pictured, from left: James Alva, senior vice president and market manager for Citi Community Development; Tunua Thrash-Ntuk, executive director of Local Initiatives Support Corporation Los Angeles; and John Keisler, director of economic development for the City of Long Beach. (Photograph by Brandon Richardson)

■ By **DENNY CRISTALES**
Staff Writer

An ongoing tsunami may threaten the preservation and expansion of maturing businesses in Long Beach. Only this tidal wave isn't physical; it comes in the form of an aging population.

The "silver tsunami" is a term that refers to the growth of the senior population, specifically Baby Boomers. City of Long Beach officials have recently partnered with a nonprofit entity to curb the effects of this tide and prevent aging entrepreneurs from retiring and taking their businesses along with them.

This month, the Long Beach Economic Development Department hosted the launch of the Accelerate Employee Ownership Initiative at Studio One Eleven, 245 E. 3rd St.

The event publicly introduced the city's partnership with the nonprofit Project Equity, a San Francisco Bay Area-based organization that is dedicated to promoting business retention and employee ownership regionwide. Employee ownership refers to ownership of a company by one or multiple employees.

The initiative will connect Long Beach business owners with a regional consultant from Project Equity to provide guidance on developing a succession plan, which will serve as a transition path for retiring business owners to transfer ownership to employees. "We're excited about using this as a way to keep businesses in town, keep businesses local [and] keep jobs local," said John Keisler, the city's director of economic development. "So, when business owners might retire, they can actually transfer their ownership and

keep the business alive while still being able to retire financially at some point."

According to a Project Equity study conducted this year, 2,500 businesses in Long Beach are more than 20 years old. These institutions account for \$12.3 billion, or 63%, of small business revenue. They also employ one in three workers in the city, said Alison Lingane, co-founder of Project Equity.

The initiative is being implemented regionwide, she said. This month's networking event served as a "kick-off" to introduce business owners to the program. "Long Beach is a wonderful example on how this initiative applies at the community level," Lingane said. "Succession planning is important. It's always on the tomorrow list. We are here to help you put it on the today list. We will help you explore your options. . . . Employee own-

ership is an option that most employers are unfamiliar with. But we're here to help you . . . create that path to retirement."

The program is not just exclusively for employee ownership, Keisler explained. The consultation work will also provide entrepreneurs with an evaluation of their company in an effort to expand their businesses. Financing options will be disclosed through consultations with Project Equity officials and will be based on the specific circumstances of a business. Loan options will also be available, Keisler said.

The initiative is a product of Project Equity and the Shared Capital Cooperative, a national loan fund and a community development financial institution (CDFI). The initiative is funded by a \$5 million investment from the New World Foundation's Quality Jobs Fund, which is allocated by the Federal Home Loan Bank of San Francisco, according to Noah Bernstein, a representative of the New World Foundation. Other partners include Citi Community Development and the Local Initiatives Support Corporation Los Angeles.

Part of the initiative's goal is to bring in other investors and philanthropists to fund the program in the future, Bernstein said. "Business owners have to be aware that this is the biggest philanthropic effort of its kind," he said. "And we hopefully will have businesses to point to that have converted, have retained jobs, have advanced careers and have contributed to the community's well-being."

As of press time, Keisler said he could not disclose the names of any businesses in line to use the program, although he indicated that there will be city outreach to announce the launch of the initiative. "What this will allow us to do is to identify [business owners] that might be facing retirement and reach out to them to explain some of the options," Keisler said. "We also want to provide technical assistance [and help] determine [transitional financing]."

For more information, visit the Project Equity website at project-equity.org. ■



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Examining ‘Ground Zero’ Of The U.S.-China Trade War



The majority of goods that move through the Port of Long Beach are destined for or arrive from China. Chinese vessels from COSCO Shipping and Orient Overseas Carrier Line are pictured at the port's Long Beach Container Terminal. (Photograph by Brandon Richardson)

■ By **SAMANTHA MEHLINGER**
Editor

As of September 1, there are now higher tariffs in place on a total of \$550 billion worth of imports from China, a Trump administration strategy aimed at addressing what it views as unfair practices related to trade and intellectual property acquisition by the Chinese government. In response, China has placed tariffs on U.S. exports and implemented other exclusionary trade policies, such as resolving to cease

purchasing U.S. agricultural goods.

Effectively, the September 1 action means that virtually all Chinese imports have now been hit with tariffs. The scope has widened to include consumer goods just ahead of the holiday shopping season.

Roughly half of U.S.-China trade moves through the ports of Long Beach and Los Angeles, according to Jock O’Connell, a foreign trade economist and the international trade adviser for L.A.-based Beacon Economics. The majority of goods moving through these ports

comes from or is destined for China. As such, as Port of Long Beach Executive Director Mario Cordero put it, the San Pedro Bay maritime trade gateway is “ground zero” for examining the impacts of the tariffs and of the U.S.-China trade relationship.

As of press time on September 5, the ports had not yet released their cargo movement data for the month of August. Through July, however, the overall trend for the year has been that the Port of Los Angeles has been experiencing gains in cargo movement, while the Port of Long

Beach has experienced some dips. When figures from both ports are combined, containerized trade has been relatively flat this year compared to 2018, according to O’Connell.

In 2018, the Port of Long Beach broke its all-time record for containerized cargo movement, which increased 7.4% compared to 2017, according to Cordero. This was in part due to a rush of imports sent in the last two quarters of the year in an attempt to beat out impending tariffs, he noted. As a result, “Coming in to

(Please Continue to Page 8)





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(Continued from Page 6)

2019, we did not have an expectation of the kind of growth we had for calendar year 2018,” he said.

With respect to the disparity between the two ports, Cordero commented: “Keep in mind that for 2017 and 2018, our growth was far beyond that of the Port of Los Angeles. . . . Obviously, this year, at least so far, that dynamic has changed. But that’s the history of this port complex. There are months that we do better and there are others that Los Angeles does better, and that is just the dynamic of what occurs here historically.”

O’Connell noted that in November, the Port of Los Angeles set aside \$2 million in incentives to provide \$10 per container to shippers who agreed to participate in a program aimed at collecting data about goods movement. “That helped boost the numbers for L.A. over Long Beach. But \$2 million runs out pretty quickly,” he added.

Cordero said the trade war with China has clearly impacted American exporters. “On the export side, you have definitely seen a diminishment of agricultural grain commodities. . . . In California, we certainly have felt that,” he said. For example, about 95% of the \$1.5 billion worth of wine the U.S. exports each year comes from California – a product that the Chinese government has now significantly raised tariffs on, Cordero said. As a result, “We’re not able to compete with countries like Australia and Chile who have free trade agreements with China.”

The dip in exports leaving Long Beach bound for China has been significant. “A year ago I could tell you that 40% of the exports that went through this port would go directly to China. Today, that number is around 26%,” Cordero said.

According to O’Connell, Americans have become heavily reliant on Chinese imports in the form of various consumer goods – goods now subject to higher tariffs, and thus, likely to go up in price quite soon as retailers seek to keep things in the black. “The fact is that you’ve got an increasing number of companies that are reporting that the tariffs are having an impact on their pricing and their ability to absorb those prices without passing it on to the consumers,” he said. “As we

get closer to the holiday season, I think the fact that retailers are going to have to pass on more of the cost to the consumers.”

One option for American companies that manufacture goods in China or rely on China for component parts for their products is to source those operations in other countries. But that’s easier said than done.

“We have seen a substantial boost in imports coming in from Vietnam and other places around the world that U.S. importers are using to substitute for sourcing of goods they formally went to China for,” O’Connell said. “The reality is that’s happening on the margins and it’s likely to increase as companies diversify their dependence on China long term.”

As wages in China have increased, U.S. companies have looked to other markets in Southeast Asia to manufacture or source goods – but, according to O’Connell, these countries do not yet have the same infrastructure in place to support that shift. “They don’t have the labor force. They don’t have the cluster of subcontractors and suppliers that typically surround a major manufacturing facility in China that can support it on a day to day basis. There is also the grave potential for transportation bottlenecks,” he explained.

Cordero noted that some American companies are adopting a “China plus one” strategy, “Which means, essentially, they are going to continue to look at China. But ‘plus one’ means maybe another country or another region.”

Despite decreasing exports and expected dips in imports from China, both O’Connell and Cordero had measured outlooks through the end of the year. “Looking forward, the numbers are going to look flat, but there will still be [goods] coming in through the ports. It’s not like they’re going to suddenly shrink and go away,” O’Connell said.

Cordero noted that the Port of Long Beach continues to invest in infrastructure that will ensure its growth in the long-term. “We’re comfortable [about] our long-term future,” he said. “You may recall, subsequent to the 2008 global recession, the impact to the Port of Long Beach was the loss of cargo volume to

the tune of 29% . . .” he said, noting that this did not cause the port to cease investing in its infrastructure. “I mention that story because we’ve had challenges before, and we will keep the mindset that we’ve always had: to continue to be leaders, not only in the sustainable development of the port but also in . . . operational excellence. So I am optimistic in terms of what the future holds for the Port of Long Beach.”

Behind The Trade War Strategy

“Clearly there are legitimate issues to address with regard to the business trade relationship with China,” Cordero said. “The question is, while the issues are legitimate to have at the table, is this the best course to address those issues?” Cordero didn’t directly answer that question himself. “My take is that I am looking forward to that resolution so that the international trade business community can proceed without an environment of uncertainty,” he said.

Asked about his perception of the White House’s trade strategy, O’Connell noted that he was not sure there was an actual strategy. “The back and forth isn’t helpful to international trade or to global economics,” O’Connell said. “There are Trump apologists who have grand theories It’s like multi-dimensional chess, and that the rest of us are just failing to understand how he is going to achieve a successful end game, but he knows, and he is playing this out,” he observed. “The rest of us are thinking: it’s tweet to tweet. It’s driven by mood and whimsy and however he feels in the day.”

O’Connell pointed out that there has been a need to address problematic trade practices by the Chinese government. “There is a consensus that at some point someone had to stand up and tell the Chinese that they had to stop stealing other people’s secrets, that they couldn’t manipulate the currency, they couldn’t use state-owned enterprises to direct the course of their economy, things like that,” he acknowledged.

The Obama administration took more of a long game approach to the matter, as described by O’Connell. When Barack Obama was president, there was hope that multiple countries affected by China’s trade practices would be able to col-

lectively leverage their clout via trans-Atlantic and trans-Pacific trade agreements that ultimately did not come to fruition, he explained.

“Trump’s initial stance in coming into office was he didn’t like multi-lateral trade agreements. He’d prefer to deal one-on-one with each individual country, and so he backed out of all of that and pretty much then started to irritate relations with every major allied country,” O’Connell said, noting that this “set us back at some point in terms of developing the kind of formidable alliance of states who collectively petition Beijing to change the way it’s doing business.”

By making moves without the support of other countries, O’Connell posited that the U.S. government has set itself back. “I think by the time this is over, we will be four years behind the game in terms of trying to create the kind of alliance that might successfully bring collective pressure on the Chinese to do something to reform the way they are operating,” he said.

Just how long will the trade war last? Considering Trump’s philosophy around the U.S. economy as it relates to trade, O’Connell suggested that it could last for some time – assuming the president is re-elected. The president’s philosophy to “Make America Great Again” relies upon bringing manufacturing back to the United States that has been outsourced elsewhere, he explained. “We have to open up those factories again and create lots of blue-collar jobs and essentially try to recreate the economy of the 1950s,” he said of Trump’s perspective.

“His way to do that was to make it very difficult for companies around the world to sell their goods in the United States unless they were manufacturing those goods in the United States. The whole key to this thing was higher tariffs,” O’Connell explained. “It’s just not in the context of a long-standing need to try to straighten things out with the Chinese. It goes back to his fundamental thinking about what went wrong with the US economy over the last 50 or 60 years.” O’Connell added, “The only way that works is if you’re committed to maintaining those tariffs for a very long period of time. . . . So we’re not likely to soon get ourselves out of this predicament.” ■



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Cost Of Police-Related Litigation To The City Has Surged Since 2016

■ By **ALENA MASCHKE**
Senior Writer

In the past five years, the City of Long Beach has spent at least \$30.3 million on litigation related to officer-involved shootings, police use of force and in-custody deaths, according to data provided by the city attorney's office. This total does not include staff salaries and the cost of outside counsel or experts hired by the city. A vast majority of this total cost, which includes payouts on verdicts and settlements, as well as attorney's fees awarded to plaintiffs, was accrued between January 1, 2016 and August 1, 2019.

The cost of police-related litigation totaled less than \$500,000 in 2014 and 2015, respectively, before soaring to over \$9 million in 2016. Since then, costs have remained in the millions each year.

This is due, in part, to higher verdicts issued by juries in recent years, according to Long Beach Police Commander Erik Herzog and City Attorney Charles Parkin. While it's hard to pinpoint exactly why juries have awarded higher dollar amounts in recent years, both Herzog and Parkin have formed theories based on their experience with cases litigated by the City of Long Beach.

Parkin's staff often speaks to jurors after a verdict has been issued to better understand the factors that influenced their decision. "Juries are becoming more sophisticated," Parkin noted. "They look at how many shots were fired, and they may say: we think the first two shots were OK, but shots three and four were not."

Herzog suggested that emotions have played an increasingly important role in court, leading to higher payouts, a flame he believes to be fanned by attorneys looking for their cut on a profitable settlement or verdict. "Look at some of the payouts for traffic accidents: juries are just giving a lot of money based on emotions now. It's not just our industry," Herzog pointed out.

Cases involving allegations of police misconduct or excessive use of force by police officers often involve a lot of difficult emotions, Deputy City Attorney Howard Russell told the Business Journal. This, he noted, is especially true for officer-involved shootings that have resulted in a person's death. "It's very, very difficult for everybody in the process," Russell said. "The family members who have lost a decedent as well as the officers. They don't go to work in the morning planning to take a life."

As mandated by court and in the interest of avoiding a million-dollar verdict, the city attorney's office attempts to settle cases, offering plaintiffs a certain amount to settle their case. The dollar amount offered in settlement negotiations is calculated based on previous settlements and verdicts in similar cases, and any offer over \$50,000 has to be approved by the city council. "Officer involved shooting cases can be difficult to settle because of the numbers involved," Russell explained. "The plaintiffs themselves – the people, not their attorneys – read the papers and see big verdicts and big settlements and think: I want that for my loved one, too."

Of the \$30.3 million in verdicts, settlements and attorney's fees awarded in police-related cases against the City of Long Beach, \$21.8 were awarded in cases of officer-involved shootings.

Throughout the litigation process for each case, the city attorney's office has a challenging line to walk. Settlements can reduce the financial harm incurred by the city, but can be perceived as an admission of guilt by the officers involved, Parkin said. "They feel as though we don't have their back, we're not defending them," he explained.

"The primary [question] is always: do we think our officers did the right thing, based on the law and based on policy? And: what's best for the city?" Russell said.

It is difficult to draw conclusions on police conduct by comparing annual payouts or measuring up the cost of settlements and verdicts to the City of Long Beach against the cost incurred by other cities, Russell noted. "There's a lag time between when the event happened and when the trial takes place," he explained. "If a shooting happened today, it probably wouldn't end up in front of a jury for a year-and-a-half to two years, at a minimum."

Three of the five cases in which litigation concluded this year were filed based on incidents that took place in 2016. The remaining two pertained to incidents that occurred in 2017. In the past five years, the city attorney's office has been involved in litigation based on incidents going as far back as 2009.

The demographics and political leanings of an area also impact potential verdicts, Russell noted. Juries in more conservative communities may issue lower verdicts in cases related to police conduct, he explained. "If you compare just the awards, the dollars

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Le pedimos a Dios que fortalezca los matrimonios en nuestra comunidad y nación. Además, pedimos que atraiga los corazones de los padres a sus hijos, el uno hacia el otro.

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awarded, Orange County is going to be less than L.A. County as a rule, San Diego County is probably going to be less than Orange County,” Russell said.

As a result, Herzog said, the Long Beach Police Department (LBPD) doesn’t change its policies solely based on the cost of litigation incurred by the city in a specific case or year. “We don’t look so much at the payout, but we are constantly looking at: how can we fix our tactics, how can we fix our training? How can we continue to improve and evolve?” Herzog explained.

