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## ‘Winter is coming’: Catalina, dependent on tourism, hopes more will come to escape the masses amid pandemic



The city of Avalon allowed restaurateurs to set up tables on the beach for dinner guests in order to allow for socially distanced outdoor dining. Photo by Brandon Richardson.

■ By **BRANDON RICHARDSON**  
Senior Reporter

Cities dependent on tourism as a primary source of revenue have been hit exceptionally hard by the coronavirus pandemic. This is especially true for Catalina and other island communities with economies built almost solely around visitors.

“We’re in the hotel business, we’re in the restaurant business, we’re in the tour and activity business—all those have been significantly impacted,” said Randy Herrel, CEO of the Catalina Island Company. “We went from 100% revenue down to 5-10% revenue in less than two weeks.”

The 125-year-old company operates nearly 200 guest rooms across four facilities, including the historic and newly renovated Hotel Atwater, multiple restaurants, over 700 moorings, island tours, ziplining, a rope course,

glass-bottom boats—anything and everything visitors could want or need.

While the company has reopened most of its operations, Herrel said one of the greatest ongoing struggles is determining demand and subsequently how much staff is needed. Whereas the Catalina Island Company would normally have around 700 employees across all operations during the summer months, current staffing is only between 200-300.

Over the Fourth of July weekend, the company’s hotels operated at 60-70% capacity following mass cancellations, in part due to the re-closure of dine-in services at restaurants, Herrel said. In light of COVID-19, Catalina Island Company amended its cancellation policies to only require a 24-hour notice for a full refund.

Other pandemic adjustments by the company include spend-

ing over \$100,000 on additional employee training, complimentary masks for all guests, the installation of UV lighting and a slew of other safety precautions.

“We wanted to be the gold standard in keeping our employees and visitors safe, and still provide a safe experience,” Herrel said.

The group’s mooring operations, which includes a gas station and boat repair, has bounced back quickly as private boating visitors were among the first to return to the island.

Camping on the island also has come back strong, Herrel said, noting that the company operates multiple campgrounds that can accommodate several hundred campers per day. The group’s campsites are booked solid every weekend for the remainder of the summer.

“Camping is a way to be naturally socially distanced,” Her-

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## Hospitals work to balance their budgets as a new COVID-19 wave hits

■ By **VALERIE OSIER**  
Staff Reporter

Hospitals across California lost billions of dollars in their response to the coronavirus pandemic: At the direction of Gov. Gavin Newsom, they canceled elective surgeries and shored up space and supplies for an anticipated surge of patients.

The surge they were expecting didn’t come back in the spring, but now hospitals are facing a second wave of coronavirus patients—and many of them are financially in the red.

“It’s important to note that before the pandemic, about 40% of California hospitals operated in the red, while about 11% broke even,” said Adam Blackstone, vice president of communications for the Hospital Associations of Southern California. “That 40% has now increased to nearly two thirds.”

Hospitals statewide lost an estimated \$14 billion by early May because they postponed elective surgeries and other procedures to clear space in anticipation of a flood of coronavirus patients that never occurred.

Local hospitals told the Business Journal at the time that they were making every effort to avoid laying off or furloughing staff.

More recently over the past week, the number of people hospitalized for coronavirus surpassed 100. When the city was under its strictest stay-home orders in late April, hospitalizations remained in the 40s and 50s, but since officials have lifted orders, the number has been steadily climbing.

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JetBlue to pull out of Long Beach Airport starting in October

By JASON RUIZ
Staff Reporter

JetBlue announced on July 9 that it is pulling operations from Long Beach Airport effective Oct. 6 and expanding service at Los Angeles International Airport.

The move will significantly impact operations at LGB, which served for years as the largest carrier and hub of operations in Southern California for JetBlue.

The airline has been slowly ebbing service at Long Beach. It announced in February it would eliminate flights to Oakland and reduce flights to Sacramento, San Jose and Las Vegas.

The friction with Long Beach began in early 2017 after the city leaders killed a plan to allow a customs facility at the request of JetBlue, which would have allowed the airline to fly to Mexico and other cities outside the United States.

JetBlue, which has operated at LGB since 2001, and the city have also battled over slot utilization at Long Beach and late-night flight activity by the airline, which violated the airport's strict noise ordinance and had neighboring residents complaining to elected officials over the late-night and early-morning landings and takeoffs.

JetBlue in its announcement said it would eventually expand flights, both domestically and internationally, at LAX to as many as 70 per day by 2025.

The company said it would move all maintenance and support staff from Long Beach to LAX in early October. JetBlue crew members will be given the opportunity to transfer to LAX or other airports, the company said.

Operations will continue at other Southern California airports, including Burbank and Ontario.

More than 150 JetBlue crew members are based at LAX, with the number expected to grow to nearly 700 with the additional fights and the move of crew and maintenance bases from Long Beach to LAX, officials said.

"LAX is one of JetBlue's most successful markets and offers the valuable opportunity to grow significantly both domestically and internally while introducing our low fares on more routes," Scott Laurence, head of revenue for JetBlue, said in a statement. "The transition to LAX, serving as the anchor of our focus city strategy on the West Coast, sets JetBlue up for success in Southern California. We continue to seize on opportunities to emerge from this pandemic a strong competitive force in the industry."

As service from JetBlue has slowed at LGB, Southwest has picked up more flight slots. As of April, each airline held rights to 17 flight slots at the local airport. A total of 41 permanent slots

are available.

The 17 flight slots freed up by JetBlue's departure will be allocated to Southwest, Hawaiian and Delta according to a priority list, airport officials said. In the last round of allocations, Southwest tried to claim all seven slots that were open at the time, but were only allowed to claim three. Delta and Hawaiian Airlines also added slots (Hawaiian is a partner airline of JetBlue).

"We have a waiting list at Long Beach Airport with multiple air carriers, and demand remains strong," Mayor Robert Garcia said in a statement. "Once air travel recovers from the COVID-19 crisis, we look forward to a strong recovery."

Any certified airline, including those that don't already operate at Long Beach, can petition to be put on the slot allocation priority list.

In a statement, Southwest praised its relationship with the airport and noted that it will be adding flights to Austin and Phoenix in November, though officials did not commit to wanting to fill the soon-to-be open slots after JetBlue leaves.

"We know there's additional demand for our service among Californians who prefer either a shorter drive to, or the intimate convenience of Long Beach Airport," the statement said.

LGB Executive Director Cynthia Guidry said in a statement that the airport will "always be grateful for the investment JetBlue made in our community and the tremendous service they offered our passengers."

"We understand that the aviation industry—now more than ever—is constantly changing and airlines nationwide are making difficult business decisions to stay competitive in light of the pandemic. We expect strong interest in the slots as they become available."

Councilwoman Stacy Mungo, who represents the area of the city where the airport is located, said JetBlue's decision could have been financial as airlines across the country have seen demand drop due to the health pandemic. Earlier this year, JetBlue and Delta announced they were suspending service to Long Beach due to the COVID-19 pandemic's dramatic impact on passenger traffic.

"Airlines across the world have been impacted by this crisis," Mungo said. "Long Beach is not immune. We will work hard to support the remaining airlines and their service of safe travel and look forward to rebuilding."

A spokesperson from JetBlue noted the struggles brought on by COVID-19 but also said that Long Beach had continued to "underperform in our network despite various efforts through the years—including seeking to bring



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JetBlue announced on July 9 that it would close operations at Long Beach Airport and expand service at LAX. Photo by Brandon Richardson.

international flights—in order to make the airport succeed.”

“The move to LAX will help in-

crease our revenue, which is essential as we work through a long and challenging coronavirus recovery,” they

said in a statement. “With LAX serving as the anchor of our Los Angeles focus city we can fulfill our growth

ambitions in greater LA and, in the longer term, offer international flying that is not possible in Long Beach.” ■

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# ‘This is the greatest job I’ve ever had’: Chamber President & CEO Randy Gordon retires

■ By **ASHLEIGH RUHL**  
Contributor

When Randy Gordon became president and CEO of the Long Beach Area Chamber of Commerce more than a quarter century ago, he took the helm of an organization in need of someone who knew how to ask people for money.

Chamber officials said they got just what they were looking for in Gordon, who—at 71-years-old—celebrated his retirement this month, with Vice President Jeremy Harris succeeding Gordon after shadowing him for seven years.

What Gordon will remember most about his career calling: “God put me on this Earth to take people’s money,” he said regarding his penchant for organizing special fundraising events for the chamber as well as working as a professional auctioneer for various charities in Long Beach.

“This is the greatest job I’ve ever had in my life. I think the good Lord just meant for me to be here,” he said.

Since coming onto the job in 1994, Gordon’s leadership helped increase the chamber’s budget from what he called “dead broke” at roughly \$40,000 a year to nearly \$1.7 million, employing as many as eight employees and supporting about 750 members.