At times, however, individual cases do change the practices and policies of the LBPD, Herzog noted. He referenced the case of Marcella Byrd, a 57-year old African American woman diagnosed with schizophrenia, who was shot and killed by LPBD in 2002, after reportedly stealing a cart full of groceries and flashing a knife at responding officers.

“That changed how we [act] as a department,” Herzog said. “Over the years there are numerous examples of ways we’ve looked to get better based on [feedback from] the community, and not just in our community, but things that have happened in other agencies.”

As a result of the Byrd case, LBPD now sends out mental evaluation teams (METs) to incidents involving suspects with potential mental or behavioral health challenges, Herzog noted. METs

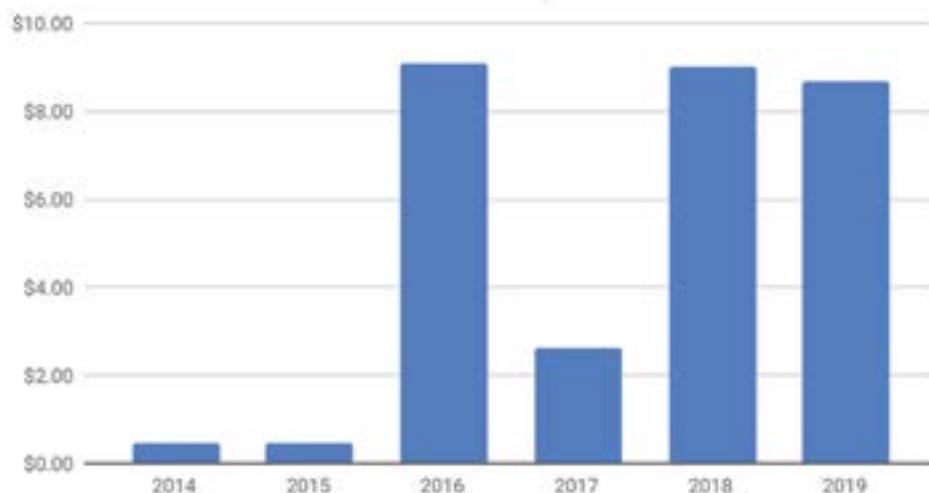
consist of an officer who has received special training in dealing with these kinds of situations as well as a clinician from the L.A. County Department of Mental Health.

In addition, officers now receive additional training in de-escalation and communication techniques and a wider range of non-lethal equipment such as pepper gel or rubber bullets. Additionally, officers have access to behavioral health services themselves, Herzog said. “If we want our officers to treat people right, we have to treat them right as well,” he explained. “It’s been very successful in our department. We have a lot of officers reaching out.”

Despite these efforts, a case that bore a striking resemblance to Byrd’s case recently resulted in a \$9 million verdict against the City of Long Beach. This was the largest verdict ever issued against the city in a police-related case, according to Russell. A jury awarded this record amount in the case of Sinuon Pream, a 37-year old woman with a history of mental illness who was shot and killed by LBPD officers following an altercation during which she reportedly “brandished a knife,” according to a report compiled by the L.A. County district attorney’s office.

The county attorney’s office found that the officers “acted in lawful self-defense and defense of others.”

Cost of Police-Related Litigation In Millions



Parkin said his department was surprised by the size of the verdict. “We talk to the police department about it and try to, as best we can, learn from those [cases] on a go-forward basis,” he said. But, he noted, “if the police officers followed the policies and the procedures, and did everything right, we should be defending our employees for doing the job they’re supposed to be doing.”

A new California law, Assembly Bill 392, creates new standards for police use of force, effective January 1, 2020. “Stephon Clark’s Law,” named after an unarmed 22-year old African American man who was shot and

killed by police officers in Sacramento in 2018, requires that police use deadly force only when “necessary.” Previously, state law had allowed the deployment of deadly force by police officers when deemed “reasonable.”

Herzog said his department has already implemented new policies to comply with this stricter legal standard and is currently working on new training materials to prepare officers for the change. “Well before the law even got signed, we knew things were coming down [the pipe] and we’ve been proactive in trying to monitor that and update some of our use-of-force language to meet that [standard],” Herzog noted. ■



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Dip In LGB Airline Traffic Attributed To Flight Slot Changes



Cynthia Guidry came on as director of Long Beach Airport about two months ago. She has been in communication with airport stakeholders and community members to listen to their concerns about operations at the facility. Currently, airline passenger traffic at the airport is down compared to last year, but Guidry said she is optimistic about airline performance for the rest of 2019. (Photograph by Brandon Richardson)

■ By **DENNY CRISTALES**
Staff Writer

Overall airline passenger traffic at the Long Beach Airport (LGB) is down 14.8% compared to this time last year, and officials say the allocation of flight slots is to blame for the dip in passengers. However, LGB officials said passenger traffic should stabilize when pending flight slots are officially allocated to Southwest Airlines and Delta Air Lines in October.

LGB's monthly activity reports for this year indicate that airline passenger numbers have been down throughout 2019 compared to 2018. This year, LGB has served a total of 2,034,250 passengers as of July 2019. Last year, the total was 2,387,915 for the same time period.

In July, 319,296 people flew on commercial airlines through LGB, a 10.8% decrease in airline passenger traffic compared to the same month in 2018. These figures account for both enplanements and deplanements, otherwise known as arrivals and departures.

Claudia Lewis, LGB finance and administration bureau manager, attributed the decrease in airline traffic to JetBlue relinquishing 10 of its 34 flight slots in April. JetBlue voluntarily gave up the slots after it did not meet the city's new minimum use requirement for flight operations at LGB, according to Lewis. The requirement, which went into effect this year, mandates that air carriers use 70% of their flight slots every calendar quarter. When it did not meet the requirement, JetBlue relinquished a total of seven permanent and three supplemental slots, Lewis said.

Southwest Airlines and Delta Air Lines will officially inherit the 10 slots vacated by JetBlue in October. A total of 12 slots are going to Southwest Airlines, five that are permanent and seven that are supplemental, and Delta Air Lines will have eight slots, six that are permanent and two that are supplemental. Currently, Southwest and Delta have six and four flight slots, respectively.

In addition to its current slot allotment, Southwest has been using most of JetBlue's vacated slots on a temporary basis since April, Lewis said. Southwest Airlines more than doubled its airline passenger traffic in

July compared to the same time last year, experiencing a 123% increase, according to LGB data. The breakdown for airline numbers in the monthly report only factors in enplanement numbers.

Lewis said Southwest has been using these temporary slots as they become available monthly. She explained that air carriers at LGB provide officials with their flight schedule six months in advance. If within that time frame there are slots that may not be in use, officials temporarily reallocate them to air carriers on a monthly basis. "If you think of it in those terms, the reallocated slots aren't even allocated on a six-month basis; they're reallocated on a 30-day basis," Lewis said. "We get those look-ahead schedules every 30 days. An air carrier could say, 'Four months out, we are/are not going to utilize these slots.' But then in the next 30 days, they can change that schedule and actually utilize them. That's why there are some challenges in the use of temporary slots."

Adam Decaire, vice president of network

planning for Southwest Airlines, said the company's growth in air passenger figures this year is because of the temporary use of JetBlue's relinquished slots. The air carrier used about eight of JetBlue's relinquished slots this past summer, fluctuating based on the slot availability every month, he said. With the addition of these temporary slots, Decaire said Southwest was able to add various services to its schedule, such as a daily flight to Denver and three daily flights to Las Vegas. "We'll use every slot that's available for us in Long Beach, and we're going to fly it – temporary or permanent," Decaire said. He added that Southwest will have to reduce flights in October, when the temporary slots are divvied up with Delta.

Delta Air Lines' airline passenger numbers in July 2019 compared to the same time last year were relatively flat. Per the monthly report, Delta experienced an increase of just under 1% for enplanements. When factoring in deplanements, the figure actually shows a 0.2% decrease for Delta in airline passenger traffic, according to data provided by LGB.

Liz Savadelis, corporate communications representative with Delta Air Lines, said the air carrier currently has four flight slots at LGB, all of which are used for four daily flights to Salt Lake City. Delta will use additional flight slots being allocated in October to provide a fifth service to Salt Lake City and three flights to Las Vegas, she noted. "Delta's growth at Long Beach Airport is part of a broader investment in the L.A. Basin and broader region," Savadelis said.

LGB's other air carriers, with the exception of Hawaiian Airlines, all experienced decreases in passenger traffic in July 2019 compared to the same time last year. The airline passenger traffic numbers show a 2.7% decrease for American Airlines, a 5.4% increase for Hawaiian Airlines and a 36.3% decrease for JetBlue Airways.

When factoring in only enplanements (flights boarded at LGB), the figures are: a decrease of just under 1% for American Airlines, a 6% increase for Hawaiian Airlines

and a 36% decrease for JetBlue Airways.

However, Lewis said the dip in airline traffic is "not a concern at all," citing that there is still a strong demand for slots at the airport. "I anticipate the utilization of the re-allocated slots in October will be at a much higher level than when they are in use on a temporary basis," she said.

In June, Lewis told the Business Journal that she forecasted a total of 3.6 million enplanements for 2019. She said she believes the airport is still on track to meet that projection. Although it is a decrease from last year's total of four million enplanements, she noted that this year's projection is an increase compared to LGB's all-time average of 2.8 million enplanements. "On the whole, there is an upward trend in traffic at Long Beach Airport," she said.

Cynthia Guidry, director of LGB, said her outlook on the airport's performance this year is positive. Although she has only been in her role for under two months, she said she has been in communication with airport stakeholders and community members to listen to their concerns about operations at the facility. "It's been relatively easy, because everyone has been so welcoming," Guidry said about her transition to LGB. "My first month has been about listening and learning about all the latest projects, programs and what is going at this airport. . . . The airport staff has just embraced me. Coming here and being able to share my thoughts and things that I've learned in my professional experience, it's just been a great attitude by the staff that's here. There are a lot of exciting things going on here at Long Beach Airport."

Guidry admitted there has been a shift in airline traffic since JetBlue relinquished its slots, but she still said there is a "great opportunity" to grow for the rest of this year. "We are positioned very well in the industry," she said. "It's all positive. This airport has seen fluctuations in the past, and we'll probably continue to see that in the industry overall. As far as Long Beach Airport specifically, it's still very promising." ■



Claudia Lewis, finance and administration bureau manager, attributes a decrease in airline passenger traffic at the Long Beach Airport to JetBlue relinquishing 10 of its 34 flight slots in April. Overall airline passenger traffic is down 14.8% compared to this time last year. (Photograph by Brandon Richardson)

Vacant Property Fee Proposal Sparks Debate

(Continued from Page 1)

As a first step, Austin asked city staff to find out whether a vacancy fee or tax would be feasible in Long Beach by researching policies in other cities and assessing the current level of commercial vacancies in the city's different neighborhoods. The item sparked a lively discussion during its first hearing in front of the city's economic development commission on July 30, was eventually laid over to the commission's meeting on August 27 and will be discussed again on September 24.

Paul Forman, president of Forman Associates Realty, told commissioners at the July 30 meeting that a vacancy fee or tax would be counterproductive to the goals set forth in the city's Economic Blueprint, a document designed to guide economic policy and development. "I don't think this vacant property tax is what you envisioned when you developed this plan, I really don't," Forman told the commission, which had been tasked by the mayor to develop the 10-year economic policy plan in 2015.

Instead, Forman argued, the city should amp up business recruitment efforts, including the formation of a busi-

ness recruitment commission, which he volunteered to be a part of. "Business recruitment is tough, and I think we can all agree that we can do a better job with it," Forman told commissioners.

During the meeting, commissioners asked city staff to expand their research on incentives, rather than punitive measures like vacant property fees. Since the dissolution of redevelopment agencies across the state starting in 2012, the city has had limited funds to incentivize the revitalization of businesses, Deputy Director of Economic & Property Development Sergio Ramirez told the Business Journal.

"When we lost that in 2012, we lost the biggest source of funding we had for those types of programs: revitalization, redevelopment efforts. So unfortunately, right now, our toolbox is very limited," Ramirez noted. The city currently offers property owners up to \$2,000 for facade improvements and to fix code violations in certain corridors, a program financed by federal Community Development Block Grant (CDBG) funds. An additional \$2,000 is available for window repairs and replacements.

Adam Carrillo, past president and current boardmember of the Long Beach Commercial Real Estate Council, said there was no configuration of a vacancy fee or tax that his organization could support. "What we do see is the opportunity for the city to provide more opportunities for small businesses to open," Carrillo

told the Business Journal. This could be achieved by easing restrictions on tenant density and parking requirements placed on commercial properties, and by allowing for a wider range of property uses, Carrillo noted.

A similar approach has been pursued through the city's UPLAN initiative, which seeks to revitalize North Long Beach through a rezoning process based on priorities voiced by local residents and business owners in a series of community workshops. "I know for a fact that they're looking at some of the best practices that come from that plan and are already making that a part of the [city's] overall general plan," Austin said, suggesting that city staff is pursuing a similar strategy in the design of the 2040 General Plan, which is currently underway.

Cities like Washington D.C., which has adopted punitive measures for vacant commercial properties, offer substantially larger incentives for property improvements in return, according to research conducted by Long Beach Development Services staff. In the case of D.C., the city funds up to 75% of \$50,000 in renovation costs, an incentive also funded through the federal CDBG program, Ramirez explained.

As for existing punitive measures, staff's research found that the city has already implemented ordinances to guide the monitoring of empty lots and buildings, and penalizes owners of properties

considered a threat to public safety.

In 2016, the city council approved an ordinance designed to limit blight, requiring property owners to maintain and secure vacant buildings. In 2017, a similar ordinance was adopted for vacant lots. The existing ordinances bear some resemblance to the vacant property policies currently under consideration. However, they are designed to prevent criminal activity and safety threats posed by unkempt properties, rather than incentivize commercial activation, Ramirez explained.

At this point, it is unlikely that the commission will recommend a vacant property fee or tax as a feasible option to the city council, Ramirez noted. "The economic development commission has worked really hard on creating a business-friendly environment, and I think a tax, or any type of punitive fees, would be perceived as a step backwards," he explained.

A vacant property fee, Ramirez noted, may even have an adverse effect on the economic development of a community or business corridor. "We want to make sure we don't put property owners in a bind to say: if I don't lease this [space] up to the first available tenant, I'm going to see a fee or a tax," he pointed out. "We want to make sure the right tenants are brought in, because that leads to economic development, that leads to growth."

Incentives and punitive measures don't have to be mutually exclusive, local busi-

(Please Continue to Page 14)

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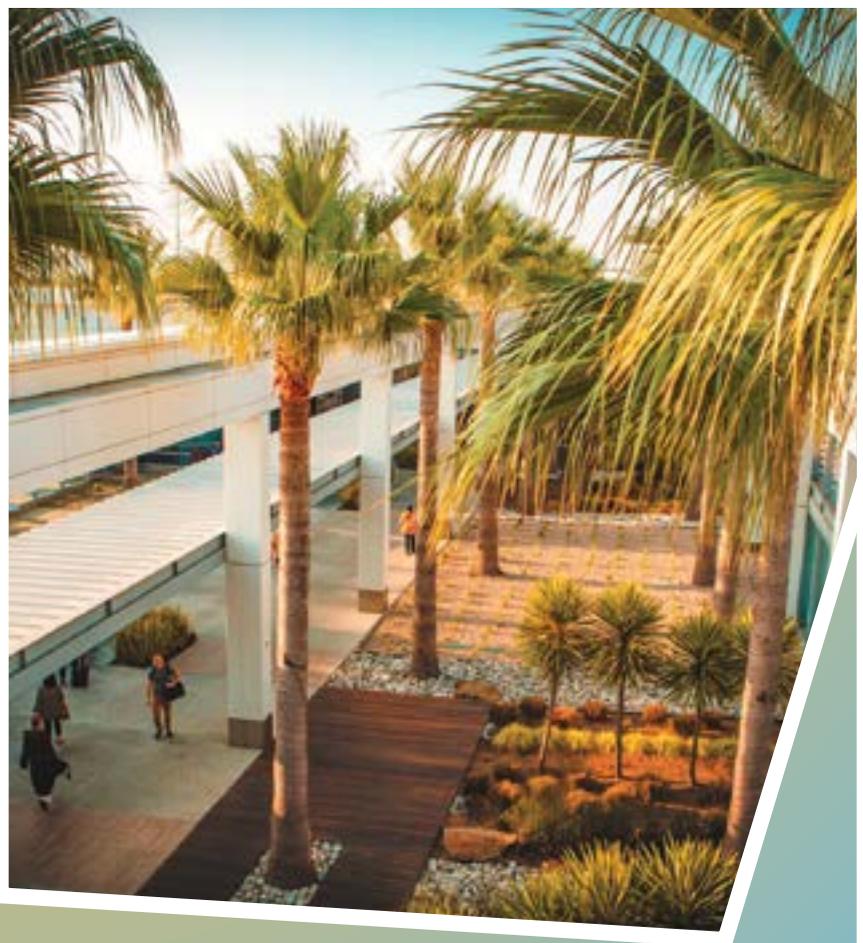
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Eighth District Councilmember Al Austin walks along Atlantic Avenue in North Long Beach, one of several areas in his district that has been heavily affected by chronic commercial vacancies. (Photograph by Brandon Richardson)

(Continued from Page 13)

ness owner Aaron Tofani told commissioners on July 30. Tofani, who co-owns Rance's Chicago Pizza in Belmont Shore, serves as a commissioner for the Belmont Shore Parking and Business Improvement Area and is currently in the process of purchasing a vacant commercial building, said he supports a vacant property tax as well as an expansion of incentive programs.

Any punitive measure should carve out exceptions for property owners who have made documented efforts to market and fill their property, Tofani noted, but should penalize those who haven't. "There are some [property owners] that are just not paying attention, don't care, and they need to be penalized for not being a good neighbor," Tofani told commissioners. "Just being a resident and a business owner in the area, when you're trying really hard and the person next to you is just not there – it's not fair to everyone else, not fair to the community."

Over the past two months, the discussion about a potential vacant property fee or tax has zeroed in on one major question: what is the city's responsibility or authority in filling vacant storefronts, and how should it be exercised?

Blair Cohn, economic development commissioner and executive director of the Bixby Knolls Business Improvement District, said this was among the major questions raised by leaders of the city's business improvement districts (BIDs). "If somebody is holding onto an empty building, is it the city's responsibility to fill that space?" Cohn asked at the commission's August 27 meeting, questioning the city's obligation to procure tenants for property owners. Ramirez argued that it's not within the city's right to tell owners what they should do with their property by imposing a fee on vacancies either. "At the end of the day, it's a free market," he told the Business Journal.

Commissioners and property owners have suggested that BIDs and the city's economic development department could act as a conduit between interested tenants and owners of available properties.

"I think this process has made everyone realize there's a lot more nuance to why properties are vacant for a long time," Austin Metoyer, economic development and policy manager at the Downtown Long Beach Alliance, told the Business Journal. "I think that's where the BIDs role is: identifying those nuances and, if possible, directing the [city's] resources or other communitywide organizations to address that particular issue."

The challenge of engaging absentee or disinterested property owners remains unsolved as of yet, Metoyer noted. "You need to make property owners realize that they have a responsibility towards the vibrancy of an area. And how do you get them to have some stake in the game or a level of commitment? I don't have an answer for that," he said. "But I think everyone's trying to figure that out and that's why the conversation came up."

Austin said the conversation that has been sparked by his item already constitutes an achievement and is an important part of the process. "I'm glad that I brought this item, because I'm really pleased with the engagement of our economic development commission, our staff, our commercial property owners, brokers. They're all at the table, talking about solutions that will benefit not only my district, but the entire city," Austin said. "There might have been a bit of an overreaction to this issue, but a little bit of conflict or controversy can really push us in the right direction."

The item is due to return to the commission for a final round of discussion on September 24, before commissioners finalize their recommendations to the city council. Austin said he's not insistent on the implementation of a vacant property tax or fee. "But I did ask staff to give us a feasibility [assessment of] what a vacancy tax would look like," he noted. "I hear the frustrations from my constituents about ongoing blight in their neighborhoods, in their communities. They're fed up about it and I think it's incumbent upon myself and my colleagues on the city council to find direction and motivation for property owners to activate those spaces." ■

Preventing Workplace Violence Starts With Being Prepared, Officials Say

■ By DENNY CRISTALES
Staff Writer

When Imran Ahmed, general manager of the Long Beach Marriott, was told by an employee last month that a disgruntled coworker was plotting to commit a mass shooting at his hotel, his first response was to remain calm and call the Long Beach Police Department (LBPD).

A lot of things went through Ahmed's mind – "Is this being blown out of proportion? Can this really happen?" But he recalled following his hotel safety training to a tee, practicing calmness in a potentially hazardous situation. Ultimately, a potential mass shooting was thwarted. The LBPD announced in August that a Long Beach Marriott employee was arrested at his Huntington Beach home when, after serving a search warrant, they recovered various weapons.

The suspect had hundreds of rounds of ammunition and tactical gear, including high-capacity magazines and an assault rifle, according to the LBPD's press release of the incident.

In light of the fact that a potential mass shooting almost took place at the hotel, officials with the Long Beach Marriott made the decision to arm their onsite security personnel to combat any future threats. "The decision to arm them came right after the incident," Ahmed said. The choice to arm security was not made lightly, he added. Ultimately, the enhanced security was approved by hotel executives after much discussion and gathering feedback from the LBPD. "Now, are we going to continue this forever? I don't know," Ahmed said. "It wasn't a panic

decision. It wasn't an impulsive decision to give everybody guns. We wanted our guests to feel safe."

One of the key elements of addressing an emergency workplace situation is having proper training, said Ikenna Mmeje, chief operating officer for MemorialCare Long Beach Medical Center and Miller Children's & Women's Hospital. Both medical facilities have a safety policy in place that details what to do in specific emergency situations. The facilities have access to a workplace violence prevention trainer.

The trainer instructs different department employees on the physical layout of their workplace so they know where to go during an emergency, Mmeje said. "They [also] receive training about how to observe aggressive behavior, how to respond to that, how to de-escalate that and what to do in the unfortunate event that you have a critical incident."

In addition to the trainer, the medical facilities use a multi-disciplinary team that consists of security, human resources (HR) and employee assistance personnel to identify threats on the campus, Mmeje said. The policy outlines what employees should do in the event of a "moderate" or "high risk" situation.

The safety policy is also supported by various wellness programs that emphasize healthy behaviors, such as physical and mindfulness exercises. "These are all aspects of what we deem

... our Good Life [Employee Wellness] Program," Mmeje said. "We have emphasized healthy communication in a way to not only emphasize gaining another teammate's perspective, but also enriching the relationship. It may



After a potential mass shooting was thwarted at the Long Beach Marriott last month, hotel executives made the decision to arm onsite security. Pictured, from left, are Long Beach Marriott employees: Jose Amezcua, director of operations; Imran Ahmed, general manager; and Yesenia Plascencia, human resources director. (Photograph by Brandon Richardson)

seem like a very small thing, but those interactions really make an impact on the team members and how they respond to certain situations.”

The LBPD has emphasized the U.S. Department of Homeland Security’s slogan of “see something, say something” in recent years, according to Robert Smith, LBPD commander for the special investigations division. The intent of the slogan is to encourage community members to speak up about their knowledge of any potential threats. “When we say that, oftentimes we talk about crime in the community,” Smith said. “But it’s also a ‘see something, say something’ in your workplace.”

The LBPD conducts active shooter drills, in partnership with entities such as the American Red Cross, at local institutions like the Long Beach Unified School District and Dignity Health - St. Mary Medical Center. “Partnerships are absolutely vital,” Smith said. “We want to make sure that this stuff never happens.”

Communication is a major reason why the potential emergency incident at the Long Beach Marriott was prevented, Ahmed said. These protocols are emphasized during safety meetings hosted every last Tuesday of the month by the hotel’s HR director. The meetings vary in topics, such as how to properly lift heavy items, being aware of loose wires and what to do in emergencies. “At any given time, we have over 200 people in the hotel,” he said. “We are trained to handle things if there is an earthquake, storms, what have you. . . . You can’t show your panic to everybody – to your associates or to your guests. The idea is to keep the calmness, even if you’re in an evacuation situation.”

A few years ago, the Long Beach Area Chamber of Commerce offered mass shooter training drills and workshops through the Long Beach Hospitality Alliance, according to Jeremy Harris, senior vice president of the chamber. Although the alliance is no longer offering the training, Harris said dialogue to revive a similar service for the community started after the recent incident associated with the Long Beach Marriott.

A workplace violence workshop will be held sometime this month for interested business owners and community members. The workshop will be hosted by various HR firms, in addition to the state-mandated harassment seminars. Senate Bill 1343, approved by California Gov. Gavin Newsom in September 2018, requires that businesses with more than five employees provide at least two hours of sexual harassment training to all employees by January 1, 2020. The training would then have to take place every two years, according to the California Legislative Information website.

Specifics about the topics and actual training involved for both the harassment and violence workshops will be finalized sometime this month, Har-

ris said. One of the entities involved is HR NETwork, Inc., a Garden Grove HR service firm.

Audrienne Adams Lee, owner of the HR NETwork, Inc., said violence can stem from simpler workplace issues that eventually grow into something serious. Addressing harassment in all its forms is important for creating a comfortable workplace, Adams Lee said. Although workplace violence is sometimes an escalation of harassment, she emphasized that there can be other factors at play. “For example, we sometimes see people that go in and are violent in the workplace after they have been terminated or just hav-

ing trouble with a coworker,” she said. “Sometimes it’s even a personal issue that is brought to the workplace.”

Small businesses are perhaps even more at risk compared to bigger corporations, Adams Lee noted. Family-owned small businesses can sometimes be caught off guard when a drastic situation occurs, she added. “What happens is that policies and rules and expectations and norms get really blurred, as opposed to being in a big company, where things are very specific,” Adams Lee said. “My strategy for small businesses is that you can closely work together, but it’s a business at the end of the day. You still

need to have some line of distinction [and know] what the rules are so you can [have] a civil workforce.”

Harris said it’s an unfortunate reality that mass shootings are an ongoing trend in the nation that “may not be going away anytime soon.” However, he said that the frequency of these types of incidents is exactly why people should have a plan in place for all emergency situations. “I think businesses need to be vigilant and ready for anything that may happen,” he said. “The chamber is just going to serve as that platform to offer these services and be a resource for our members and the greater Long Beach business community.” ■

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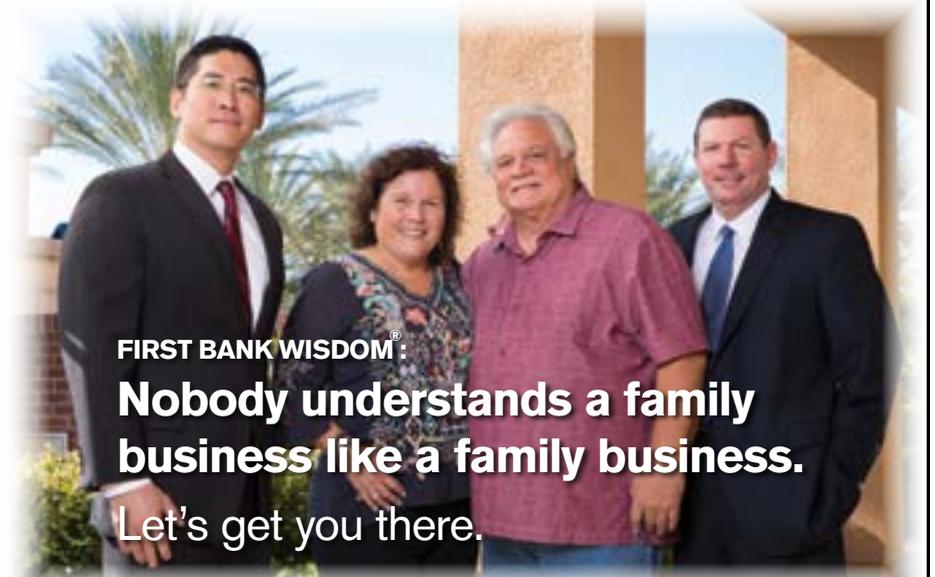
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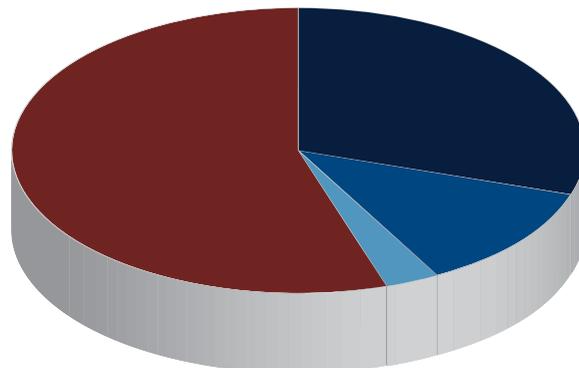


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1. Astrachan, J.H. and Shanker, M.C. (2003), *Family Businesses' Contribution to the U.S. Economy: A closer look*. Retrieved from <http://digitalcommons.kennesaw.edu/facpubs/2373>
2. Family Business Institute. "Succession Planning." Retrieved from <https://www.familybusinessinstitute.com/consulting/succession-planning/>

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City Council Increases Water Rates Amid Protests, Litigation

■ By **ALENA MASCHKE**
Senior Writer

During its September 3 meeting, the Long Beach City Council approved a controversial water rate increase of 12%, effective October 1, 2019. Before going to the city council for final approval, the rate increase went through a public hearing process required by state law, which drew over a dozen public speakers in opposition to the increase. According to Deputy City Attorney Richard Anthony, a total of 1,443 residents contacted the city to protest the proposed rate increase.

The Long Beach Water Department, represented by General Manager Chris Garner, has argued that rate increases are necessary to maintain and repair an aging network of pipes, revive local wells to avoid costly water imports and upgrade water storage tanks. Opponents of the rate increase have argued that no increase would be necessary if the department stopped transferring funds in excess of \$12 million to the city's General Fund each year, a practice some opponents consider akin to a tax that hasn't been properly approved by voters.

"I am here tonight less in opposition to the actual dollar amount of the rate increase as it affects individual bills, although it will hit those on fixed income very hard," Regina Taylor told the board of water commissioners during the required public hearing on August 29. "I am here to object to it being used as a manipulation, to funnel surplus monies into the General Fund, which is like dumping money into a pot that has a hole in the bottom."

In November 2017, the City of Long Beach settled a lawsuit filed on behalf of Long Beach resident Diana Lejins, agreeing to return \$12 million from the city's General Fund to the Water Fund. The lawsuit alleged that the city had improperly charged the water department for using city pipes to create an additional revenue stream for its General Fund, to be allocated at the council's discretion. The complaint alleged that over \$90 million had been misappropriated over the past decade. The city agreed to return \$4 million per year, for the following four years.

As a result of the lawsuit and the subsequent return of funds to the water department, water rates dropped in January 2018. Just a few months later, on June 5, 2018, Long Beach voters approved Measure M, a city charter amendment with the purpose "to explicitly authorize and affirm the transfer of surplus city utility revenues to

the city's General Fund." Following the approval of Measure M, water rates were restored to pre-settlement levels, effective October 1, 2018.

In FY 19, the water department transferred \$12.3 million to the city's General Fund, according to this year's budget presentation. The FY 2020 budget, which was also approved by the city council on September 3, allocates \$12.7 million for transfers to the General Fund.

Lejins attended the public hearing on August 29 to speak out against the proposed water rate increase. "Proposition 218 says you cannot charge more for a service than the actual service [costs]," she told commissioners. The proposition, which was incorporated into the state constitution in 1996, mandates that all taxes and most charges to property owners be subject to voter approval.