He also helped raise an estimated \$5 million for local nonprofits through his work as an auctioneer, something he said he plans to continue doing well into his retirement—in between time spent with his grandchildren and traveling alongside his wife, Nancy Becker.

“The growth (of the chamber) has really been in special events—I say nobody does a special event like the chamber,” said Gordon, the son of a cotton farmer in Lubbock, Texas, who is no stranger to hard work.

Gordon’s background included work as a door-to-door salesman of encyclopedias and a career as an operations manager for Montgomery Ward, before becoming involved with the Covina Chamber of Commerce and eventually Long Beach’s Chamber of Commerce.

Many have described him using the cliché that the man “could sell ice to an Eskimo on the coldest day of winter.” Almost all who worked with him, including Downtown Long Beach Alliance President and CEO

Kraig Kojian, called Gordon something along the lines of a “true fixture in the Long Beach community.” Kojian added, “I have valued his partnership in working on issues affecting our business community over the years.”

Long Beach Economic Development Director John Keisler echoed those sentiments, praising Gordon’s ability to build connections between chamber businesses, nonprofits and city legislators and leverage those diverse perspectives to create meaningful change.

“That connectivity is how the economy works ... when people know one another, that’s the glue that keeps it together and forms an economic ecosystem,” Keisler said. “Randy connects people and connects ideas. As a voice of business—whether it was good or bad—it was important to hear it and know it and take action.”

For example, the city’s relationship with the chamber was instrumental in collecting input from different business sectors to form Long Beach’s 10-Year Economic Blueprint adopted in 2017, Keisler said.

“(Communication with the chamber) continues to be an important part of how we figure out what is going on and what we can do to grow the economy,” Keisler said, adding that he is excited to work with Harris and continue to build up the relationship between the city and the chamber.

“It will be bittersweet to see Randy retire, but it will also be fun to be part of this new generation that Jeremy brings,” he said.

Chamber Chairman of the Board Mitra Rogers, representing The Boeing Company, has been involved with the business organization for about a decade in various capacities and has found it to be a “great two-way partnership” for the company to advocate for its needs, industry needs and the needs of the business community at large.

Gordon, according to Rogers, is leaving the chamber in a strong position, even though it’s happening in the midst of a pandemic.

“He’s a true chamber professional and he’s really left the chamber in a good place and in the best hands possible,” she said, noting that some of the plans she’s made with Harris for the future are on hold as they pivot to address some of the challenges brought about by coronavirus.



From left, outgoing President and CEO of the Long Beach Area Chamber of Commerce Randy Gordon and Jeremy Harris, who took over Gordon’s job this month. Photo courtesy of the Chamber of Commerce.

In the meantime, Gordon said he hopes to be able to hug his six grandchildren again soon—something he hasn’t been able to do during the pandemic. Gordon also wants to avoid airplanes and go on some long road trips to see the Grand Canyon and other American landmarks that he hasn’t had time to see while working.

He plans on continuing regular poker game nights with old friends and maintaining involvement with a couple of local charities, including serving on the board for Precious Lamb Preschool.

But he’ll miss the chamber, he knows, as he said he’s midway through hanging up all the many awards and plaques collected during his years

now on the walls of his household garage, tacking up photos of himself shaking hands with the likes of Gerald Ford, Henry Kissinger and local celebrities.

“I met a lot of interesting people,” said Gordon, who is maintaining a non-salary president emeritus role. “The chamber is really all about relationships.”

About his longtime boss, who set the succession plan in motion three years ago, Harris said, “Nobody can fill Randy’s shoes, and that’s not what I’m here to do. I’m going to build off the foundation that Randy is leaving me.” ■





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# Jeremy Harris steps up as Long Beach Area Chamber of Commerce president and CEO

■ By **ASHLEIGH RUHL**  
Contributor

Jeremy Harris said he cannot fill the shoes of longtime Long Beach Area Chamber of Commerce President & CEO Randy Gordon; rather, he wants to build off the steps taken and set his own stride for the organization.

Harris, 41, who has been with the chamber for seven years, took the boss's seat this month after a three-year succession plan to replace Gordon, who had been with the organization since 1994. Harris previously served as senior vice president.

"Randy's given me a long leash to cut my teeth and work with our members," the successor said, having helped launch the chamber's first mobile app, found the chamber's Young Professionals program, and serve as a president of the Southern California Chamber of Commerce Executives. He's also a conference chair for the Western Association of Chamber of Commerce Executives (WACE).

The Cal State Long Beach graduate, who planned a career as a licensed drug and alcohol counselor, caught the political bug working on campaigns for former councilman Frank Colonna and wound up as a government relations consultant with businessman and Long Beach Post co-founder Shaun Lumachi. They consulted for various chambers of commerce in Southern California, including Long Beach's.

Although he was then president and CEO of the Garden Grove Chamber in 2011, Harris said Gordon sold him on the idea of coming back to Long Beach, where he was attracted to what he could learn from a man with experience running a larger operation.

"Randy is so good at selling you something, and he said, 'You love this industry, and you love what you are doing, and you have to move on to the big leagues,'" said Harris, who has two kids at home with his wife Kellee. "I saw the opportunity to learn from one of the best in the country."

As of July 1, Harris is running the Long Beach Chamber with a nearly \$1.7 million annual budget, as many as eight employees and 750 members, including businesses and nonprofits both small and large.

A large part of what the chamber does is work with government officials to advocate on behalf of businesses, acting as a voice for the business community's various sectors. For Long Beach Economic Development Director John

Keisler, the connections between chamber businesses, nonprofits and the city are a win-win for all involved.

"That connectivity is how the economy works ... when people know one another, that's the glue that keeps it together and forms an economic ecosystem," Keisler said. "I've met many people for the first time at chamber networking events, and that continues to be an important part of how we figure out what is going on and what we can do to grow the economy."

The relationship between the two has been critical over the past couple of months due to coronavirus, too, the city official explained. Both have worked together to communicate out resources and health order updates on a constant basis. The chamber has established a COVID-19 resource page for businesses.

Although it's bittersweet to see Gordon retire, Keisler said he's excited to work with Harris: "It's really fun to see Jeremy as a Cal State Long Beach guy and someone who has a real genuine love for the city who has been doing this now for a number of years and has this great network and can step into this leadership role."

Keisler added that he simply enjoys Harris's company.

"He can talk to anyone and make them feel included," Keisler said. "I look forward to working with him just because of who he is and how he approaches his work."

For his part, Gordon—who is maintaining a non-salary president emeritus role at the chamber—said he's confident that Harris will do "an incredible job" and might be more well liked than his predecessor.

"I'll help Jeremy as much as I can," he said. "I love him like a third son."

Mitra Rogers, representing The Boeing Company, has been involved with the chamber for about a decade in various capacities and officially started her new role alongside Harris as Chairman of the Board on July 1.

She said Gordon is leaving the chamber in the best possible hands with Harris, and the two fresh leaders have a lot of plans for the future—even if some of what they had in mind has shifted as the business community and world grapple with the coronavirus pandemic.

"I'm incredibly excited to work with Jeremy and truly honored he asked me to chair during his first year," Rogers said. "He is the nicest guy and incredibly sharp and incredibly innovative. I couldn't think of a better person for



Jeremy Harris, the new president and CEO of the Long Beach Area Chamber of Commerce. Photo courtesy of the Chamber of Commerce.

Randy to hand the baton to."

She called 2020 a year of change for the Long Beach institution that can trace its history back to the earliest days of the city in 1891, saying: "Change in leadership, and then given what our county and our world is going through, we are all forced to make lots of change in the way we run our lives and businesses."

Harris shared that view and said he has an "after COVID" planning folder for all the ideas he hopes to see through when the world is past the pandemic and the chamber's staff—some furloughed—return full time at the office. Many chamber events also have been postponed or are on hold.

In the meantime, he'll start his new role with a listening tour, planning digital face-to-face meetings with 100 com-

munity leaders over the next 100 days to find out what the chamber is doing right and what it can do even better, especially during such challenging times.

The chamber also plans to relaunch its defunct foundation—out of existence for more than a decade—and offer grant opportunities for COVID relief and career development.

Harris and Rogers both want to work on communicating the chamber's story and successes more within the community and maintaining the organization's continued role as the "voice of business," especially as businesses need support to get through the pandemic.

"These are unprecedented times, and this is not what we dreamed, but our organization is in great hands," Rogers emphasized. ■



# Bridge replacement opening delayed due to COVID-19; officials now target Labor Day



With construction of the main span complete, the crane on the west end of the new bridge is being removed. Photo by Thomas R. Cordova.

■ By **BRANDON RICHARDSON**  
Senior Reporter

Once expected to open this month, the nearly \$1.5 billion Gerald Desmond Bridge replacement project has encountered delays due to the coronavirus pandemic, and is now pushing the opening to around Labor Day weekend, according to Duane Kenagy, capital programs executive at the Port of Long Beach.