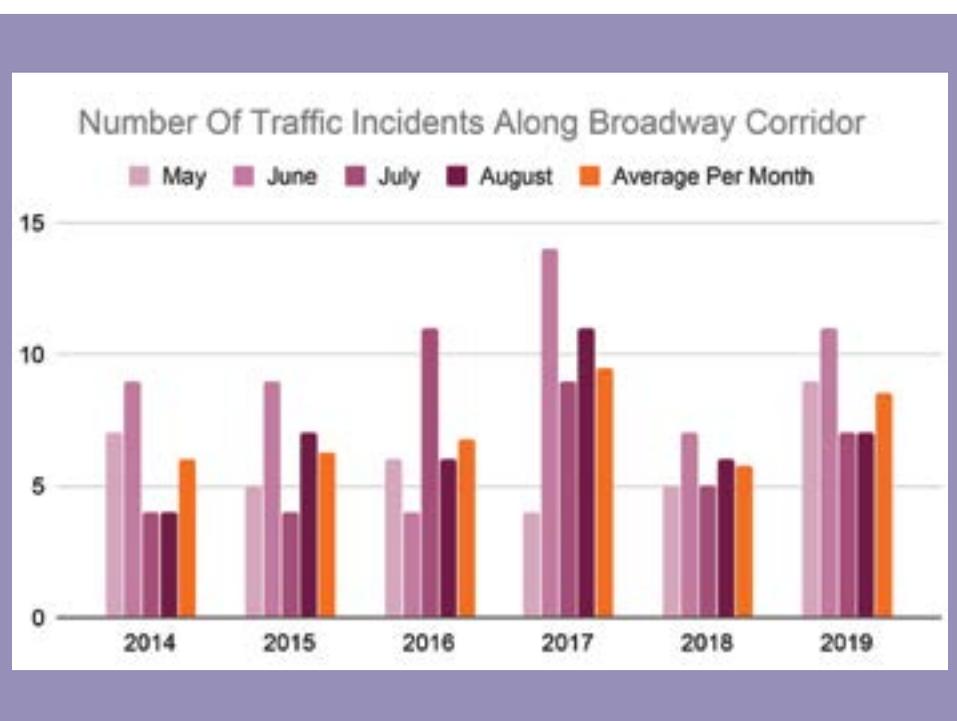
Regardless of Long Beach voters' approval of General Fund transfers through Measure M, she argued, the increase of rates to fund these transfers violated the constitution. "It doesn't matter how many people vote for it; you still can't do that. It's a constitutional issue," Lejins told commissioners. "Technically, you're breaking the law. You're co-conspirators in the mayor and the council breaking the law."

On October 22, 2018, Lejins filed another lawsuit against the city, in response to the 2018 restoration of water rates to pre-settlement levels. Long Beach Water Commissioner Gloria Cordero noted that the department would not comment on the ongoing litigation during the August 29 hearing.

During the same hearing, Garner argued that the 2018 increase, which is the subject of Lejins' most recent litigation, did not provide additional funds for the water department to use for its own needs such as well restoration, storage tank repairs or pipe maintenance. Instead, he noted, the additional revenues were used to offset transfers to the General Fund as authorized by voters through Measure M. "We have not had an increase since October 2017 for our own water purposes," he told attendees of the public hearing.

The water rate increase was approved by the city council in a 7-1 vote, with 8th District Councilmember Al Austin casting the sole dissenting vote. The item has been scheduled for a final vote in front of the city council on September 10, with new rates scheduled to go into effect on October 1, 2019. ■

Five-Year Data Shows Slightly Higher Number Of Traffic Incidents On Broadway



■ By **ALENA MASCHKE**
Senior Writer

Data from five years' worth of police reports detailing traffic incidents along the Broadway corridor, released by the Long Beach Police Department last week, shows a slightly higher number of average monthly traffic incidents this summer compared to previous years.

The new "Complete Streets" design, which aims to promote walking and biking by creating protected bike lanes next to pedestrian sidewalks, premiered on April 17, according to the Long Beach Public Works Department. Traffic was partially blocked to allow for construction and lane re-striping during the summer of 2018, as well as in February and March of this year. The new design features a "road diet" which reduced the number of traffic lanes from two to one in each direction, replacing one lane each with parking spaces and bike paths.

Following the Broadway redesign, there were an average of nine traffic incidents – which include, hit-and-runs, collisions, DUIs and other events – each month between the beginning of

May and the end of August this year. For comparison, there were an average of six traffic incidents each month during the same timeframe last year. In 2017, the corridor saw the highest number of incidents, with police writing an average of 10 reports on traffic incidents per month.

In total, LBPD reported 34 traffic incidents from May 1 to August 30 of this year. In those reported incidents, 16 people were injured. This constitutes a peak in injuries within the five-year timespan covered by the newly released data set. Only 2017, a year with a significantly higher number of traffic incidents overall, saw the same number of injuries. In the remaining years, there were an average of eight injuries per year in the same timeframe.

Overall, this year's number of traffic incidents along the Broadway corridor is on pace with previous years. Since 2014, the first year recorded in the dataset requested by the Business Journal, each year there was an average of 53 traffic incidents by August 30. This year's records show a total of 52 traffic incident reports filed by LBPD by that date. ■

City Council Officially Adopts FY 2020 Budget

■ By DENNY CRISTALES
Staff Writer

After lengthy discussion that went past midnight, the Long Beach City Council officially adopted the Fiscal Year (FY) 2019-2020 budget during its September 3 meeting. Some amendments to the budget include identifying funding sources to restore two fire stations.

The \$2.8 billion budget, introduced by City Manager Patrick West on July 31, focuses on public safety, homelessness and economic development. Included in the budget were a list of recommendations made by Mayor Robert Garcia that were approved by the city council.

During the meeting, the city council also adopted budget recommendations made by the council's budget oversight committee. The recommendations were for projects that would utilize anticipated Measure A funds, revenue garnered from a sales tax approved in 2016 that is used for public infrastructure and public safety services.

Per the committee's recommendations, the city council voted to temporarily fund a \$4.7 million two-year restoration of Fire Engine 17 in East Long Beach for FY 2020 and FY 2021. Fire Engine 17 was closed in 2012 because of budget

cuts, according to city staff. The FY 2020 expenditure for the revitalization of Fire Engine 17 would be \$2.3 million.

Additionally, the council approved a plan to fund both a short-term and long-term plan for Fire Station 9, currently located at 3917 Long Beach Blvd. Fire Station 9 is no longer in use as of this past summer because of health and safety issues, including mold. The building was constructed in 1938, according to city officials.

The short-term solution for Fire Station 9 is to build a temporary replacement onsite, according to an August 30 memo by the city manager. This means the existing facility will need to be demolished, according to Tom Modica, assistant city manager. A temporary replacement facility is expected to be completed within 120 to 160 days. "There is also an environmental review process that we will have go through for the demolition of that structure," Modica told the Business Journal.

All told, the FY 2020 budget includes \$7.76 million of Measure A revenue to fund the temporary and permanent replacement of Fire Station 9, Modica said. Currently, the city has \$1.52 million in immediate funds to finance the replacement of the station. The rest of the funds,

\$6.25 million, are anticipated Measure A revenue that are expected to come in by the end of FY 2020.

The FY 2020 budget covers the time span from October 1, 2019, to September 30, 2020. The city council will hold a second procedural vote on the budget at its September 10 meeting, per the city agenda.

Throughout August, city departments hosted community hearings to garner insight on the proposed budget. "I just want to thank the city staff for all the hard work that they did [on the budget]," 5th District Councilmember Stacy Mungo said during the September 3 council meeting. "This truly is a collaborative process."

Factored into the FY 2020 budget is the city's \$554 million General Fund, 71% of which will go toward public safety measures. The funds include Measure A revenue, which is currently financing a total of 121 public safety jobs, according to city officials. The General Fund will also be allocated to services provided by the Long Beach Fire Department and the Long Beach Police Department, such as a city jail program.

To address housing affordability, the budget will support the preservation or construction of 650 new affordable housing units for low-income and homeless

residents. The Long Beach Community Investment Company provided more than \$21 million in funding and garnered \$172 million in outside funding for the FY 2020 budget to fund the development of the units, according to city budget documents.

The budget will allocate \$680,000 to create an additional four-person clean team for the public works department, as recommended by Garcia. The clean team's funding accounts for dedicated vehicles that are used to fulfill its mission, which is to maintain and beautify neighborhoods. According to the city's website, the clean teams work proactively with residents, neighborhoods and businesses to remove litter and debris throughout Long Beach.

A pilot program would provide students who are part of the Long Beach College Promise program attending Long Beach City College and California State University, Long Beach with a pass to use Long Beach Transit services. The cost of the pilot program is \$350,000, funded by Long Beach Transit and the Proposition A Transit funds provided from the county to the city.

More information about the city's FY 2020 budget can be found at longbeach.gov. ■

CITY OF LONG BEACH

BID OPPORTUNITIES

TITLE	BID NUMBER	DATE
Engineering Services for Sewer Lift Station Force Main Assessment	RFP (SC-0343)	09/11/2019
As-Needed Information Tech. Professional Svcs.	RFP TI19-027	09/17/2019
State Legislative Representation Services	RFP CM19-101	09/26/2019
Qualification and Selection of Peer Reviewers	RFQ DV17-112	09/30/2019
Playground Rubber Surface Replacement	ITB PR19-104	10/03/2019

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

Bidder Registration

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

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Jerry Schubel, Long-Time Aquarium Leader, Announces Retirement Plans



■ By **BRANDON RICHARDSON**
Senior Writer

After 17 years of service, Aquarium of the Pacific President and CEO Dr. Jerry Schubel has announced his intention to retire in 2020. He will continue his role until the board of directors finds a suitable replacement.

During his tenure, Schubel led the effort to develop and implement an Aquarium masterplan, which culminated in the Pacific Visions wing, the Aquarium’s largest major expansion in its more than 21-year history.

“Jerry Schubel’s visionary leadership has created a lasting legacy for the Aquarium and for the City of Long Beach,” Aquar-

ium Board Chair Kathleen Eckert said in a statement. “We are incredibly grateful for his hard work and for his unwavering commitment. He leaves us well-positioned to successfully carry out our mission for years to come.”

Under Schubel’s leadership, the Aquarium created exhibits and programs related to global environmental issues, such as climate change and biodiversity loss, which were meant to engage and inspire people. To that end, the Aquarium utilizes visual and performing arts, as well as cutting-edge technology, to “connect the public with nature, the environmental challenges we face, and opportunities for creating a more sustainable future.”

Schubel created several programs during his time at the Aquarium, including the bi-annual Aquatic Forum, which brought together scientists, policymakers and stakeholders to discuss solutions to environmental issues. Schubel also developed the Aquatic Academy, a series of evening lectures for adults to engage with environmental and aquatic experts.

Prior to joining the Aquarium of the Pacific team, Schubel served as president and CEO of the New England Aquarium, dean of Stony Brook University’s Marine Science Research Center, and associate director of Johns Hopkins University’s Chesapeake Bay Institute, according to the announcement. ■

Mayor’s Chief Of Staff To Step Down, Replacement Announced

■ By **BRANDON RICHARDSON**
Senior Writer

After more than five years serving as Mayor Robert Garcia’s chief of staff, Mark Taylor announced his resignation to pursue a future in the private sector in a September 4 Facebook post.

“I just want to say how proud I am of the accomplishments of the last five years, which include creating a new Civic Center, providing new funding for vital city services, updating our city charter and helping Long Beach take its rightful place as one of America’s best big cities,” Taylor wrote. “I cannot thank Mayor Garcia enough for giving me the opportunity to serve as his chief of staff – I am grateful for his trust and will always be part of Team Garcia!”

Prior to joining the mayor’s staff, Taylor served as Long Beach City College’s director of community and governmental relations for seven years. As chief of staff, he assisted with successful election campaigns for a number of charter amendments, as well as the 2016 Measure A sales tax.

The following day, Mayor Garcia an-

nounced Diana Tang as Taylor’s replacement as his chief of staff. Tang is currently the manager of government affairs and communications for the city and will assume her new position effective September 30.

A Southern California native, Tang began her career with the City of Long Beach in May 2002 as an emergency medical technician for the Long Beach Fire Department Marine Safety Division. She transferred to the city manager’s office in 2009, where she held multiple positions, including government affairs analyst and manager of government affairs, prior to her current position.

Tang also serves as a commissioner on the Los Angeles County Local Emergency Medical Services Agency, as a representative to the League of California Cities, Los Angeles County Division, and as a member of the Los Angeles County Safe, Clean Water Program Regional Oversight Committee, according to the announcement. She holds a master’s degree in public administration from California State University, Long Beach, as well as a bachelor’s degree in psychology from the University of California, Santa Barbara.

“I love the City of Long Beach, and I’m excited to take on this new role to help drive the Mayor’s vision to build an even better city,” Tang stated in the press release. “I

know our city well and have worked with all our city management department heads and the city council for many years. It’s great to continue our work in this new role.” ■



Diana Tang



Mark Taylor



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Funds Approved To Establish Community Development Corporation



Economic Development Director John Keisler and Darick Simpson, executive director of the Long Beach Community Action Partnership, both attended a September 3 meeting of the Long Beach City Council, which kicked off the establishment of a Community Development Corporation by approving vital city funds. (Photograph by Brandon Richardson)

■ By **ALENA MASCHKE**
Senior Writer

In an effort to implement recommendations made by the ‘Everyone In’ taskforce for economic inclusion, spearheaded by 9th District Councilmember Rex Richardson, the Long Beach City Council has approved funds in the amount of \$125,000 for the establishment of a Community Development Corporation (CDC). The Wells Fargo Foundation has provided an additional grant of \$115,000 which will be used to sustain the CDC through its first year.

“What we’re hoping to achieve is to bring access and opportunities to communities that have traditionally been underserved or are – just from a statistical standpoint – not as thriving as other parts [of the city],” Linda Nguyen, Wells Fargo’s vice president of community relations for the Greater Los Angeles and Orange County West Region, told the Business Journal.

Wells Fargo does not require cities to match its contribution to local projects, Nguyen said, but she also noted that the foundation felt re-assured by the city’s participation. “To me this is something very unique and very

remarkable that a city would want to come in, that they want to provide funding and support,” Nguyen said. “I think it demonstrates that we’re getting buy-in from various stakeholders and that this is truly a public-private partnership.”

For the city, the partnership is a first step in funding what was envisioned by the economic inclusion taskforce as a permanent investment in the development of neighborhoods whose economic success has trailed behind that of the city overall. “By matching the Wells Fargo grant and working with the Long Beach Community Action Partnership, the city really gets to partner in a solution, rather than be solely responsible for the implementation of the recommendation,” Economic Development Director John Keisler told the Business Journal. The Long Beach Community Action Partnership (LBCAP), a local nonprofit dedicated to creating pathways to self-sustainability for low-income residents, has been selected to oversee the CDC.

Keisler noted that this most recent collaboration is one of many public-private partnerships the city has entered into in recent years to realize ambitious projects, such as

the new Long Beach Civic Center. “It’s very creative. It offers a lot of opportunities for learning, on both sides,” Keisler said. “Traditionally, we’ve put a lot of pressure on government to deliver these kinds of solutions.”

Instead, the CDC’s staffing structure and programming will be defined through a series of meetings with stakeholders such as local educational institutions, small business owners and nonprofit organizations, according to Richardson. This process is scheduled to start this month and last through the remainder of the year.

“The community development corporation should look and feel like Long Beach,” the councilmember noted. “It should look and feel very different than what traditional economic development has looked and felt like, it should be more approachable.” The city, Keisler emphasized, won’t be involved in the selection of the CDC’s board or staff.

Darick Simpson, executive director of LBCAP, said his organization is interested in providing programming in partnership with the CDC once it has been established. Currently, LBCAP functions as a fiscal sponsor, managing the funds provided by Wells Fargo to establish the CDC.

“I see our role, initially, as being successful as the fiscal sponsor that we were brought in to be,” Simpson noted. “Once that role expires and the funds are distributed . . . I want it to be clear that we have greater capabilities than just being the fiscal managers.”

In its main capacity, LBCAP provides youth and workforce development programming. “Understanding that that’s part of the goal of the CDC, we certainly want to be a strong partner at the table when the CDC is created and be a provider of those services,” Simpson said. “That’s what I think we need more of in Long Beach: more of a collaboration in leveraging resources.”

Leveraging existing resources and creating more access for all Long Beach residents and businesses is at the core of the city’s plan for economic inclusion, and will be the primary objective of the newly-minted CDC. “Over the past year and a half, it’s become clear that we can do a better job connecting local people, local neighborhoods, local corridors to economic opportunity,” Richardson said. “The CDC is a connection, a network of resources, strategically deploying resources and connecting them to [pursue] economic priorities for communities.” ■

Real Estate & Development



CenterCal Properties, Inc. and Taki Sun, Inc. announced 15 new food, retail, wellness and service business tenants for the 215,000-square-foot 2nd & PCH development. (Photograph by Brandon Richardson)

■ By **BRANDON RICHARDSON**
Senior Writer

Commission Approves New Buildings At Marina Pacifica Mall

During its September 5 meeting, the Long Beach Planning Commission unanimously approved a proposal for new construction at the Marina Pacifica Mall

in Southeast Long Beach. The project includes the construction of two new commercial buildings, 7,000 square feet and 5,000 square feet, along Pacific Coast Highway, as well as a 1,007-square-foot addition to the space formerly occupied by Best Buy.