“Contractors had some impacts from COVID that affected some of their suppliers,” Kenagy said. “And certain activities aren’t quite as efficient given work restrictions and social distancing. The good news is most of the work is outside in the fresh air.”

The main span of the bridge has been completed but the approaches, which connect the bridge to land on either end, are still under construction. Safety features, including a final treatment of the suspension cables and seismic shock absorbers, are also still underway.

The dismantling of the cranes and tower elevators has begun, which will allow for some finishing touches before the bridge is paved and striped. The bridge’s westbound lanes will open first, Kenagy said, with the eastbound lanes opening one day later.

The pedestrian paths are slated to open a few weeks after the bridge opens to vehicle traffic, Kenagy said. The delay is due to the fact that the

paths cannot be completed until detours are removed and some surface roadways get reconstructed. Removing the detours and road reconstruction will be done while remaining open to traffic, which should take five to six weeks.

Demolition plans of the Gerald Desmond Bridge are still being finalized. The port expects to put out a request for bids in the fall, Kenagy said. Once a contract is awarded, he said the bridge demolition is expected to take about two years.

The two most likely options for bridge demolition are to disassemble the bridge in the reverse order of how it was originally constructed, or by lowering large segments onto barges in the water below to be taken apart off site. Kenagy said the method will be determined by the contracted company.

The Gerald Desmond Bridge Replacement Project is two decades in the making. Initial planning began in 2000, the design and construction contract was awarded in 2012, and construction got underway in 2013.

“Monumental projects take time. It’s great to be getting to the end of the road and actually getting to gaze out the window at this achievement,” Kenagy said. “It’s a beautiful bridge. The public wanted what engineers call a ‘signature bridge’ and they certainly are getting one.” ■

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# Port of Long Beach continues to build despite trade war, pandemic uncertainty



A gantry crane loads a cargo ship at the Port of Long Beach. Photo by Brandon Richardson.

■ By **ALENA MASCHKE**  
Senior Reporter

There are stormy seas ahead for the Port of Long Beach.

After over a year of trade tariffs between the U.S. and China, things were finally looking up. Then, the coronavirus pandemic took the wind out of the port's sails, again.

"The pandemic has really been a challenge for every business around the world," said Bonnie Lowenthal, chair of the Board of Harbor Commissioners, who is just finishing up her first year leading the commission.

For the past three months, cargo volumes at the port have fluctuated. While numbers were down in March and April, as was to be expected with a global pandemic in full swing, May showed promising signs.

Cargo volumes were up, not just compared to the previous months, but year-over-year, indicating that trade was gearing up for the traditionally strong

months of July, August and September. Then came June, and cargo volumes dropped once more.

"Going forward, you're going to continue to see some inconsistencies when it comes to these cargo percentages," Mario Cordero, executive director of the Port of Long Beach, predicted. "For the rest of 2020, it's still very much touch-and-go."

Despite the uncertainty, Lowenthal said she's optimistic. "I think that we at the port are very fortunate to have systems in place that ensure a solid business recovery plan."

Part of that recovery plan will be the continued investment in large infrastructure projects, of which the port has plenty. From the Gerald Desmond Bridge replacement to the construction of a massive on-dock rail yard, the Port of Long Beach is undertaking massive capital improvement projects that are in various stages of completion.

To continue with costly capital improvement projects in a time of financial

uncertainty may seem counterintuitive, but according to port leadership, it's what will save the port in the long run.

"The business at the port is not just a day-to-day business, it's a long-term planning business," Lowenthal explained. "So, even during downturns, we work on future developments."

Cordero echoed that sentiment. "We believe that we are in a very good position financially to continue with our capital improvement projects," he said. "These kinds of investments have paid off for the port."

Vessels have become larger and larger in recent years, driving the need for new infrastructure to accommodate them, Cordero explained. The Port of Long Beach's investment in such infrastructure projects is second to none in the Western Hemisphere, he noted. As such, they ensure that the San Pedro Bay port complex remains competitive, creating and maintaining jobs across the region.

"You never stop building for the fu-

ture," Lowenthal said. "We are the economic engine for Long Beach."

Recent protests around racial equity have once again kicked off conversations around equal rights for Black Americans and other people of color in the country, including in terms of economic access.

"Our businesses at the port are no exception," Lowenthal said. Together with her fellow harbor commissioners, two of whom just joined the commission this summer, Lowenthal said she hopes to create more economic opportunities for Long Beach businesses and residents who have traditionally been disadvantaged.

Increasing procurement from minority-owned businesses is one approach Lowenthal is planning to examine further. Additional school programs for students in underserved neighborhoods are another.

"That's part of what we have to do: help people find a way to get a foot in the door," she said. ■



# Port of L.B. Q&A's



Robert "Bobby" Olvera. Photo courtesy of the Port of Long Beach.

Robert (Bobby) Olvera, Jr., the international vice president (mainland) of the International Longshore and Warehouse Union, was recently appointed to the Harbor Commission, which oversees operations at the Port of Long Beach. Olvera began his 30-year history with the ILWU in 1989 as a third-generation longshoreman and has held several leadership roles within the organization.

**Long Beach Business Journal:** What motivated you to seek the appointment as harbor commissioner?

**Olvera:** Although I did not actively seek the appointment, when asked by city leaders to join the Harbor Commission I could not ignore my civic responsibility. Service to my community has always been very important to me. As a resident of Long Beach and a longshore worker, I understand the importance of the Port of Long Beach to the economic and social well-being of this community. The opportunity to bring my personal and professional experience to the formation of port policy was appealing. And I sincerely believe that I have much to offer to those discussions. I feel extremely fortunate to be able to join the commission at this time, as I believe we have an optimal mix of voices and perspectives on this board.

**LBBJ:** You come from a family of longshoremen and have been one yourself. How do you think that experience will shape your positions as a commissioner?

**Olvera:** My family is very important to me, and being part of a longshore family has been key in developing my values. I think those values—centered on the importance of hard work, service to community, teamwork, collaboration, caring about your brothers and sisters—will continue to guide me as I begin my time as a harbor commissioner.

**LBBJ:** The relationship between the ILWU and the Pacific Maritime Association has been tense at times,

including strikes at the Port of Long Beach. How will having a union presence on the board affect that?

**Olvera:** Keep in mind, there has been no strike by ILWU longshoremen since 1972. There have been some job actions and there have been lockouts by PMA, but there also has been a great deal of agreement and collaboration in getting the job done.

As it pertains to any consideration of contracts and such, my union role and my commission role would be separate and distinct. The port does not employ the longshore workers and does not participate in the contract negotiations.

In general, however, my experience and perspective as a longshore worker are seen as benefits for this commission, and I think that viewpoint will be proven in the months and years ahead.

**LBBJ:** What are your biggest priorities for your time on the board?

**Olvera:** My priority is to contribute to the discussions of port policy and in doing so bring a voice to both local workers and local small businesses alike. Similarly I hope to engage the other commissioners in discussions about the rich history that the port has and how we protect what generations before us worked so hard to build.

This gateway has so much to offer the shipping industry and I want to see the Port of Long Beach increase its market share, knowing full well that it will require all port stakeholders to collaborate on strategies and policy.



Sharon Weissman. Photo courtesy of the Port of Long Beach.

Sharon Weissman is one of two new members appointed to the five-member Harbor Commission, which oversees operations at the Port of Long Beach. She has been involved in public service in Long Beach for 45 years, including serving most recently as an adviser to Mayor Robert Garcia.

**LBBJ:** What motivated you to seek the appointment as harbor commissioner?

**Weissman:** I first came to Long Beach in 1973, when I was a student at Cal State Long Beach, and I moved here in 1975. And remember at the time—and I've lived here ever since—many people viewed the port as a liability to the city.

And since that time, over the years, I have seen just a huge change. And it has come because of the actions of the port. Certainly the air is cleaner, the water is cleaner. And the port also really became a part of the community. Of course the port has been the economic driver in this region for a very long time. But it started to take seriously its obligation to really just be an asset and not a liability to the city. I just really want to be a part of the harbor commission in working with the port to continue what I've seen is great progress. I was retiring from from my work, but I did not want to retire from being active in Long Beach, I had no intention of staying here when I moved here to go to college, but I fell in love with the city and have never left and will continue my involvement with the city and organizations in the city as long as I'm able.

**LBBJ:** What are your biggest priorities for your time on the board?

**Weissman:** The most important priority is the financial stability of the port. I mean, we're dealing, from the port side, with a number of crises. It started with the tariffs two years ago. Our biggest trading partner is Asia, China specifically. And the tariffs have really taken a toll on the amount of cargo that passes through our port. And now, of course, with COVID-19, a number of people have said to me, it's an interesting time to join the harbor commission, and it is. But clearly, it has caused the administration of the ports to make a lot of changes. So financial stability and remaining competitive in this climate is certainly a priority of mine.