“Developments to this shopping center will only enhance this particular retail

corridor,” 3rd District Councilmember Suzie Price said in an e-mail to the Business Journal. “We have seen a number of businesses leave throughout the city and regionally due to online shopping trends, and we are excited the property management company is looking at bringing in tenants that offer a more experiential type of setting.”

The addition to the former Best Buy building will accommodate the conversion of the space into a new gym and shops, according to city documents. The existing building also will undergo facade improvements to “emphasize a contemporary style of architecture.” The new buildings on the property’s eastern edge will replace some of the retail center’s surface-level parking lot. Each will house multiple tenants and include patio spaces to encourage outdoor activity. No tenants have been announced. Property management did not respond to multiple requests for comment.

The project would mark the first new construction at Marina Pacifica since 1997, when a 39,000-square-foot building was demolished to be replaced by a 23,833-square-foot building. The mall was originally approved in 1972 and underwent other modifications in 1982 and 1995. Currently, the site consists of approximately 289,000 square feet of commercial building space and 1,371 parking stalls.

“It is very clear based on all of the re-

search we are seeing that today’s shopping centers are going to have to be the type of place where people want to go, not just for shopping, but for a longer outing,” Price said. “Centers that offer services, eateries and arts programming seem to be what the market needs right now. I’m excited to see these changes and am pleased to have a positive relationship with the management company, which allows us to be creative and nimble as the retail industry changes due to online commerce.”

Developer Announces Additional Tenants For 2nd & PCH Retail Center

CenterCal Properties, Inc. and Taki Sun, Inc. recently announced a slew of new tenants for the 215,000-square-foot 2nd & PCH development, including food, retail, fitness and service businesses.

Fast-casual/farm-to-table eatery Urban Plates, chicken and sandwich joint Noble Bird Rotisserie, traditional Japanese cuisine and sushi spot Otosan, The Italian Homemade Company and Tuesday’s Sweet Shoppe are joining seven previously announced restaurants. Newly announced retailers include fitness apparel shop lululemon athletica, eyewear vendor Warby Parker, jeweler gorjana, active-wear store Athleta, stationary shop Paper Source and blinds and drapery retailer The Shade Store. BOXHAUS, Be Fit Pilates and cosmetic retailer LATHER,

(Please Continue to Page 22)

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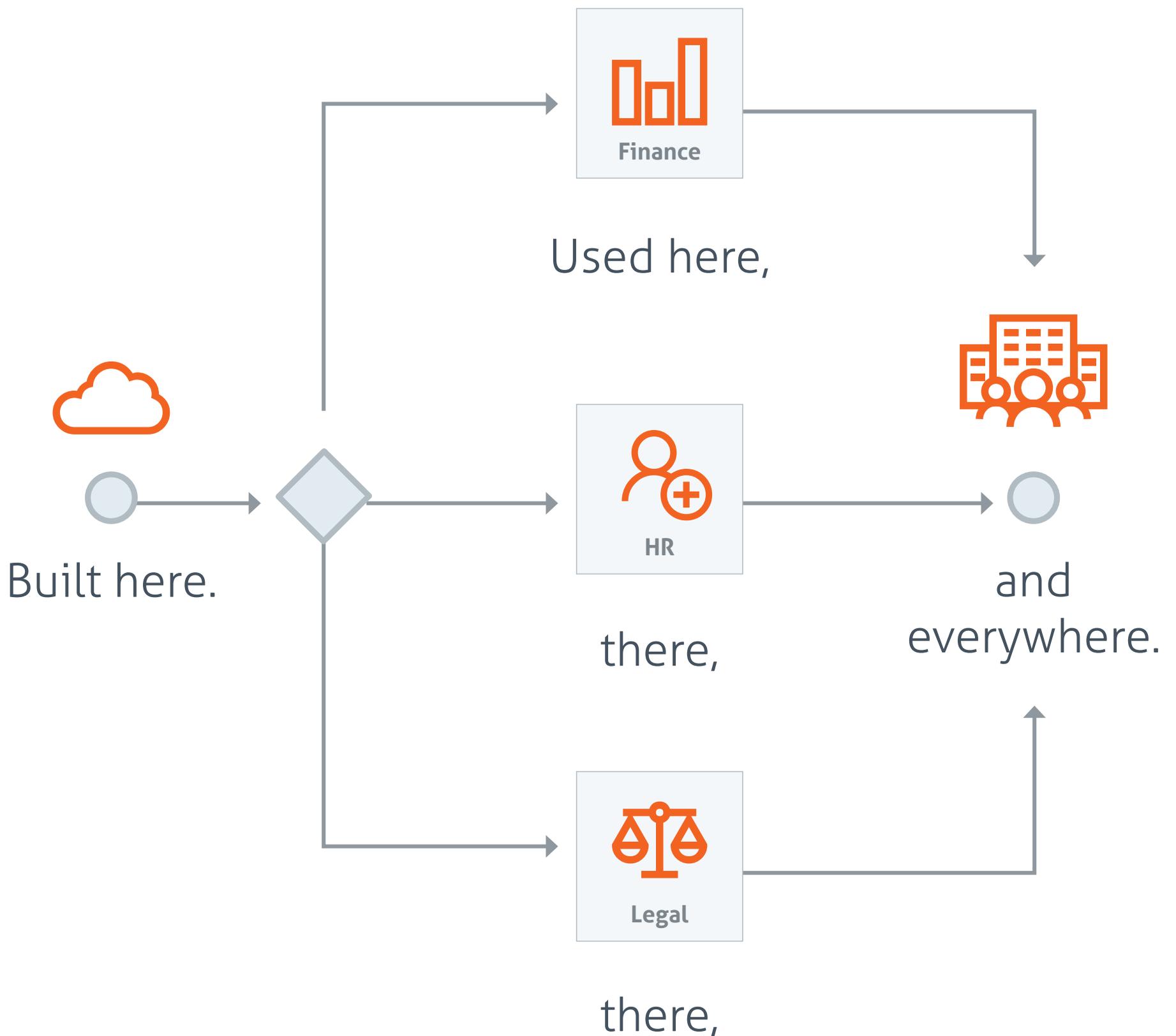
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The Long Beach Planning Commission approved a proposal to develop two new buildings, measuring 7,000 square feet and 5,000 square feet, along Pacific Coast Highway at the Marina Pacifica Mall. (Rendering courtesy of the City of Long Beach)

(Continued from Page 20)

will join three other previously announced fitness and wellness tenants. TSG Wealth Management was also announced as the latest service business.

Previously announced tenants include: Whole Foods, Urban Outfitters, Free People, Sephora, The Bungalow, Hungry Angelina, Shake Shack, Tocaya, Ola Mexican Kitchen, Caffè Luxxe, Barry's Bootcamp, Hawt Yoga, The Solution, Linne's Boutique, Holly and Hudson, Chase, HSBC and AT&T.

To date, 34 tenants have been signed for the retail project, which will have at least 65 tenants when fully leased. The development is expected to open in October, according to a CenterCal spokesperson.

New Industrial Development Approved For North Long Beach

The Long Beach Planning Commission approved a proposal to decommission and remove an existing refinery at 2400 E. Artesia Blvd. to be replaced by a 415,592-square-foot industrial warehouse building, including 21,000 square feet of office space. Located on the southwest corner of Artesia Boulevard and Paramount Boulevard in North Long Beach, the 17.22-acre lot is surrounded by industrial users, as well as residential neighborhoods to the east and southwest of the site. Union Pacific Railroad tracks run along the property's western border. At 43 feet, the proposed building height falls well below the 65-foot maximum allowed in the



district. A total of 433 parking spaces will surround the building at grade level, 17 more spaces than are required. The project proposal includes 52 additional truck-trailer stalls. Landscaped planters will act as a buffer between the parking areas and public right-of-ways on Artesia and Paramount boulevards. According to city documents, the site was developed with a refinery in the 1930s.

Planning Commission Recommends Municipal Code Amendments To Council

The Long Beach Planning Commission approved several municipal code amendments related to land use and development for future city council consid-

eration during its September 5 meeting. The changes include defining uses currently undefined in the zoning code, such as indoor and outdoor amusement/entertainment facilities, tutoring centers, and animal-related uses, such as adoption and boarding. Development standard amendments include eliminating the required distance between structures on a single property within residential zoning districts; updating the gross floor area (GFA) definition to include on-grade, semi-subterranean, and subterranean garages, as well as lofts, basements and finished or habitable attics as part of GFA, and updating the definitions and code sections for lot coverage and floor area ratio; updating fence regulations in flood zones to mea-

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Plans for new buildings at Marina Pacifica Mall include a 1,007-square-foot addition to the former Best Buy building to allow for its conversion into a gym and shops. (Rendering courtesy of the City of Long Beach)

sure from the top of the flood plain; and providing exceptions to height limits for rooftop solar collectors in commercial, industrial and institutional zoning districts. According to staff documents, the city's zoning code has not been comprehensively updated in over 30 years, which has resulted in "extensive internal conflicts" and "outdated provisions" throughout the code. The planning bureau is working to modernize the code with quarterly updates.

Daugherty SkyHarbor 100% Leased

Aerospace company MoAviate LLC recently leased 25,000 square feet of hangar space and 1,720 square feet of office at

Daugherty SkyHarbor, 2745-2775 Spring St., bringing the site to 100% occupancy, according to leasing broker Jon Sweeney, owner of CXI Realty. The hangar lease is for five years at \$1.30 per square foot, while the office lease is for three years at \$2.20 per square foot, with the landlord paying all operating expenses, such as maintenance, utilities, property insurance and property taxes.

New Dining Parklet Coming To Belmont Heights

A new parklet will soon be constructed in front of Taste Wine-Beer-Kitchen, the eatery announced last week. Located at 3506 E. Broadway in the Belmont



Plans were approved by the Long Beach Planning Commission for the construction of a 415,592-square-foot industrial building, with 21,000 square feet of office space, at 2400 E. Artesia Blvd. following the decommissioning and removal of an existing refinery. (Rendering courtesy of the City of Long Beach)

Heights neighborhood, the parklet is expected to open next month. The parklet will also front Olives Gourmet Grocer. "We are so excited to give our customers a new, outdoor option that allows them to meet up with friends or just people watch. Our guests at Taste and Olives want to be a part of what's happening on Broadway and this parklet will make that happen," owners and managers Laurie Semon and Erin O'Hagan said in a press release. "Long Beach's parklet program gives us a chance to connect with the community in a different way." Designed by Long Beach-Based JR van Dijks Inc.'s Salvage Division, the parklet was approved by the Long Beach City Council on July 8. In celebration of

the parklet opening, Taste is introducing a new brunch menu in spring 2020.

Jimmy John's Coming To Traffic Circle

Fourth District Councilmember Daryl Supernaw recently announced the addition of a Jimmy John's sandwich shop at 1775 Ximeno Ave., the same building where Starbucks opened its doors earlier this year. The sandwich and coffee shops will eventually be joined by a third tenant in the building that is located across the parking lot from the under-construction Raising Cane's restaurant. Opening dates for Jimmy John's and Raising Cane's are still pending. ■

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Building A Better Long Beach: New Airport-Area Hotel To Open Early Next Year



Long Beach's newest extended-stay hotel concept, Straybridge Suites, is expected to open in mid-March near the northeast corner of Lakewood Boulevard and Willow Street, according to Holiday Inn Long Beach Airport General Manager Mooyon Kim, who will oversee the new hotel as well. (Photograph by Brandon Richardson)

■ By **BRANDON RICHARDSON**
Senior Writer

Visible from the 405 Freeway since it opened in 1967, the iconic circular tower that is Holiday Inn Long Beach Airport soon will share its location with the city's

newest extended-stay hotel concept: Straybridge Suites.

"The reason we [decided to redevelop the site] was to broaden our target market [beyond] business or leisure travelers staying for a weekend or a weekday," Mooyon Kim, general manager of the Holiday Inn

Long Beach Airport, said. "We also want to provide accommodation for business people or people in between moving or renovation in the extended-stay market."

Located near the northeast corner of Lakewood Boulevard and Willow Street, the new six-story hotel consists of 125 rooms on floors two through six

– from 310-square-foot studio suites to 845-square-foot two-bedroom suites. Each Straybridge room will have a living room area and come equipped with full-sized appliances, including a refrigerator, stove, dishwasher and microwave.

The ground floor of the building will include a lobby, a living room area with



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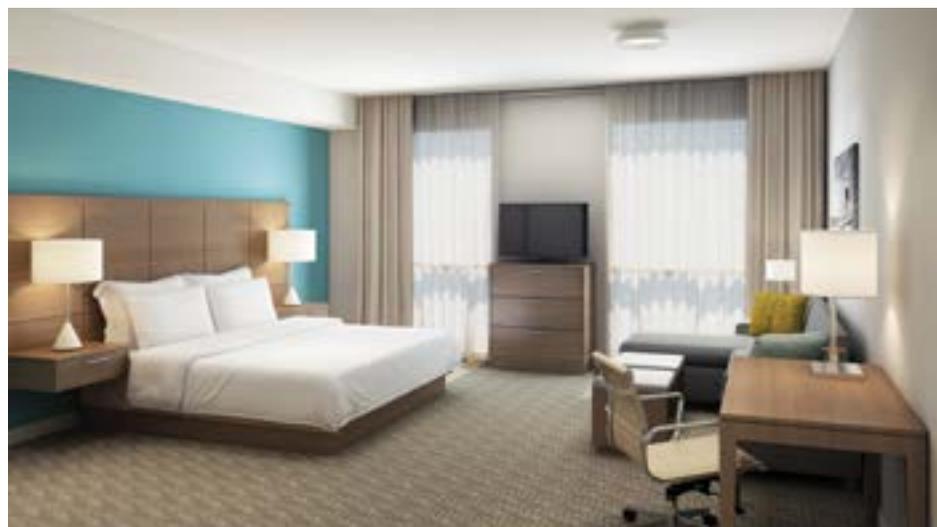
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The Straybridge Suites hotel, which will share amenities with the Holiday Inn Long Beach Airport, consists of 125 rooms in a six-story building. (Rendering courtesy of Level 3 Design Group)



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Each room at the new Staybridge Suites hotel will be equipped with a kitchen, including full-sized appliances. (Rendering courtesy of Level 3 Design Group)

seating and a TV, an entertainment room with a TV and a pool table, a breakfast area, free self-service laundry, a bike kitchen, 10 meeting rooms and a small-scale convenience store. The full list of stock food items is still to be determined, but Kim noted most will be simple items for residents to cook meals in their rooms, as well as pre-packaged meals. He added that some fruits and dairy products will be stocked, and that vegetables are being considered.

Shared amenities between the Holiday Inn and Staybridge hotels will include a newly renovated pool area, including a 3,000-square-foot deck that can be used for events. The relocated pool will be larger than its predecessor and sandwiched between two hot tubs, one of which is reserved for 21-and-over guests. The pool area will also feature two barbecue grills, seating and a fire pit. A 1,500-square-foot, state-of-the-art fitness center with floor to ceiling glass walls will overlook the pool area. The two hotel concepts will share a total of 16,500 square feet of indoor and outdoor meeting and event space.

“The majority of our guests will stay an extended time here, so we tried to create a home-away-from-home atmosphere,” Kim said, adding that the average Staybridge stay is five to seven days, with many lodging there two weeks or longer. “We’ll have special events for our guests throughout the week – afternoon barbecues, morning yoga sessions. We haven’t decided yet, but most likely, [these] events will be offered to both Holiday Inn and Staybridge guests.”

Kim explained that Staybridge will have its own staff and general manager, since different hotel brands have different standards. However, the Staybridge team will report to Kim, as both hotels share ownership. Room rates for Staybridge will fluctuate depending on demand and length of stay, according to Kim, who noted that people staying longer will pay less per night than those who stay one or two nights.

The Staybridge replaced the Holiday

Inn tower’s two-story, 50-room auxiliary structure, which was demolished during the first half of 2018. Demolition and pre-construction took longer than expected, Kim noted. Construction of the new hotel began in July 2018 and is expected to be completed by mid-March next year, barring any delays.

“Long Beach is booming. There is a

lot of development going on throughout the whole city and our Staybridge is part of it,” Kim said. “We definitely trust that Long Beach will be growing over the next five to 10 years and demand will grow as well. There’s a lot of potential and opportunity, especially for the extended-stay market as part of the growing Long Beach market.” ■

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Realty Views: Rent Control in California Gets New Life

■ Perspective by **TERRY ROSS**

Last November, California voters went to the polls and decisively defeated a ballot measure that would have opened the door to rent control statewide based largely on the model that has been in place for some time in several cities, such as Los Angeles and San Francisco.

But Gov. Gavin Newsom, who was swept into office at the same time by the same voters, has decided that their will doesn't matter when it comes to issues where he has an alternative view. He has attempted to circumvent the election results by pushing regulations through the state legislature that would cap rent increases statewide at 5%, plus inflation, for the next decade and also weaken laws on evictions, putting an additional burden on landlords.

The new rent control bill that Newsom is sponsoring, AB 1482, has been altered somewhat from the Draconian measures that the governor first proposed, not long after last November's ballot measure failed, in an attempt to keep organized real estate and landlord groups from op-

posing it. But it is not clear at this point if the bill has enough backing among legislators to pass. Real estate groups are going back and forth with the governor's office trying to find a compromise, but at the end of August, Newsom announced an agreement with legislative leaders that looks tenuous at best.

The proposed rent caps – which might or might not get into the final version of the bill that goes before lawmakers – would apply to apartment units built in the past 15 years but not to single-family homes, unless they are owned by a large corporation.

But all this jockeying in Sacramento does nothing to help the real solution to the problem: creating more housing, and especially more affordable housing, in California. As much as the real estate industry has tried to educate state leaders, the red tape, over-regulation and burdensome costs associated with building new housing are not going away and only act as a detriment to more housing production.

There are a number of excellent affordable housing programs in California that create solid incentives for private

developers and municipalities to build housing to serve those that can't afford the high-priced market rents that abound in this state. But the ever-increasing red tape together with the ever-increasing local and state fees that builders have to pay are among the chief reasons that the promise of these existing programs has not been met.

The problem seems to be in the real-world application of the remedies to California's high housing costs. As we have seen in states like New York, rent control produced all kinds of unintended consequences for the state's lending institutions and property owners – and weakened the property market right out of the gate.

To do the same in California would weaken property values – which would impact literally thousands of small-business owners – not to mention the impact on the real estate and lending industries in this state, which are considerable. Some developers fear that rent control will even decrease the amount of new housing that will be built.

California is said to have the sixth larg-

est economy in the world, so one would think that with that kind of economic clout real solutions could be found to ease these housing problems. Taking one industry and setting price controls, like rent control, is putting the entire equation out of balance, since those who own and manage rental housing have costs of their own and have no such caps on their expenses.

A much better solution would be for our state leaders to use the resources at their disposal to evaluate and improve the programs already in place by streamlining the over-regulation currently stifling new housing and help developers get projects through a process that has become the laughingstock of the nation. The next initiative should be to establish additional incentives for the private sector to provide more affordable housing programs through subsidies and tax credits that help both renters and landlords meet their goals.

Terry Ross, the broker-owner of TR Properties, will answer any questions about today's real estate market. E-mail questions to Realty Views at terry-ross1@cs.com or call (949) 457-4922. ■

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A City With Momentum

(Continued from Page 1)

moving up, others are struggling. Like many other California cities, Long Beach suffers from a need for affordable housing, and struggles, despite persistent efforts, to keep at-risk individuals from falling into homelessness.

Meanwhile, the wellbeing of one of the city's largest industries, trade and transportation, hangs in the balance as a trade dispute with China – the greatest source of goods movement through the Port of Long Beach – continues to escalate.

But as much as Garcia expounds upon the need to address these issues – and the ways the city is doing so – he emphasizes Long Beach's successes as well as bright spots to look forward to: decreasing crime, a balanced city budget, upcoming redistricting, additional support for small businesses and much more.

With an election year coming up, these successes and challenges are sure to become fodder for debate as the city prepares to align its municipal elections with those of the state – a new policy the mayor believes will boost voter turnout and lend to a more competitive political atmosphere. For now, here's what the mayor has to say on these, and other, topics.

The Budget, Measure A And City Finances

LBBJ: Let's start with the budget. You made numerous recommendations for the city budget. Walk us through some of those and why you proposed them.

Garcia: The budget is structurally balanced like all the budgets have been. It's also important to note that the city is in strong financial health. We have an AA credit rating. . . . Our reserves continue to be full and our liabilities continue to decrease. So the budget continues to head in the right direction. I am really proud of our fiscal policies and am really thankful that the city council has both made investments and also ensured that we have lived within our means. As far as the budget recommendations this year, the budget itself is really focused around public safety, which is where most of our resources go – making sure people are safe. There are enormous . . . resources in [the budget] to address our city's largest challenge and the state's largest challenge, which is homelessness. We also have, and are increasing, our clean teams to ensure that we are proactively going through and cleaning up trash and blight. We have dramatically increased that department of the city over the last few years, and continue to do so. I have also proposed a college promise transit pass that will be a new partnership with Cal State Long Beach and Long Beach City so that students will have access to either free or highly discounted transit if they are a part of the Long Beach College Promise program.

I have included a couple other items that are important. I have ensured that we have enough resources within the health department to deal with STIs [sexually transmitted infections] and any issues that folks have from a health perspective, [that we] make sure we are expanding our tree canopies across the city, [and] that we are also focused on supporting programs around infrastructure and increasing street and sidewalk construction. Those are most of the highlights of the budget.

LBBJ: Your budget recommendations will cost an additional \$2,255,000. How will they be paid for?

Garcia: That's where the budget oversight committee of the city council comes in. They have already made recommendations, [which] will come from different sources. For example, the 'Promise Pass' is going to be a partnership with us and Long Beach

Transit. They set aside the money. For the clean team, we have a refuse fund in public works that is used for these types of projects. It just depends on the pot [of funds]. But they are all going to be structurally balanced. We're not cutting or scaling back on services for the community. We are actually modestly increasing them.

LBBJ: Why should voters support a permanent extension of the Measure A sales tax?

Garcia: I think that the original Measure A has been a complete success. If you look around the city, it's under construction and we're doing more street work than we have in a generation. Measure A is the public works initiative of this era for the City of Long Beach. We are rebuilding the streets, rebuilding the sidewalks. You see it in every neighborhood in every district. You're seeing the benefits of adding fire engines and rescues, and improving response times across the city as well because of the fire and police component.

Now, looking towards next year . . .

if we do not extend Measure A for ourselves, it will be extended by another agency. The choice voters have is, would you rather continue paying what you're paying today and [have] it going back into rebuilding the city, or would you prefer to continue paying what you're paying today but the portion that goes to Measure A now will instead go to the AQMD [Air Quality Management District] or the county or another [outside] agency? I think the answer to that is clear. I think voters would much rather see their resources going back into their city than [to an outside] agency. Voters are going to pay this amount; whether or not they want to keep it in Long Beach is the key question for next year.

LBBJ: We just ran an analysis of city salaries illustrating that about one-third of city staff make more than \$100,000, and 40 make \$200,000 or more. Those numbers are likely to spike following negotiations with the city employee unions. We understand that the city has to offer competitive wages to attract good talent – but do you think these ev-



“We are rebuilding the streets, rebuilding the sidewalks. You see it in every neighborhood in every district.”

er-increasing salaries are sustainable?

Garcia: It's important to note that a majority of our salaries that are on the higher end of the scale are public safety salaries. We are talking mostly about firefighters and police officers. A majority of our higher salaries are not, for example, managers. There are certainly a small group of top department heads that are compensated well, and they should be. But if we want to have the best police officers and the best firefighters, we have to stay competitive with the market, as you said. And Long Beach is in no way an outlier on this. We are not on the high end of salaries, and we're not on the lower end. We're pretty much in the middle when it comes to salaries. If you're not paying your police officers and your firefighters a competitive wage and benefit package, then you are not recruiting the best talent. We want to make sure that first and foremost we have the absolute best police and firefighters in Long Beach.

Now, the second part of your question: is it sustainable? Professional wages, in general, continue over time to increase. I think that firefighters and police officers are paid currently what they deserve to be paid. It's a dangerous job. If you look at, for example, what our top department heads and city manager make, it's actually less than other city managers of much smaller cities. So we are definitely competitive, but we are

not paying the [highest] salaries. This is a trend that is happening across public agencies. . . . We have to be competitive [to attract] great managers. Many of our department heads or top managers could be earning two, three or four times as much in the private sector. But we're fortunate they're working for our city [and] bring their talents here. We're certainly paying them what they deserve.

Where we need to do better is in other professions. I have always been more concerned with low wage workers and ensuring that they are being paid a fairer wage. Teachers across our community and the region are not being paid enough. There are public workers who need to be paid more, but I think ours are being paid fairly – we're not some sort of outlier, we are right in the middle.

LBBJ: We're in good economic times right now. There are some indications that this could change in the future. We don't know when. If the cost of living keeps going up and wages keep going up, how is the city going to approach that situation?

Garcia: First, you always plan for a recession, which is why our reserves are full. It's also why when we passed Measure A, we [also] passed Measure B, which puts 1% of any new [general tax] revenue into a reserve account. . . . We are prepared if there is an eventual recession. And if there is, every pub-

lic agency will have to tighten the belt. But we're strongly positioned. We also know that many economic shifts are out of our control. The port is an example. The trade war with China and tariffs are having an impact on the port. That's a global economic trend that we have little control over. . . . We're prepared, and we know if a recession comes, we'll have to tighten the belt – and it'll take [the city] and our employee groups altogether to do so.

Housing And Homelessness

LBBJ: Do you feel the city has enough resources, financial or otherwise, to address the issue of homelessness comprehensively?

Garcia: We always could use more resources on this issue. There is about \$30 million in the budget this year to address homelessness. It is the number one issue that we face. If you look at every other city in the State of California in the homeless count this year, [there are] double-digit increases. Orange County I think was at 40%, L.A. and L.A. County around 15%, and San Francisco and San Jose had large numbers. In Long Beach's case, we were relatively flat. That doesn't mean that we should be celebrating, because there are still over 1,800 folks in Long Beach on any given day that are experiencing homelessness. But it does mean that we are managing our challenge as best we can with the re-

sources we have. There is right now no magic solution in the State of California to solve this challenge, or we would be doing it. We have many issues happening at once. We don't have enough housing. We have a mental health crisis. And we don't have the infrastructure in place to deal with this challenge happening across the state.

People don't realize that the City of Long Beach has housed 5,000 homeless individuals in the last five years. We house about 1,000 a year. But . . . folks continue to fall into homelessness. These are low income people who are one paycheck away from not being able to pay the rent. People falling into homelessness are young LGBTQ students who are maybe being kicked out of their house because their parents won't accept them. People who [become] homeless are [often] mentally ill And if you're on the street, your ability to take care of yourself and your health becomes dramatically harder. We also focus on issues of wages and assisting renters and low-income people and students because they are vulnerable populations that can fall into homelessness. If we don't help that population, then we are going to be in even worse shape. It is a balance, and we will continue to work on this challenge. The state is doing more. They could always do more. But we are also building our city's first city-

(Please Continue to Page 30)



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“I hope that a redistricting commission will be able to clean up some of the lines in the city so that neighborhoods stay together. We shouldn’t be dividing up neighborhoods.”

(Continued from Page 29)

wide homeless shelter. We’re building a navigation center. We’re building innovative programs to put homeless folks to work in our public works department. So there is a lot happening.

LBBJ: What is a navigation center?

Garcia: A navigation center is a center where homeless individuals – it’s opening in the western part of our city – can leave their belongings as they go look for work or try to transition out of homelessness. They also can get services there and get direction as to where to get [additional] services.

LBBJ: There are many factors at play when we talk about working families and working people at risk of becoming homeless, and three at the top of the list are often housing affordability, wage disparity and health care costs. What is the city doing to address those issues in respect to this population?

Garcia: I think we have done a lot. If you look a few years back, the city raised the minimum wage before the state did. We were pioneers in raising the minimum wage on the pathway to \$15. The city has been active in building housing that’s affordable. We’re building a lot of projects with affordable housing across the city. The council recently adopted protections for tenants that were on the verge of eviction. We have focused on issues to support good jobs in the city . . . so that people have benefits and health care and are investing back in the community. We continue to implement local hiring policies to hire folks from our community. . . . The strength of our public school system at Long Beach Unified

[School District] and [our city] college and university continue to uplift people. There is a lot happening, but there has to be more.

The poverty rate in Long Beach has actually gone down some. We were at about 20%. We’re probably at about 18% now. But there are still a lot of folks who need help. The whole city cannot succeed until the poorest amongst us have success as well. We have to always think about [how] we are all so fortunate and blessed to live in a middle-class community. But there are folks who really need our help, and I think it’s all of our jobs to help them.

LBBJ: There are numerous projects underway creating luxury housing, and also some to create low-income housing. What is being done to address the need for affordable middle-class housing?

Garcia: Luxury housing is really market-rate housing, right? It just so happens that the market right now is slanted in calling for very high rents, so there is a lot of higher-end housing that’s happening. We’re also building a lot of affordable housing. But one of the challenges that we have, and the state has, is the missing middle. We have to attract more construction for middle class families, working class people: a teacher [who has just] graduated out of the university, or a couple working construction jobs and trying to start a family. The development community builds those types of projects less [often], and we have to encourage them to do more of those projects. We actually have some plans in the works. For example, the private housing development that

we will be building at the civic center [will have] hundreds of units. A lot of that is going to be middle class workforce housing. We have got some exciting announcements coming up. But we do need to build more.

I want students who are graduating from Cal State or young families to be able to purchase a home in Long Beach, and it’s just very hard right now. . . . We encourage that kind of development, but there aren’t enough state incentives to build that type of housing. There are a lot of state incentives to build low-income housing, or housing for veterans or those experiencing homelessness. Certainly, if developers choose to build market-rate housing, they’re going to get high rents. So where is the incentive to build that middle-class housing? That is something that I think the state needs to help us solve, and [that] all cities are facing right now.

LBBJ: How is the city doing in regard to achieving its state mandated regional housing need allocation (RHNA) numbers? (Editor’s note: dictated by the California Department of Housing and Community Development, RHNA numbers mandate how many homes need to be built and how affordable they need to be in order to meet a city’s housing needs.)

Garcia: We never meet it. Cities never meet their numbers, but we’re doing much better than most. Long Beach is certainly not on the naughty list the state has of those cities that are not building affordable housing. We build. Could we be building more? Absolutely. But we’re also a built-out community. There is only so much density we can add to the downtown and to the center of the city. We will continue to build, but we also don’t have a lot of open land like other communities do, so we’re not going to build 500-unit apartments in Los Altos or Cal Heights. It’s not appropriate. Our historic and suburban communities deserve to be maintained. . . . I don’t support overly densifying those neighborhoods. I do support adding units and density in the downtown core and along the [Metro] Blue Line. There are some areas of North Long Beach and Central Long Beach that can take additional units. We’re doing what we can, but it’s very hard for us to meet that annual goal, because that would basically change many of our neighborhoods across the city.

LBBJ: There is quite a bit of back and forth between the state and municipal governments in terms of state versus local control. It sounds like you are still supporting Long Beach being able to make those decisions for itself.

Garcia: Absolutely. One hundred percent. Long Beach should retain its local control over planning and zoning. What I do think is that the state should absolutely be engaged with mechanisms to encourage cities that are not building affordable housing. For cities that are building like Long Beach, the state should continue to remain a partner in helping us do that. And they are; we have a great relationship with the state.

Politics And Elections

LBBJ: Let’s switch gears and talk politics and local elections. The city council races are already heating up. Are you going to endorse in each district?

Garcia: Yes. I imagine that I will endorse in all of the 2020 council elections. I haven’t endorsed in all of them yet. I have endorsed in three of them.

LBBJ: What about the school board and city college board races?

Garcia: The only endorsement I have made is Doug Otto in his race for the [Long Beach Unified School District] school board. I have not made any other endorsements in the community college or in Long Beach Unified [board elections]. Obviously, there are many months between now and the election.

LBBJ: What’s your overall impression of how residents are feeling about their elected leadership?