I consider myself an environmentalist. I don't think that anyone has the right to pollute our air or our water. The port has done a marvelous job of decreasing the amount of pollution in our air and water. And now of course the big conversation is clean trucks. Really making sure we lessen the impact on the environment as much as possible is one of my priorities.

**LBBJ:** You mentioned trade tariffs and the current economic slowdown caused by the coronavirus pandemic. Both have reduced cargo at the port and slowed down trade overall, what is your strategy for recovery?

**Weissman:** As a new harbor commissioner, I have a great deal still to learn. If you look at my calendar, it's filled with briefings every day. And I don't think that I can really answer that question yet.

What I can say is that maintaining our current market share is certainly important to us. And I think that finding ways to communicate with our trading partners, in this time when we can't travel, is a challenge for everybody. So continuing our relationships, making sure the port remains competitive, and we're certainly doing that ... We're continuing our construction to increase our capacity. Certainly when we open the replacement for the Gerald Desmond Bridge, it will allow for larger ships to come in. But long term, I would really love to get back to you with that answer in a month.

**LBBJ:** And given the existing and

expected loss in revenues, which are some areas where you see the potential for savings at the port?

**Weissman:** The budget was reduced by much less than anyone expected. I think that people thought there would be a bigger reduction in cargo than there has been. I've been watching the commission meetings since the mayor spoke to me about this appointment. And so I know the budget was cut 15%. In terms of the details, that's another one where to get back to you because I don't have all the details on that yet. I want to know more about where the cuts have been made before I would speak specifically about any future cuts, if necessary.

**LBBJ:** More broadly, where do you see the biggest challenges for the port during your term?

**Weissman:** Well, I think clearly the biggest challenges are in terms of competitiveness. With the widening of the Panama Canal, with other ports stepping up to be more competitive, the big challenge for us is to remain competitive. And not only—in my opinion—to keep our market share, but to increase our market share. You know, it's certainly no surprise to anyone that we are the economic engine. One out of every eight jobs in the region is either directly or indirectly tied to the port. I do think that we need to look at how to increase our market share and part of the way to do that is by looking at efficiency. Do we run the port as efficiently as possible? Because clearly, the two major things for shippers are going to be people handling cargo and part of choosing the Port of Long Beach, the Port of Los Angeles, the San Pedro Bay, is how quickly does cargo get in and out? And how much does it cost? And so if we can find efficiency, not only in cost, but in handling, I think that's going to be key. And for truckers: How many truck trips can they make a day? How can we make sure that trucking remains a viable occupation and a good occupation for people?

**LBBJ:** Where do you see the biggest opportunities?

**Weissman:** I think the biggest opportunities are going to be in increasing our efficiency, increasing our productivity. That will, I believe, increase our market share and enable us to increase the amount of cargo coming in and out. Clearly, one of the challenges that we have is goods movement. It's not just what happens at the port, but what happens when that truck or that train leaves the port. The 710 Freeway is a major artery in getting cargo out of the port. The Metro board approved a plan to modernize the 710 Freeway. And that modernization will make the freeway move more smoothly and will also make it safer to move cargo out of the port to where it needs to go regionally. That project is incredibly important to the port and so being a good partner with Metro, and working to do whatever we can to modernize that freeway, is clearly going to be important to us in how efficiently and how quickly we can move cargo out of the port. That's an opportunity and a challenge. ■



# Looking to improve your office climate? Plants could be the natural answer



Growing Roots founder Jennifer Bermudez-Perez amid palm trees at a nursery. Photo by Lupe Cuevas.

■ By **ALENA MASCHKE**  
Senior Reporter

Jennifer Bermudez-Perez has always had a special relationship with plants. Growing up in Michigan, with its cold and unforgiving winters, her grandparents' house was a refuge, full of lush vegetation, reminiscent of their native Puerto Rico.

"Growing up, for them, being connected to nature was just a part of life. They fed themselves off the land," Bermudez-Perez explained of her family's relationship with nature.

For the past two decades, her compa-

ny, Growing Roots, has brought a little bit of that natural beauty into office buildings and homes across Southern California.

A "full service landscaping" business, Growing Roots helps companies greenify their workspaces, both literally and figuratively. By deliberately selecting and placing plants around the space in accordance with light conditions, airflow and foot traffic, Bermudez-Perez and her team create a more hospitable office space, while the plants help to create a healthier workplace.

While the science behind the air-cleaning power of indoor plants has been debat-

ed, having them around the office provides various benefits, according to Bermudez-Perez.

Humidity in office spaces tends to be low and increasing it can improve the well-being of employees struggling with sinus issues, a dry throat or dry skin, she explained.

Office plants have also been found to have a positive impact on sick leave and productivity, driving down the first while increasing the latter. Research measuring the emotional well-being of students in Taiwan and office workers in Norway has shown that the presence of indoor plants can lower anxiety and perceived stress.

Millennials in particular have taken to indoor plants, something Bermudez-Perez noticed in her work as well. "It's so fun to work with them because they're like 'I want plants everywhere!'" the 45-year old said. "They're all about adding as many plants as possible."

This new generation of plant lovers provides a beacon of hope, especially during trying times like these. After offices abruptly shuttered to comply with stay-at-home orders, the logistics of caring for the plants inside became increasingly difficult for Growing Roots.

"I've had some clients who completely freaked out, closed their offices and wouldn't let anyone in," she recounted. Meanwhile, others considered her company's service so essential, her technicians

were basically the only ones allowed inside, she said. Some clients had to end their contract because they could no longer afford the landscaping service.

"Logistically it's been a lot harder, financially, it's been tough," Bermudez-Perez said.

As if the financial losses weren't enough, she suffered from a coronavirus infection herself. Despite feeling the symptoms—head and body aches, extreme fatigue—for seven weeks, finding herself in the midst of an impending economic collapse, she carried on, applying for every business loan available.

"As a business owner, you do what you have to do," Bermudez-Perez said.

As part of the Goldman Sachs 10,000 Small Businesses Program, Bermudez-Perez recently joined a virtual visit to Capitol Hill, asking senators to focus relief efforts on small businesses rather than large corporations. "I'm hoping we will be heard," she said.

Health in the workplace has become a focal point in the current crisis and the landscaper hopes this will make more people aware of the positive impact plants can have on an office environment.

As offices begin to reopen, Bermudez-Perez hopes more of them will feel inclined to add a little bit of greenery among the desks. "Plants aren't just a pretty decor item, but they are in so many ways a lifeline for us," she said. ■



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# In wake of pandemic, Carnival woes force city to dip into Tideland funds to repay bonds

■ By **BRANDON RICHARDSON**  
Senior Reporter

For years, it was sunny skies for the cruise industry. Not even the Great Recession could slow its momentum. Carnival Corporation, the world's dominant cruise line, was so confident of the future that it launched plans in 2015 to build one of its biggest ships, the Panorama, which would be based in Long Beach.

The Long Beach City Council was confident too, so much so that it voted in 2016 to use fees collected from the growing numbers of passengers to underwrite a \$23-million bond measure for critical repairs to the ailing Queen Mary. As collateral for the bonds, which would be repaid over 10 years, the city pledged money from its Tidelands Fund.

Then came the storm—the coronavirus pandemic. It has not only battered the cruise industry but also has undermined the financial strategy created by the city during those brighter days. With the bond money already spent and passenger fees gone for now, the city is being forced to pull money out of the Tidelands

Fund, potentially affecting other coastal projects.

Last month, Carnival Corporation reported a record \$4.4 billion in quarterly losses and extended its cruise cancellations through Sept. 30, meaning a substantial loss of money to the city of Long Beach. The company has three ships based near the port, and the city collects \$3 for each passenger.

Just months ago, city leaders had been anticipating a significant increase in passenger traffic and dollars with the arrival late last year of the Panorama, which can accommodate more than 4,000 passengers—nearly double that of its other vessels. They predicted that the city would net around \$3 million annually in passenger fees from the new ship alone.

Long Beach Financial Management Director John Gross said in an interview that Tidelands monies will now be used to pay the still-unknown shortfall in passenger fees for fiscal year 2021, which begins Oct. 1. No additional shortfalls are anticipated in subsequent years, he said, “assuming Carnival Cruise gets back to normal operations.”

The Tidelands Fund provides critical money for operations and development of beaches and waterways in the city. The fund is fed through a variety of sources that include oil revenues, recreational boat slip fees, ground leases for marina-adjacent properties and annual transfers from the harbor department, which oversees the Port of Long Beach.

Development projects currently underway or slated to be financed by Tidelands monies include beach concession stands, the proposed Belmont aquatics facility and upgrades to the Belmont Pier. The fund also pays for operations at the Long Beach Convention & Entertainment Center, lifeguards, maintenance of sea walls and upkeep of beach restrooms.

At this point, the full impacts of COVID-19 on the Tidelands budget and future projects remains uncertain, depending on the duration of the crisis and its lingering impact on the cruise economy.

Fifth District Councilwoman Stacy Mungo, outgoing chair of the city's Budget Oversight Committee, explained that Tidelands capital improvement projects

are funded gradually, with no firm start date until the money is available.

“While there are many projects that are on our wish list, those projects are only pulled off the list as we can afford them,” Mungo said in an interview. In other words, some projects may now stay on the wish list longer than envisioned.

When the bond financing plan was passed by the city council four years ago, not everyone was on board.

The bonds were a key element of a master lease agreement that Long Beach struck with the real estate investment development firm Urban Commons to become the operator of the city-owned Queen Mary and adjacent land.

The city agreed to offer the \$23 million in bonds as an upfront payment for emergency repairs on the ship, which Urban Commons would be responsible for ensuring were completed. The city would then be reimbursed through the ongoing passengers fees.

Third District City Councilwoman Suzie Price was the sole dissenting vote. She said she had concerns about using

(Please Continue to Page 12)

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The Carnival Panorama came to Long Beach in December of last year. The ship only operated for three months before the coronavirus pandemic halted cruise operations around the world. Photo by Brandon Richardson.

(Continued from Page 11)

the Tidelands Fund as collateral. Price had a particular stake in the deal because money from those funds can only be used for projects in the two districts that front the coastline, which includes hers.

Financial management director Gross tried to assure Price that passenger fees from Carnival operations were stable and that using the Tidelands Fund as collateral was low risk and should not be a “significant consideration.”

Although no one could have anticipated the coronavirus collapse of the cruise industry, Price turned out to be ahead of her time.

“I had serious hesitation about leveraging Tidelands Funds at the time we entered into the agreement with Urban Commons,” Price said. The unprecedented pandemic, she said, now “has put us in a very vulnerable position.”

Reservations were also expressed during the council meeting by City Auditor Laura Doud, who requested additional time to review the agreement. She was mostly concerned about the financial viability of Urban Commons, not the Tidelands Fund, knowing that the Queen Mary repairs would far exceed the amount of the bond measure.

“The Queen Mary is one of the largest city-owned financial assets—it has such a historical significance in our city that I feel like this discussion was wor-

thy of more than a quick \$23 million fix,” Doud said in a recent interview. “I felt that it was really a ‘Band-Aid’ approach.”

Nonetheless, the council decided to press ahead.

Councilwoman Mungo said that, although the pandemic’s devastating punch was unforeseeable, she believes the city is in a position to weather the financial impact, including on funds earmarked for specific purposes, such as the Tidelands Fund.

“Long Beach works hard to ensure that those restricted funds have a multitude of sources so that hopefully all those sources are not impacted at once,” Mungo said. “This global pandemic has been a strain on so many different facets and factors. We are doing better than some cities that don’t have that kind of diversity in their revenue. But we need to do even better.”

The loss of passenger fees is not the first blow to the Tidelands Fund since the COVID-19 outbreak. In April, the pandemic took a toll on the oil industry when futures prices fell below \$0 per barrel for the first time in history. The Tidelands Fund receives a large chunk of its monies through oil and, for fiscal year 2020, the city is anticipating a \$6 million shortfall in that revenue.

The Tidelands’ 2020 budgeted revenue was \$78.4 million, based on an estimated \$12.6 million from oil revenue,

Year	Calendar Period	Pledged			
		Passenger Revenue	Urban Commons	Base Rent	Total
1	2018	\$2,150,000	-	\$300,000	\$2,450,000
2	2019	\$2,150,000	-	\$300,000	\$2,450,000
3	2020	\$2,150,000	-	\$300,000	\$2,450,000
4	2021	\$2,150,000	-	\$300,000	\$2,450,000
5	2022	\$2,150,000	-	\$300,000	\$2,450,000
6	2023	\$1,633,000	\$816,668	\$300,000	\$2,749,668
7	2024	\$1,633,000	\$816,668	\$300,000	\$2,749,668
8	2025	-	\$816,668	\$25,000	\$841,668
9	2026	-	\$816,668	-	\$816,668
10	2027	-	\$816,668	-	\$816,668

Source: City of Long Beach

Bond repayment schedule per master lease between the city of Long Beach and Urban Commons.

according to Gross. The city’s fiscal 2021 budget must be approved before Oct. 1.

With several states, including California, re-closing some businesses such as bars in the wake of a surge of COVID-19 cases, there is a chance that renewed cruise operations will be delayed even longer than what has already been announced.

To make up for losses, Carnival announced it will sell 13 of its ships but has yet to identify which brands and vessels will be affected. The Florida-based company operates 106 ships across eight brands, including Carnival Cruise Lines, AIDA Cruises, Costa Cruises, Cunard,

Holland America, P&O Cruises, Princes Cruises and Seabourn.

The two smaller ocean liners the company owns in Long Beach are among the oldest in the Carnival fleet. The Inspiration recently appeared on the website Global Ferry & Cruise Shipbrokers, listed for sale at \$200 million.

“We have asked the company in question to remove our ship from the site as it is not correct and we have not announced which ships will be affected,” a Carnival spokesperson said in an email.

A carnival spokesperson said an announcement will be made within 90 days. ■



# Real estate in the days of coronavirus: lots of safety precautions and lots of buyers

■ By **TIM GROBATY**  
Staff Writer

House shopping in the Before Times: Pack the family in the minivan and drive around on weekends looking for open house signs in neighborhoods where you'd like to live. The kids bounce around calling dibs on their bedrooms while the real estate agent tries to gauge whether you're a likely candidate as a buyer or just snooping around and building a wish list. They ask if you're pre-approved for a loan and you tell them, no, you haven't got that far. You're just sorta looking around. The agent sighs and hands you some flyers about the property.

House shopping in the COVID-19 Era: The looky-loo is an extinct species now. Open houses are prohibited. You look at houses on the computer in your house, watching professional-quality videos as you click and point from room to room. As you conduct your research at home and you see something you like ... Well, how serious are you? These days you have to get pre-approved for a loan before you set foot in the house.

Next comes the real COVIDdy part: Printing out, reading and signing a California Association of Realtors PEAD-V form in which you agree to follow all federal, state and local laws and stay at home orders "even though they may be changing rapidly."

You agree to wash your hands with soap and water or use hand sanitizer immediately upon entering the house. You agree to practice social distancing and to wear protective face covering. You agree to avoid touching knobs, faucets, toilets and toilet handles, light switches, garage door opener buttons, handles and pulls, alarm system controls, remotes, thermostats, switch boxes, gates and gate latches, window locks and sashes, pool coverings, counters, door and cabinet handles and sinks.

You acknowledge that although others have been advised to clean and dis-

infect the property before and after each showing, there is no guarantee that the cleaning removed any or all instances of the COVID-19 virus that may have been present.

And, finally, you understand that accessing the property may be dangerous or unsafe and could expose you and others to COVID-19 and that you are entering the home voluntarily.

And, while this isn't included in the form, the implication is "and may God have mercy on your soul."

And all of this tends to be great news for Realtors, because people who are willing to leap these hurdles are likely to be darned determined about wanting to buy the house they're looking at.

"On our last listing we had 11 showings and we got seven offers," said Kelsea Mazzoccoto of First Team Realty. Like other Realtors interviewed here, Mazzoccoto is both bullish and wary of the market in the COVID-19 era.

"Right now the market is awesome," she said. "We've been super busy, so many buyers. It's insane. When the virus first hit we were working with buyers and sellers and everybody froze. It didn't matter how low interest rates got, and most of the listings we had we put on hold. It was that way for two or three weeks. People were thinking, 'Are we really going to buy a house if the world's ending?'"

Later, said Mazzoccoto, people began to feel comfortable and many of the fears either went away, or people learned to live with it. "They got more comfortable wearing masks, and we began listing properties again." She said she priced those on the low side out of caution, but she sold 12 properties and they all went above the asking price.

"But it's a fragile market," she said. "I'm not going to say that in October when the flu season comes there's not going to be a lockdown again."

Mike Dunfee, a Realtor and property manager who specializes in coastal properties, said there were a few weeks when

everything was closed and buyers were backing out of some good deals, "but now that the dust is kind of settling and prices didn't fall to the floor, sales are picking up. You combine the demand to sell and buy that didn't take place during the lockdown with the low interest rates and it's a confirmation that it's OK to buy now."

As for donning masks and gloves and the other hassles related to looking at homes, Dunfee says people have gotten used to those kinds of precautions. "It feels weird not to be wearing a mask when you're out now. It's not as cumbersome as it was a couple of months ago. Now if you forget your mask it's like forgetting your iPhone. And presenting your property now on the internet is not just a good thing for Realtors to do, it's the necessary thing. If you're an agent who's not up to speed with the technology, you either adapt or you deliver for Postmates."