Garcia: I have certainly seen public polling on that question, and it’s actually very good. Listen, certain communities are going to find certain representatives that they like and others they may not like. Some folks might like their councilmember more than [others] for whatever reason. That’s always going to exist. If you’re trying to make positive change and if you’re really pushing for growth, you’re going to have folks who don’t agree with things you do. That’s part of it. But it’s not smart to govern by being worried about what every single person is going to say all the time. You’ve got to do your research, do your homework and talk to the community, get input and then make the very best decision in the best interests of the city and as many people as possible.

Also, there is a very sour national mood about what’s happening in government. I think what’s happening at the federal level does impact a lot of anxiety and emotions in people at the local level. But I think overall, if you ask people – and we have – how [they] feel about the direction of Long Beach, you have strong majorities and supermajorities that say the direction of Long Beach is strong and is going in the right direction.

LBBJ: Last year you said it was “unlikely” that you would run for a third term if Measure BBB passed. Have your feelings changed?

Garcia: I don’t know. I am in the first year of my second term right now. That is so far off. . . . But like I said last year as well, never say never. It’s not a decision I would make today. I love being mayor. It has been a great five years, and there are a lot of challenges. But I also love other things. I often miss being back in the classroom and teaching, which is really where my passion is. I can see myself going back and doing that. But you never know. Things happen and things change, and we’ll see. I will be able to answer that question in a couple years.

LBBJ: You moved funds around and created a fund to run for Lieutenant Governor in 2026. Is this what you view as your next step? Or is it more of a

placeholder for now?

Garcia: Long Beach law makes it pretty clear that excess campaign funds have to be moved to a state account. I had to move it [to a state account], and it was a good chunk of funds. . . . Is it something I would consider in the future? Sure. But it's certainly no indication, no decision, about what I am going to do next. I imagine that's a decision [I will make] in the next couple of years.

LBBJ: How much did you move?

Garcia: It's about \$160,000.

LBBJ: Are you allowed to touch that at all?

Garcia: Absolutely. It's moved, it's in a state account and it will stay there until I decide what to do with it.

LBBJ: What is your greatest political ambition? Or if you aren't sure, how far could you imagine yourself going?

Garcia: My greatest political ambition is to be a really good mayor. One piece of advice that I got early on from the former mayor, which I totally try to live by, is to try to live in the moment and do the best you can in the job you're in. I really love this job, so it was great advice. . . . My biggest political ambition has always been to do this job and get re-elected, and I did. I want to continue doing a great job. Beyond that, I don't know. I just want to be a good mayor. And we'll see about the rest.

LBBJ: Has there been any difficulty in this transition period without a coun-

cilmember representing the 1st District?

Garcia: No. I think there is a great group of candidates. I am supporting Mary Zendejas, who I got to know when we were both students at Cal State Long Beach. I think she has been great on the Long Beach Transit board. I think we will end up with a good councilmember and we will continue to move forward.

LBBJ: One more quick question on elections. Do you think now that we're aligning with the state on elections that we are going to see a more competitive environment and more participation?

Garcia: Yes. I think you see it now. We are going to have much higher turnouts.

The Economy And Business

LBBJ: We touched on some of these topics already, but let's go more in depth. The trade dispute with China has been going on for quite some time now. While those most affected by the trade war with China have been in agriculture and other industries, tariffs are now expanded to consumer goods. The situation doesn't appear to be de-escalating any time soon. What are your concerns about what this could mean for the Port of Long Beach and our local economy?

Garcia: The Port of Long Beach is our single-biggest creator of good jobs in the city. Having this irregular and irrational trade policy is not helpful to Long Beach or to any city that relies

on goods movement. I have a hard time understanding our trade policy in the United States because it changes depending on the week or on the mood of the president. Folks should be very concerned about the future of trade in the United States. From the port perspective, we are gearing up for what could be some disruptive years, because we're not sure what to expect. I have talked to farmers in other parts of the United States who are never going to get their business back because they have lost it forever to South America or other places. This is business that used to come through the Long Beach and Los Angeles ports. Now we're seeing goods and the price of goods change. We're seeing the impact on steel and construction and development. It's very concerning, and we have to get back to a point where we have trade that is open and inclusive, and certainly that protects workers. That's critical as well. But I don't think there is anyone in this country, maybe besides some folks in the White House, who think we have a rational trade policy right now.

LBBJ: Some economists think a prolonged trade dispute could tip us into a recession. If that happens, is the city ready for it?

Garcia: We are as ready as we can be for a recession. We're always planning because we have reserves and we're conservative about it. The port is planning

for that as well. But it's something that can be averted. I think this trade war can be averted by having rational adults implement trade policies. We have walked away from trade agreements and are currently unable to renegotiate a trade agreement with Canada and Mexico, who are critical to our success, because of dysfunction in Washington, D.C. NAFTA, which could have been a better agreement – and certainly there should have been more labor protections in it – but NAFTA helped develop so much of the middle class and working class in Southern California but also in Mexico and in Canada. It strengthened ties between our countries. Now, we can't even have a responsible conversation with the leaders of these countries. I think we have to be much more thoughtful and responsible in our language as a country and in projecting American strength and American trade and foreign policy.

LBBJ: What is the city doing to support small businesses in Long Beach?

Garcia: There's a lot. One is, we've revamped our entire permitting system and process to make it more accessible. It's more of a one-stop shop now. It's all on the same floor as part of the new civic center. We've hired more people to do this work. We've formed an economic development commission. We have an economic development blueprint, which is a great document that maps out sup-

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“There are still over 1,800 folks in Long Beach on any given day that are experiencing homelessness. But . . . we are managing our challenge as best we can with the resources we have.”

(Continued from Page 31)

port for small businesses. . . . There is a lot going on for small businesses. But one thing that cities always can do better is support small businesses. I owned a small business at one point. These are hard to operate. You have to make sure that workers get their paycheck, and you’ve got to survive economic recessions. It’s very difficult. We should always try to do more, but I think we’re doing a lot.

LBBJ: What industry or industries would you like to attract or expand here?

Garcia: What I would like [is] to have some larger corporate businesses move in. We are working on that and we are, I think, on the verge. . . . Like Virgin Orbit and Zwift and some of these other tech companies that are coming in and expanding their presence. – that’s what we want more of. We’re working on that, and that’s the next big goal for us.

Community Issues

LBBJ: Let’s get into some community issues. The Census is coming up, and you’ve been vocal about making sure everyone here in Long Beach is counted. The city is soon going to be forming a redistricting commission to figure out what to make of those results. Do you think the city’s districts are representative of actual communities here in Long Beach? What do you hope to see at the end of that process?

Garcia: I think generally the districts are representative of their communities, but we also have some districts that are a bit gerrymandered. There is no one who can look at, for example, the 7th District, and think that it makes complete

sense to go from one end of West Long Beach all the way past Bixby Knolls. There are some districts that over time have been carved up in odd ways, but overall most of the districts are I think pretty well representative and compact as they should be, per court opinion. So I hope that a redistricting commission will be able to clean up some of the lines in the city so that neighborhoods stay together. We shouldn’t be dividing up neighborhoods. [For example], Wrigley is divided up into two districts, and it should be one district. . . . I hope the redistricting commission will . . . bring neighborhoods together and keep communities of interest together.

LBBJ: The way that works, if I remember correctly, is first you form the ethics commission and then the ethics commission helps form the redistricting commission, is that right?

Garcia: The way it works is first the ethics commission – which is four members now – will pick three more [members . . . for] a total of seven. Then the ethics commission, along with the [city] clerk, will do the first screening of applicants for the redistricting commission . . . [to determine if] they are eligible to be commissioners. Then all those commissioners essentially go into a pool and the clerk basically picks at random citizens from this pool to serve on the redistricting commission.

LBBJ: When will the process be finalized?

Garcia: Because the Census will happen next year, it will be some time next year, I imagine.

LBBJ: We’ll be interested to see what happens there. Let’s talk about

crime. What do you see as the city’s top challenges in this area?

Garcia: There’s a couple. First, we’ve got to be honest about what’s going on with crime across the city. Crime is the lowest it has been in 40 years. We’re averaging around 30 homicides a year. We used to average 50 homicides a year. Before that we averaged 80 homicides a year. And there was a point where we were averaging 100 homicides a year. So every decade in the city’s history, the worst type of crime – which is homicide, or murder – has decreased. Overall, crime this year is lower than it was last year, and crime last year was lower than it was 10 years ago. That’s the overall trend, and the data is very clear. However, when I share that, some folks will say, “That’s surprising to me, how is that the case?” The reason is because our perception of crime is much higher. It used to be that if someone stole a bike or broke into a neighbor’s house two or three blocks from you 10 years ago, you probably didn’t hear about it. If someone steals a bike from you today down the street from you, you’re going to hear about it on Facebook, Nextdoor or whatever social media you have. Residents today are hyper aware of every crime that happens, not just in their neighborhood but across the entire city. Ten years ago, that was not the case. So even though crime is lower, more folks today know about every single instance of crime. That’s actually a good thing. It’s good that people are more informed today. . . .

Beyond that though, it’s not to say that we don’t have some serious issues. We do know that there are assaults that happen with folks who are mentally ill. There are folks within the homeless community who are also committing crimes. We also have residuals from a long battle with many gangs across the city. We finally have made great progress, but sometimes there are flare-ups. The city itself continues to get safer. . . .

We have to do more. Would I love to see more police officers? Absolutely. Would I love to see more programming to help address some of this stuff? Absolutely. But we’re also dealing with this new challenge of what’s happening with jails and overcrowding, and [criminals] being let out [early]. We are trying to manage the best we can with all of these reforms, and I think our police officers are doing a pretty good job.

LBBJ: A mass shooting was recently prevented here in the city at the Long Beach Marriott. What do you think needs to be done to prevent more mass shootings?

Garcia: Our police officers and the Marriott did a great job. Our police officers stop these types of incidents, unfortunately, too often. There is a lot that needs to happen. One of the things that I do not understand about Washington and Congress is the inaction on the issue of guns. There is wide consensus in this country about three or four reforms that, to me, are just very common sense. One is we should have universal background checks. That is not a lot to ask

for. We should implement some red flag laws so we’re aware when there are concerns. We should absolutely be investing in research around mental illness and its connection to guns and violence, and we have completely defunded that type of work. We absolutely should look at making weapons of war less accessible to folks. And if you’re going to have access to certain types of guns, you should have a licensing process. It’s strange to me that to drive a car you have to go through an extensive process and take a test; I don’t see why we can’t have a similar process of licensing particularly for some of these weapons that can cause major damage to people. My mom and my dad have a gun. That’s fine, and that’s their decision, and they have a right to it. I absolutely support their right to have it. . . . No one wants to take people’s guns away. What we want to do is ensure that people that are mentally ill and are a danger to society don’t have access to them.

LBBJ: Still on the topic of community issues, but moving away from crime: It seems like each time a new road diet is put in place, there’s a lot of pushback from residents and businesses. Do you think there is anything the city can do to better communicate the planning process for these projects to the public?

Garcia: We should always be improving and increasing outreach on our projects. So the answer to that is yes. We also hear from a lot of folks that are supportive of these projects, [although] they may not be as vocal about . . . [their support]. But I do think the city should be more aggressive in getting information and bringing community members in [regarding] projects that change the street. As we try to make the city safer and increase multi-modal transit and other ways of getting around, and try our best to meet our climate change goals, there are going to be some growing pains. But we know for a fact that young people . . . are asking for a different type of public place. Our future as a city, the folks who are coming out of Cal State Long Beach, young people who are renting their first apartment . . . are very different in their needs and the kind of city they’d like to see. We’re trying our best to meet everyone’s interest.

LBBJ: What do you view as the city’s greatest challenges with respect to climate change, and how is the city working to responsibly address those issues?

Garcia: The biggest challenge as it relates to climate change is rising temperature. We expect it to get hotter in the next 50 years. That really affects Central Long Beach and areas that are denser, that have more seniors, that may not have access to air conditioning units, [and] low-income people. That is where our biggest challenge is going to be. Climate change disproportionately affects those who are low income, because they have less access to technology or [the ability] to move. Sea level rise is also a concern, but most scientists that have looked at climate change as it relates to Long Beach are really focused

on the temperature issue. That is something we're addressing. We're in the middle of a Climate Change Action Plan right now. We really hope that people understand that climate change is real. It's not some fantasy – it is happening. We should all be horrified about what's happening in the Amazon rainforest and what's happening in the Arctic and what is happening here on the coast of California. So that's the biggest challenge.

LBBJ: What is the city doing to address some of the things you're talking about here? Is it going to be laid out in this plan?

Garcia: It is. The Climate Change Action Plan is going to be very extensive. It's going to set climate goals. It's going to talk about planning and how we build the city. It's going to talk about how we address heat and temperatures rising. It's pretty comprehensive, and it's also going to set up how we meet some of these larger climate goals set by larger agencies like the Paris Accord [also known as the Paris Agreement] and others.

The Future Of Long Beach

LBBJ: What is going on with Queen Mary Island? Are we ever going to see anything happen there? Or even upgrades to the ship?

Garcia: Upgrades to the ship continue to happen. As far as the development

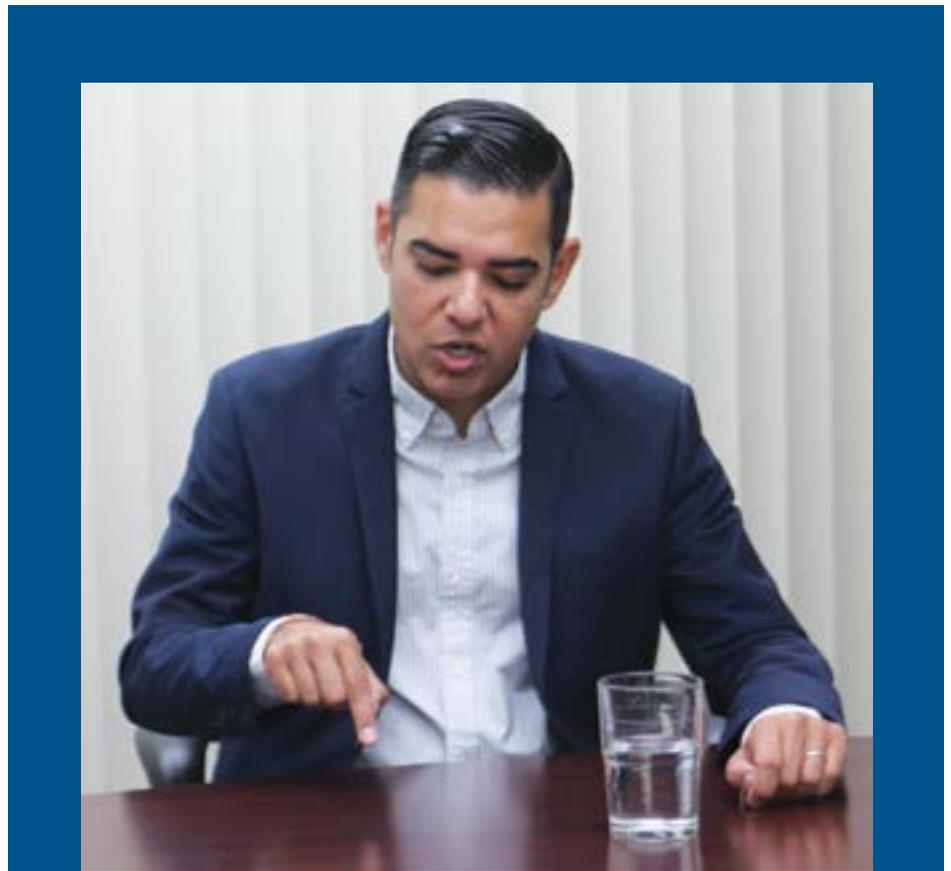
project, I hope that we have more on that over the course of the next few months. Our planning department and the development team have been working on a plan, and it has gone through a couple of iterations, so . . . I am hopeful in the next few months that we are going to get some information on that.

LBBJ: What are you looking for in a new city manager?

Garcia: I am looking for someone who is going to love Long Beach and be invested in our community. I am looking for somebody who is going to be an excellent manager and leader. I am looking for somebody that knows our city enough, that can move it forward, and I am looking for somebody that has got new ideas. [We want] someone in that position that can implement new things and look at things differently. We are doing a national search . . . for the absolute best person that we can possibly find. While there will be external candidates, I expect that we'll also have internal candidates, and we will pick the best person.

LBBJ: Is there anything you would like to add or emphasize?