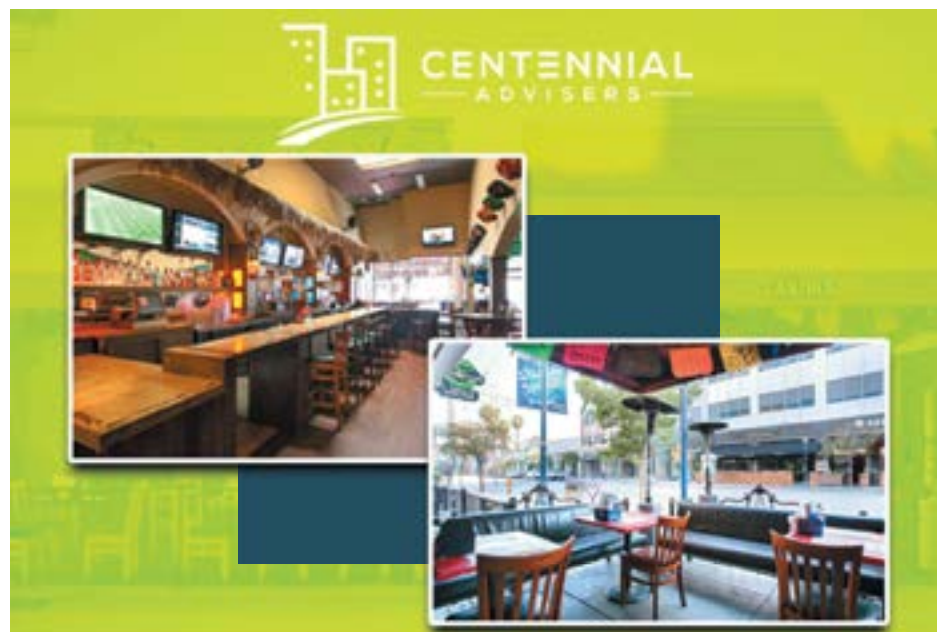
"When coronavirus first hit we kind of hit a wall, because we couldn't show places," said Beatrix Whipple, of the Whipple Group. "I thought it was going to be 2008 all over again, but it hasn't been. We're busy, not as busy as normal, but busier than I thought we'd be. I think we may be in a bubble because of

the stimulus, but I'm very cautious about jobs and unemployment." Like all agents, Whipple says home inventory is low, which creates a seller's market.

Phil Jones, managing partner of Coldwell Banker Coastal Alliance, says there are 336 single-family home listings now, compared to 445 last year. "The prices are holding up because demand is really strong."

One reason for people listing their homes now, or are in the market for a new house, is simply that because of stay at home orders and more people choosing to stay and/or work at home, paired with the relative inability to travel to any real extent, people are getting sick of their current residences. "People are telling me that they hate their house now," he said. "Staying at home, especially if you have kids that you're home-schooling, is hard on everybody," Jones said "Frustration and anger is running high."

Kelsea Mazzoccoto agrees. "People have told me, 'I need a pool house for my kids.' Especially if we have to go through a lockdown again. People look at their current homes and they say, 'This is where we're stuck?'" ■



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During the pandemic, the Port of Long Beach has stayed open, keeping vital goods moving to market. And donations from some of our Port partners have made it possible for us to distribute masks and other protective equipment to terminals, longshore workers and the community. For more info, visit [polb.com/COVID19](https://polb.com/COVID19).







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Long Beach City Council approves requirements for affordable units in future housing projects

By JASON RUIZ
Staff Reporter

Long Beach now has an inclusionary housing policy that will extend to the entire city after the City Council on July 14 approved the program, which will require developers to reserve a percentage of new units for lower-income households.
New residential construction projects starting after January 2021 will now be required to set aside some units for lower-income tenants.
Eventually, those set-aside requirements will reach 11% of a project's total rental units. Those units would have to be reserved for very-low-income households, which is about \$56,000 for a family of four. For ownership units, 10% of units would have to be set aside for moderate income households making about \$92,000 per year for a family of four. Smaller developments of fewer than 10 units would be exempt.
While the policy would be automatically mandatory in the Downtown and Midtown corridor, which follows the Long Beach Boulevard corridor north to Wardlow Road, the rest of the city would only have the policy triggered by any

development that requires a site-plan review.
The covenants for those projects would last 55 years and the program would be phased in over a three-year period with the final set-aside amounts of 11% and 10% being reached in 2023. The original proposal called for a four-year phase-in.
Many of those amendments were proposed by Councilwoman Jeannine Pearce, whose district includes Downtown Long Beach. That area was set to be one of the most affected areas of the city under the recommended proposal, which would have tied the inclusionary policy to the Downtown and Midtown areas.
Pearce requested that all of the 11% of rental units be set aside for very-low-income households, which was a departure from the recommended policy that would have split the 12% of rental units set aside between moderate- households (6%) and low- (3%) and very-low-income households (3%).
"We have a homeless crisis that's already here and on the cusp of getting worse," Pearce said. "We know that we have a great need for this population and there needs to be additional resources for



Pedestrians walk past residential development project Shoreline Gateway, which will be the tallest building in the city once completed. Photo by Thomas R. Cordova.

this."
Pearce pushed for the covenant to run for 55 years instead of the recommended 45 years. She also asked that the fee developers can pay to avoid setting aside the low-cost units be equal to the cost of producing the unit. That fee would be deposited into a city account that will go toward the construction of affordable units elsewhere.
"Our focus is on having the housing built, and included in the projects that come forward," said, Christopher Koontz, Long Beach's Deputy Director of Development Services. "That is the goal."

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Table with 3 columns: TITLE BID #, DUE DATE, and Bid Details. Includes items like Water System OPT & Supply Mgmt Study, Hazard Mitigation Plan Update, Long Term Lease & Development of LB Armory, etc.

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# Evictions blocked through September as City Council extends moratorium for those impacted by pandemic

■ By **JASON RUIZ**  
Staff Reporter

Renters affected by COVID-19 will be shielded from eviction until at least the end of September in Long Beach after the City Council on July 14 voted unanimously to extend its current moratorium for the second time since the pandemic largely closed down the local economy.

The original moratorium was adopted in March, and it will now cover eviction notices issued between March 4 and Sept. 30. The extension will not impact the date at which any missed or partial payments are due to landlords. They still must be paid by the end of July 2021.

The council had originally considered extending the moratorium through the end of August, but they decided to extend it to the end of September. Several council members said housing stability was not something

that could be addressed on a monthly basis.

"I don't think we need to come back and relitigate this every three weeks," said Councilman Rex Richardson.

The growing uncertainty of the economy, the fast pace at which new coronavirus rules are being handed down from the state and the limited number of council meetings per month were all factors in lengthening the extension.

Part of the issue is the fact that the council only meets three times a month on average and typically has the last Tuesday of the month off, which robs it of an additional meeting where it could vote on time-sensitive issues.

Councilwoman Stacy Mungo proposed the council look at augmenting the structure of its meetings by bouncing a mid-month meeting to the last week so that it could handle

issues like the eviction moratorium closer to the end of the month.

Earlier this month, the city had expressed interest in aligning itself with the Los Angeles County eviction moratorium, which to a large degree resembles the one in place in Long Beach, but the council opted not to go that route as there were intricacies worked into its local ordinance that could have been lost.

"I'm concerned that anything we fall into with the county wouldn't take into consideration anything we have discussed as a city," said Councilwoman Suzie Price, one of the co-sponsors of the extension.

Price was referencing unique features of the city's moratorium that excluded some commercial properties at the port and airport as well as some in the city's Tidelands Area.

The city attorney's office reiterated that tenants, both residential and commercial, still need to show

proof that they've been impacted by COVID-19 to take advantage of the moratorium's rent deferral option.

"Tenants cannot just defer rent willy-nilly," said Deputy City Attorney Rich Anthony.

Under the revised moratorium, rents due between April and September can now be deferred but the balance of the owed rent would be due by the end of July 2021.

The council has anguished over the prospect of numerous tenants owing a balloon payment in the thousands of dollars next year, even exploring a mandated payment program last month.

At the July 14 meeting, working off a recommendation from Councilman Daryl Supernaw, the council formally asked for correspondence to be sent to Congress to ask for mortgage relief for property owners who have lost revenue when renters have been unable to pay any or all of their rents. ■



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# Long Beach to create ‘basic income’ pilot that would give cash to qualifying residents

■ By **JASON RUIZ**  
Staff Reporter

Long Beach will become one of 15 cities to experiment with giving qualifying residents an unconditional basic income through a privately-financed pilot program.

Mayor Robert Garcia announced this month that Long Beach would be among the cities taking part in the pilot program. Garcia said the specifics have yet to be worked out and that more details would be released in the weeks and months ahead. He said the current state of affairs has highlighted the need for such a pilot.

“The COVID-19 crisis is really showing us the weakness in how our economy works,” Garcia said in an interview. “People need direct support to survive and we’ve seen that through direct payments from the federal government through stimulus checks and through our rental assistance program here in Long

Beach.”

The effort is being led by Mayors for a Guaranteed Income, a coalition of 15 mayors that spans the United States from Oakland, Long Beach and Los Angeles in California to Newark, New Jersey and Columbia, South Carolina on the East Coast.

It was founded by the 29-year-old mayor of Stockton, Michael Tubbs, and recently received an injection of \$3 million from Twitter CEO Jack Dorsey that will help establish pilot programs in the 15-city coalition. While most of the \$3 million donation from Dorsey will go toward establishing pilot programs, some will go toward expanding Tubbs’ program in Stockton.

Tubbs has been running a UBI program called Stockton Economic Empowerment Demonstration (SEED) since 2019, in which 130 residents who make below the city’s median income are given a monthly sum of \$500. For Stockton,

that costs about \$46,000.

The SEED program came with a tracking effort to better analyze how people spent the money. A 2019 report showed that about 40% of the funds were being spent on food and about 20% went toward utilities, auto repairs and fuel.

It’s unclear who would get payments from the pilot program in Long Beach or how much they would get. Funding will be raised from foundations and organizations that are interested in UBI payments, Garcia said, but eventually it could turn to public funding.

“The future of UBI is absolutely publicly funded,” Garcia said.

Garcia said it’s similar to the stimulus checks that were sent to Americans across the country at the outset of the pandemic, when many people were forced into unemployment or saw reduced earnings because of the closure of businesses.

The idea of a guaranteed basic income is not a new one and has been de-

bated since the 1700s. Supporters argue that giving a no-strings-attached monthly payment to all residents not only helps provide a standard of living above the poverty line, but also gives people the economic freedom to pursue education or job opportunities to pull themselves out of poverty.

That leaders in tech are giving money to efforts like the UBI project is not a coincidence. Some leaders in Silicon Valley have been giving money to these causes for years as they’ve recognized that their own innovations in technology are likely putting scores of people out of work.

Garcia noted this trend and said that Long Beach is a great place to pilot a guaranteed income program.

“The economy is going to look very different in 30 years as automation eliminates jobs,” Garcia said. “We have to start redefining what the economy is going to look like in the future.” ■

## Diane’s Beachwear in the Shore closes—and another swimwear shop opens



Best Swimwear took over the spot formerly occupied by Diane’s Beachwear in Belmont Shore. Photo by Thomas R. Cordova.

■ By **TIM GROBATY**  
Staff Reporter

Just as the local beaches are beginning to thaw, with summer upon us, Diane’s Beachwear, a Second Street shopping staple for nearly half a century, has closed.

The reason behind the closure was

not clear.

It’s also unclear if the remaining stores will close. The stores either have disconnected phones or calls went unanswered, and their websites all say “Sorry we missed you. Have a safe and healthy summer.”

“They just left, I never heard a word from them,” said Dede Rossi, executive

director of the Belmont Shore Business Association.

Diane Biggs brought her store to Belmont Shore a decade after opening a shop in Santa Monica in 1962, when the bikini-clad wahines were starting to draw looks, if not outright ogles. By 1972, bikinis were big at Horny Corner at Alamitos Bay and other Southland beaches—and

these later models made the earlier bikinis look like muumuus, but even so, the 1960s swimwear was considered skimpy and scandalous.

Biggs’ store in the Shore was an original shop in the Second Street Plaza building, according to the building’s owner David Witzling, who said he was sorry to see the business close. “They had hoped to work something out so they could stay in business, but it just didn’t work out,” he said. “They went out of business because of COVID, and it’s unfortunate now that summer is here.”

It was difficult for many body styles and sizes to find the right fit, and Biggs was a pioneer when it came to selling tops and bottoms separately.

Biggs’ Long Beach store, at 5239 E. Second St. was popular enough to enable her to eventually open 20 stores in Southern California and Arizona, including Manhattan Beach, Santa Monica, Huntington Beach, Laguna Beach and Palm Springs.

Beachwear shoppers weren’t out of luck for long. Longtime swimwear businessman Greg Stager opened Bestswimwear at the former Diane’s site on July 3 while keeping his first location, which he’s operated for several years, in Hermosa Beach. The Shore shop is his second location.

“We looked at it and thought it would be an ideal shopping location,” Stager said. “It’s a perfect transition for us and we thought it would be a shame for Second Street to go without a swimwear shop.”

Stager also maintains an online store at [www.bestswimwear.com](http://www.bestswimwear.com). ■



## Hospitals balance

(Continued from Page 1)

While Long Beach hospitals resumed performing elective surgeries mid-May, the initial reduction inflicted huge financial losses to them, hospital leaders said. Carolyn Caldwell, the president of St. Mary Medical Center, said the canceled procedures and services had accounted for a significant percentage of revenue in pre-pandemic times.

Memorial Hospital faced a similar situation.

“At the same time, we have incurred significant expenses to build surge capacity and secure equipment to take care of an anticipated influx of COVID-19 patients,” said John Bishop, the CEO of Memorial.

Federal assistance with the Coronavirus Aid, Relief, and Economic Security Act and FEMA has helped some, but not fully. The HASC estimates hospitals statewide have lost \$14.6 billion in lost revenue, according to Blackstone, and the federal government has provided only \$4.6 billion in relief. The lost revenue also doesn’t account for the cost of COVID-19 preparation for acquiring personal protective equipment, ventilators and space.

In addition to lost revenue from canceled procedures, hospitals also saw a dip in emergency room patients, because people were either afraid of contracting the virus at hospitals or they were staying home and not getting injured as much, according to the latest report from non-profit California Healthcare Founda-



Hospitals continue to deal with the coronavirus pandemic and its impacts. Photo by Brandon Richardson.

tion on the financial impacts of the pandemic. The report’s authors estimate a 40% to 60% decline in emergency room visits.

The report notes that one of the long-term effects of the pandemic on hospitals will likely be a surge in hospital price inflation and higher insurance premiums for consumers. In a scenario where 5 million jobs are lost, the authors estimate

that about 3 million Californians will lose their employer-provided health insurance in the coming months. This would force more people onto Medi-Cal, which typically pays less for services than private insurance.

Many others will likely go without insurance altogether.

“In turn, this would exacerbate an already very difficult public policy issue

— the growing unaffordability of health insurance and health care in the commercial market,” the report notes.

However, one of the long-term effects of the pandemic is that it may force hospitals to be more efficient, the authors write, such as by expanding telehealth and better provider-to-provider connectivity, ultimately helping to balance costs. ■

# Amid new COVID-19 spike, Community Hospital still awaits final licensing approval from the state

■ By **VALERIE OSIER**  
Staff Reporter

After a rush to get staff, equipment and supplies in the beginning months of the coronavirus pandemic, Community Hospital continues to languish without patients because its operators are waiting for a final inspection and licensing from the state health department.

The hospital was shuttered in July 2018 because of seismic safety issues. In October 2019, the city agreed to lease the land to operators Molina, Wu, Network with a seismic retrofitting plan. It was announced in March that the facility would reopen ahead of schedule to alleviate a possible surge of patients to surrounding hospitals under special orders from the governor’s office.

While that surge never came during the first wave of the coronavirus crisis, there is now a rise of new COVID-19 cases and hospitalizations, but its operators are still waiting on that last inspection.

It’s likely that when stay-home orders were showing to be effective in

slowing the spread of the virus, the urgency from the state to reopen Community Hospital was lessened, Brandon Dowling, a spokesman for MWN, said.

The license its operators are going for is for an acute care hospital, meaning it’s not intended to be a surge hospital for COVID-19, according to Dowling. The hospital is primarily intended for non-COVID patients to be transferred to in order to alleviate the other hospitals—though Dowling said COVID-19 patients could still end up at Community as cases rise.

The hospital can hold about 158 patients.

“You would think that as you see the trendline surging here, especially in LA County, you would want every hospital available for that,” Dowling said.

There isn’t yet an estimated timeline for when the state will do the final inspection and grant the license, a spokesperson for the California Department of Public Health said.

“We continue to work with the provider in planning a potential survey

to determine readiness for operations. COVID-19 is not a factor in these processes,” the spokesperson said.

The operator hired about 120 doctors, nurses and other staff back in April, most of whom they’ve kept in

contact with as they wait, Dowling said. He noted that the work on the part of the hospital that needs retrofitting is still ongoing in facilities separate from the part of the hospital that is reopening. ■



Community Hospital was closed in July 2018 because of seismic safety issues. Photo by Brandon Richardson.



# Island mayor hopes pandemic demonstrates Catalina's crucial need for new medical facility



A screening pop-up is placed outside Catalina Island Medical Center for residents and visitors seeking medical attention. Photo by Brandon Richardson.

■ By **BRANDON RICHARDSON**  
Senior Reporter

Catalina Island has one hospital, but it will be forced to close in 2030 if the city does not seismically retrofit it.

The coronavirus health pandemic has local officials worried—and has renewed efforts to build a completely new hospital.