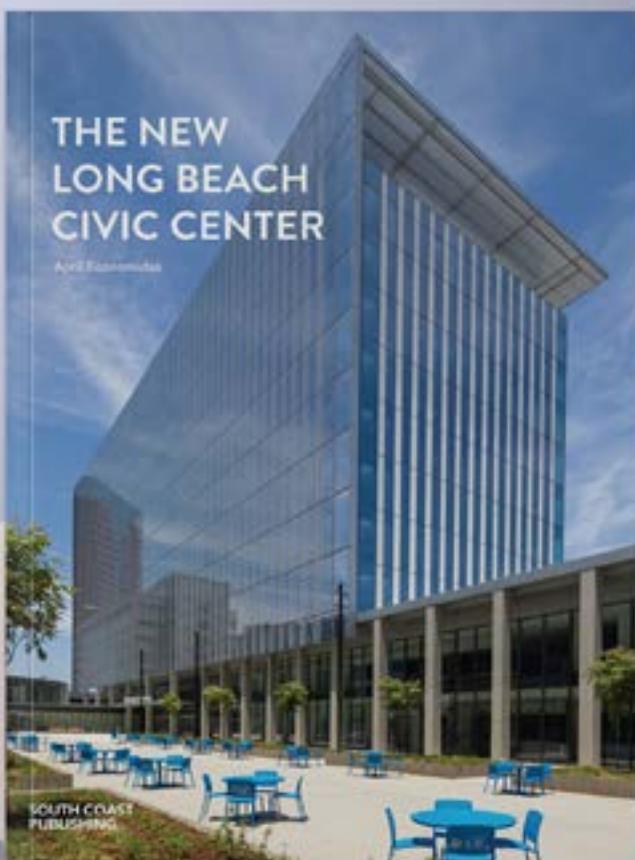
Garcia: Just that it's always an honor that people give me this chance to lead our city and be part of a great team. We have the best city and I am very proud of it. We will continue to grow and have growing pains, and that's all part of it. ■



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Corporate Presence: Top Executives On The Business Climate In Long Beach



Dan Hart, CEO of aerospace company Virgin Orbit, said Long Beach is a great location for the firm due to its qualified talent pool. Pictured are employees working onsite at 4022 E. Conant St. in Douglas Park. (Photograph courtesy of Virgin Orbit)

■ By **DENNY CRISTALES**
Staff Writer

To get a sense of how firms with significant corporate presences in Long Beach feel about the area's business climate, the Business Journal contacted local executives for their feedback. While some described Long Beach as a thriving market, others felt the future of local business was unpredictable in the face of uncertain changes with global trade.

The Business Journal received responses from CEOs and top executives with corporate entities in the fields of aviation, energy production, engineering, financial services, health care and manufacturing.

Among the companies that partly attribute their growth to a positive local economy is P2S Inc., an engineering consulting firm located at 5000 E. Spring St. With the implementation of a revenue growth strategy focused on expanding its service lines and geographical presence, P2S Inc. has doubled its revenue in the past five years, according to Kevin Peterson, president and CEO.

Peterson attributed his company's growth to a strong Long Beach economy. The business climate in the city is "currently the best that I have seen in

the last 30 years," he said. The strength of the economy is largely based on the collaborative efforts of businesses, city agencies and nonprofits to "make Long Beach a better place to live and work," Peterson added.

Part of what is stimulating the local economy is the city's ongoing support of new businesses, according to Natasha Mata, region president for Wells Fargo. She said the city government has made Long Beach a very business-inclusive environment through the creation of its Economic Development Blueprint and "Everyone In" economic inclusion initiative. "There is definitely an electricity in the air regarding the future of the city's economic development and well-being," she said.

Wells Fargo's focus is to financially support the development of small businesses in the city, said Mata, who endorsed Long Beach as an ideal location for aspiring entrepreneurs. "One can argue there is always room for improvement; change is what keeps us evolving," she said. "However, I feel that we are part of a strong public-private collaboration in which we are all striving to meet the same goal – to help businesses thrive and work alongside the city to grow a strong local economy."

One of those growing businesses is Laserfiche, a software company located at 3545 Long Beach Blvd. Chris Wacker, CEO of Laserfiche, said the city is experiencing a growing diversity of industries in the region, such as those specializing in manufacturing, construction, professional services and health care. Laserfiche is expanding, with a new global headquarters now under construction in Bixby Knolls, Wacker said. The develop-

ment is expected to be completed some time next year.

Although his view of the city's business development and his corporation were positive, Wacker did note that he yearns to see a more "technology focused" approach to solving business problems. "Long Beach is home to exceptional business people, innovative thinkers and inspiring leaders," he said.

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Southwest Airlines' operations in Long Beach have been positive this year due to the city's stable economy, according to Adam Decaire, vice president of network planning. (Photograph by Brandon Richardson)

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“And I feel that the city will reach its full potential only if our business community embraces solutions that incorporate big data, analytics and tech, such as machine learning and artificial intelligence. . . . Long Beach-based businesses would benefit from an increase in employees that are well prepared to work in the digital economy.”

Dan Hart, CEO of Virgin Orbit, echoed Wacker’s thoughts about nurturing more talent in the fields of technology. An aerospace company located at 4022 E. Conant St. in Douglas Park, Virgin Orbit’s day-to-day operations in the city have been fruitful. “Long Beach’s legacy in aerospace has been very conducive to us finding suppliers and talent,” Hart said.

The satellite industry is in a state of transformation, Hart noted, adding that the development of small satellites and rockets has the potential for growth in the Southern California market. “But our company and this industry as a whole requires the best and brightest minds in order to thrive in Southern California,” he said. “That’s why we’re wholly dedicated to supporting local STEM [science, technology, engineering and mathematics] efforts – not only because we are constantly on the lookout for new talent to hire, but because now is a fantastic time to begin a career in the space industry.”

To fulfill this vision, Hart noted that Virgin Orbit would need to expand its operations in the next few years. In order to do so, he said more efficient infrastructure development regionwide is neces-

sary. “We’d really appreciate finding ways to reduce red tape and review times for building out our facilities,” he said. “We’ve noticed that several new space companies have relocated their manufacturing or testing activities out of California, because of the incentives being offered by other states. It would be great to see California become more competitive in providing incentives to aerospace companies.”

While some businesses have been successful in recruiting talent, others struggle to find qualified applicants. SCS Engineers is an environmental engineering firm located at 3900 Kilroy Airport Way. Julio Nuno, senior vice president of SCS Engineers, expressed a desire to expand SCS Engineers’ operations, but he said that there have been limitations in locating qualified staff to fill open positions. “Without having the staff to take advantage of further improvements in the business climate, I would say that there is not much room for improvement at this time,” he said.

Nuno said the environmental business continues to change nationwide, as scientific advancements identify new areas of concerns and federal regulations change. “For example, over the last several years, we have seen increased interest in the development of sites that have been used for disposal of wastes or otherwise contaminated,” he said. A demand for such sites is driven by high real estate costs and limited availability of greenfields in urban areas, he explained.

“Uncertainty regarding the future of the commercial and industrial real estate

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(Continued from Page 38)

market could also have a negative effect on business,” Nuno added. “We continue to hear talk that the real estate market will begin to decline, but there have been predictions of decline for the past two years that have not yet been realized.”

With respect to any changes in the economy, Mata said that it’s constantly fluctuating. To prepare for any looming shifts in the economy, she said Wells Fargo emphasizes a proactive approach by engaging with the community, such as consulting with students and leaders at public school districts or other businesses, to educate and inform them about financial resources that are available.

Peterson said political changes may impact business operations in the Long Beach region. “We know that the economy will not continue to expand indefinitely without some contraction,” he said. “The most significant unknowns at this time that can impact our business are the uncertainties caused by an election year in 2020 and our ongoing trade dispute with China. P2S prepares for multiple outcomes and consistently reviews our business plans to ensure they are current.”

John Bishop, CEO of MemorialCare Long Beach Medical Center and Miller Children’s & Women’s Hospital Long Beach, said unknowns for the local medical facilities come in the form of funding revenues. Funding streams are varied and dependent on legislation, he noted.

Bishop’s role in leading a health care entity is to oversee the continued development of infrastructure to keep the city’s residents healthy, he said. “We are in a unique situation, where we have both



John Bishop, CEO of MemorialCare Long Beach Medical Center (pictured) and Miller Children’s & Women’s Hospital Long Beach, praised the work of city officials for attracting new businesses, which he said strengthens the economy. (Photograph by Brandon Richardson)

a full-service, free-standing children’s hospital, just one of eight in the state, and an acute care hospital for adults,” he said. “So, we are aggressively pursuing strategies that provide higher value and better care to keep all of our residents out of the hospital – from infants to seniors.”

Bishop praised the work of city officials for attracting new businesses,

which he said strengthens the economy.

Also benefiting from a stable economy is Southwest Airlines, according to Adam Decaire, vice president of network planning. With respect to the economy, Decaire said “nothing feels known right now,” although he did indicate that airline officials will “meet any challenge that comes our way.”

Operating out of Long Beach Air-

port, Southwest Airlines is slated to get additional flight slots in October. “We’re really focused on continuing to improve on getting Long Beach residents to places they want to [go], which means more non-stops to [those places],” he said. “We’re predominantly a point-to-point carrier, but we also connect you across the network . . . to a lot of cool places, as well. For me, it’s about improving: more flights and more destinations.”

Tom Anderson, vice president and general manager of Gulfstream Long Beach, said he would like to see international flights at Long Beach Airport. “This area would attract visitors and business from Europe, Canada, Asia and elsewhere,” he said. “Millions of dollars would be generated by opening the city to international travel.” The Long Beach City Council refused to pass a proposal in 2017 to build a federal inspections facility that would have allowed international travel at Long Beach Airport.

Gulfstream, an international aerospace company, provides engineering and maintenance services at its Long Beach Airport location, 4150 Donald Douglas Dr. Anderson said he is relying on partnerships with the airport and aviation colleagues to develop a plan to enhance Gulfstream’s number of employees. He noted that a new location in Van Nuys is expected to begin service sometime this year.

Robert Grundstrom, leader of Los Angeles Basin operations for the California Resources Corporation (CRC), said oil and natural gas production continues to be a strong contributor to the Long Beach economy. CRC, a publicly traded oil and natural gas exploration and production company, is the largest oil and natural gas producer in California, according to the firm’s website.

CRC has an 80% stake in the prop-



Many major firms have offices in Downtown Long Beach, such as Molina Healthcare and the California Resources Corporation (CRC). Robert Grundstrom, leader of Los Angeles Basin operations for the CRC, said oil and natural gas production continues to be a strong contributor to the Long Beach economy. (Photograph by John Robinson)

erties at Wilmington Oil Field. Located in Los Angeles County, including major areas of Long Beach, it is one of the largest oil fields in the United States. CRC's Long Beach operations include THUMS Long Beach Company and Tidelands Oil Production Company, all which operate at Wilmington Oil Field, according to the CRC website.

Grundstrom said CRC's investments and operations in the region have generated more than \$1 billion in revenue for the State of California, Los Angeles County and the City of Long Beach. CRC's Long Beach offices are located at 111 W. Ocean Blvd.

In regard to economic progress, Grundstrom said it's imperative that California focus on increasing its in-state supply of energy. "Imported energy means increased costs to California consumers and a larger environmental footprint," he said. "Producing in-state energy decreases our dependence on imports from places that don't hire Californians, pay California taxes or apply California's leading safety, labor, human rights and environmental standards."

Grundstrom said the biggest factors that may shift the economic outlook are potential tariff escalations, instability in the Middle East and political uncertainty with China. "The diverse industrial economy of Long Beach is a key to its success in improving the quality of life for city residents and attracting and re-



The Port of Long Beach is the second busiest container port in the United States. The location serves as a major hub of global trade, attracting shipping firms, logistics operators and other trade-related companies to operate in the city. (Photograph by Brandon Richardson)

taining businesses, even during times of international uncertainty," he said. "In the face of these global challenges, the State of California should apply the Long Beach playbook and promote producing more of the daily needs of Californians here at home with California workers and businesses using local resources.

CRC will continue to promote California's ability to be energy self-sufficient and resilient, which would increase local jobs, local tax revenues and provide a career path to the middle-class for our Long Beach residents."

For his part, Wacker affirmed his belief that the city has a healthy econom-

ic future. "Business in Long Beach is booming, as is the rest of the city," he said. He mentioned a growing diversity of industries and new developments as the main components of the city's strong business climate. "There are some strengths in the economy, and I am optimistic about the future," he said. ■

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P For Party, Or P For Patriotism?

(Continued from Page 1)

By went to New York City, what I really mean is, we mostly drove through it other than a stop for pizza (our Brooklyn-born mom insisted that we learn what “real” pizza tasted like). By the time we were crossing the Brooklyn Bridge on the way out of the city, I was worn out and grumpy, and very ready to get out of a family-packed Taurus wagon. So when my parents requested that I turn around and look at the country’s tallest buildings behind me, I sulked and ignored them. But suddenly, as we approached the bridge-end, I experienced that surge of regret and longing for inclusion that is so specific to stubborn children, and turned around, wiggling out of my seat belt, to peer at the twin towers of the World Trade Center through the back window. They were so tall I couldn’t even see them the tops of them.

When I was 13, I watched those towers, and the lives in and among them, destroyed on live television with the rest of the country, and certainly much of the world.

Years later, on a trip back east for a cousin’s wedding, my mom and I visited the memorial site. The museum still wasn’t done, and neither was the Freedom Tower beside it. But the main fea-

ture was. Looking down into the black stone squares carved into the earth, which are the actual size of the towers’ footprints, and at the seemingly bottomless waterfalls pouring from their sides, I thought how glad I was that I had looked back all those years before. It occurs to me now that we have been looking back ever since.

It is no secret that 9/11, and the months that followed, shaped our American reality as we know it today into something totally different than what we had known before. But while Generation X, Baby Boomers and the eldest Americans had lived for decades in pre-9/11 America, the Millennial generation experienced the shift as children and young adults, the reality of our formative years grossly punctuated and realigned by a national tragedy that would become our longest war. The youngest among our generation were born into the new America, never having known the one before it, never having to ask their guardians, as I had done, “What’s terrorism?”

September 11 has become a national day of remembrance and reflection, as it should be. For many years, much of this reflection has been devoted to the memory of the lives lost, as it should be. Now, just two years away from the 20th

anniversary, it seems fitting that we also use it to reflect upon the way the event changed our country and our lives, and how best to continue to move forward.

As I wrote in my column at the same time last year, our country experienced a great sense of unity in the days and weeks immediately following 9/11. But fast forward to 2019, and we have become a country that is deeply divided. Our states, counties and cities are defined by Red and Blue. There is little room for purple. Elected leadership can’t even come together after tragedies – instead, pointing fingers at each other. Their constituents follow suit. Little, it seems, gets done.

The immobility of elected leadership, who seem to be choked by partisan allegiance, is perhaps why more Millennials (44%) identify as independents than with a party, per the Pew Research Center. And I would hazard to guess that our memory and experience of what patriotism means as the generation that experienced 9/11 in our formative years may also have something to do with this.

While at first, as an 8th grade kid, it seemed in the days following that tragedy that patriotism meant displaying flags and singing inspirational country songs and holding telethons, it over time sunk in that patriotism is about unity. It’s about holding up your neighbor, despite your differences, in the name of something greater – your unified belief

in freedom, and democracy, and ye olde American dream. Are so many of us who learned this in our formative years identifying as independents because we now live in a country in which the P word governing this country is no longer Patriotism, but Party? I posit this: Party has poisoned patriotism. I would alliterate on this topic for an eternity if it would get anybody to listen.

On this day of remembrance, the national mood is rather sour. Much like a late-night fight between spouses, using retrospective to hash out and re-litigate the events that brought us here perhaps will only result in more dissension – behavior, I would argue, that is least appropriate to engage in on 9/11, of all days. So rather than further contribute to that mood with a deluge of complaints, might I suggest we learn to look back without becoming crystalized by our sins?

Instead of engaging in political volleyball, perhaps a better way to reflect is to consider what positive ways our country, and the future prospects of its young people, have changed since 9/11. And, on the flip side, in what ways have their future prospects diminished? Why? Millennials are often called the 9/11 generation. What does that mean, and what will we make of it? What lessons can we harness from those years that followed 9/11 in order to make a better America for its children? ■

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