In 2018, Catalina residents voted down a transit tax measure to fund the construction of a new facility but Mayor Anni Marshall hopes the COVID-19 pandemic has illustrated the island's immense need for a modernized facility.

The ballot measure has been reintroduced for the November ballot and requires 66.67% approval to pass.

"It will be interesting to see if it passes," Marshall said.

If passed, a \$1 tax would be levied on tickets for travelers to and from the island, including 4,500 residents and around one million annual visitors. This would equate to over \$2 million annually for the city to repay any debt accrued for the construction of a hospital.

The Catalina Island Medical Center Foundation estimates the price tag of the new facility to be around \$60 million, but notes that construction costs rise every year due to inflation. The U.S. Department of Agriculture offers low-interest financing for the replacement of aging rural hospitals, a program the foundation has identified as a funding source for the proposed hospital.

One counter argument leading up to the 2018 vote was that there was no location identified for the proposed

hospital. However, in 2019, the Catalina Island Company donated 2.5 acres of land near the island's Quail Canyon for the construction of the facility.

If not retrofitted to meet the state's seismic standards, the current 60-year-old hospital will be forced to shut down in 2030, leaving residents and visitors with no option but to travel off island for medical care.

"We've already outgrown our hospital. It's too small and it's outdated," Marshall said. "The retrofits are too expensive, so a new hospital makes sense. And we'd be able to expand services."

Surgeries are big money makers for hospitals. However, residents currently have to travel to the mainland for those procedures. With a larger medical facility, Marshall said surgeries could take place on the island and become a strong source of revenue.

Chemotherapy is another crucial service not currently available on the island that could be incorporated at the proposed facility, Marshall said. Additional services that could be introduced to the island would be mammography, expanded physical and occupational therapy, inpatient care, increased numbers of visiting specialists, colonoscopies, outpatient orthopedics and cataract removals, to name a few.

"Studies have shown that small rural hospitals provide higher quality and a better patient experience than large hospitals," CEO Jason Paret said. "With a new modern facility, CIMC will provide an exceptional healthcare experience that will impress residents and visitors and make them think twice about going anywhere else for care." ■



The Long Beach Challenge, raising money to Feed Our Community, benefiting Meals on Wheels of Long Beach and The Long Beach Education Foundation, has officially ended as of July 15, 2020. The Challenge raised \$87,400 with the help of over 273 supporters, bidding 397 times during the six-week on-line auction. (You can still donate through July 31, 2020)

Mike & Tracy Murchison, founders of the LB Challenge, along with both non-profit organizations, would like to thank all the donors, bidders and those that gave monetary donations for their contribution to the success of this Fundraiser. We would like to acknowledge the Long Beach Post, Grunion Gazette, LB Business Journal and The Press Telegram for their efforts in promoting our fundraiser. A special thank you to Children Today (Elia Rocha & Theresa Bixby) for their initial guidance and support with the on-line auction details.

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# Long underfunded and lacking enforcement, Long Beach's cannabis equity program fails to deliver results

■ By **ALENA MASCHKE**  
Senior Reporter

When city leaders laid the groundwork for legalizing cannabis two years ago, they wanted to make sure that those who were able to open cannabis businesses reflected the city's diversity.

But since the inception of the local Cannabis Equity Program, just one of 50 qualifying applicants for the program has entered the industry as a business owner.

That has spurred frustration among those who have sought assistance, who say the program hasn't done much more than help with paperwork. The real need—the up-front cost of opening a shop—has proven elusive for many who are low-income.

“There wasn't really anything more than showing us how to apply,” said Brian Delahoussaye, 35, who has several years experience in the industry. “I'm sure that's great if you have funds to apply.”

Entering the cannabis industry as a business owner can cost upward of \$1 million for construction, rent, building modifications and equipment.

“It's a strange crux, because you're not supposed to have any money to be in the program, but you need money to make it work,” said Delahoussaye, referring to the income and asset limitations set forth in the qualification requirements of the city's equity program.

In a letter to the mayor and city council in February, then-Acting City Manager Tom Modica, whose office houses the city's cannabis oversight staff, acknowledged this inherent conflict.

According to Modica's letter, the program was set up to make “legal cannabis business ownership and employment opportunities more accessible to low-income individuals and communities negatively impacted by the prior criminalization of cannabis.”

In the letter, cannabis program staff noted that, “in speaking with prospective applicants, the primary reason for the discrepancy between interest in the program and actual business license applications received, is the substantial amount of capital necessary to start a cannabis business.”

This is where Delahoussaye's dream of owning a legal cannabis business in the city of Long Beach hit a roadblock.

Working in the gray area that existed prior to the full legalization of all cannabis uses in the state of California had paid for his bachelor's and master's degrees. But when legalization arrived, so did the additional costs of licensing, owning or renting property in areas zoned for cannabis and modifying a business location to meet stringent state and local standards. Delahoussaye and his partners were priced out.

This process of financial exclusion disproportionately affected Black entrepreneurs like himself, Delahoussaye explained. “We're locked out of this industry in a major, major way,” he said.

Even prior to legalization, Delahoussaye said his skin color significantly affected his experience in the industry. Some of the things he had to deal with, he said, “I wouldn't wish that on anybody.”

Those experiences of racial discrimination, paired with a distrust developed over years of observing how cut-throat the industry can be, came back to haunt Delahoussaye when he realized that there was no direct financial assistance from the city and that he would have to find an investor to make his dream of

business ownership a reality.

Edgar Cruz, 27, is another equity applicant who has become increasingly disillusioned with the city's efforts. As he tells it, the program does little to address the underlying racial inequity that has led to an underrepresentation of African Americans and other people of color among owners of legal cannabis businesses in Long Beach and beyond.

“At the end of the day, they want us working for them, not running a business,” Cruz said. The program, he argued, doesn't give Black applicants a leg up in that battle. “It's not working, point blank. But that doesn't mean it can't work in the future.”

By organizing cannabis applicants, Cruz hopes to create more representation for equity applicants and help them claim a seat at the table. “The only thing that's going to change this is policy change and people coming together to have one voice,” he said.

Long Beach Cannabis Program Manager Ajay Kolluri said his office is aware of the challenges the program faces, but to some extent, their hands are tied.

“We have this focus on promoting  
(Please Continue to Page 22)

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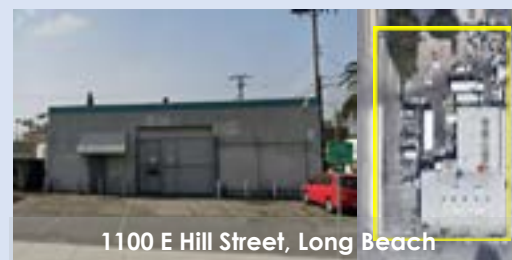
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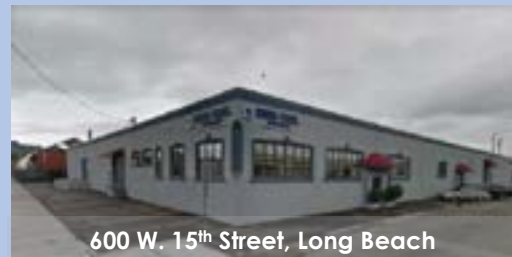
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Ron Brandon at the site of a former dispensary, where he was arrested by Long Beach Police in 2013. Photo by Thomas R. Cordova.

(Continued from Page 21)

opportunities in an industry, when the industry itself has so many barriers to entry,” Kolluri explained. “And many of those barriers are not within the control of the city.”

While the city offers fee waivers to applicants, it has no control over real estate prices and other factors that may prohibit applicants from starting a business. “That is the fundamental issue of cannabis equity. It’s not an issue that is easy to address and it’s not an issue that we have a solution for,” Kolluri said.

Fee waivers were also the only aspect of the ownership portion of the cannabis program received funding for until recently, Kolluri explained. The majority of funding for the program went into workforce development, preparing applicants to work in the cannabis industry rather than owning their own business right away.

“This isn’t a program, the way it’s designed right now, to create a specific number of licensed businesses,” Kolluri said.

This year, the city received an additional \$2.7 million in grants to amp up its equity efforts.

One requirement for receiving the grant is the tracking of demographic information on business ownership in the city, something Long Beach has not done so far. Anecdotaly, Kolluri said he was not aware of any Black-owned dispensaries, for example. Data collected to comply with state grant requirements

could provide a more definitive picture of racial inequity in the industry in the future.

One Black equity applicant hoping to secure a portion of that funding is Ron Brandon. A veteran of the industry, Brandon has devised his own plan for helping other equity applicants get started.

Non-equity cannabis businesses in the city of Long Beach are required to provide support to equity applicants, a function many of them neglect, according to various applicants interviewed for this article.

Brandon is planning to provide this service on a private level, a project he is hoping to receive some support for

through city funds. For a fee, cannabis entrepreneurs could utilize his network of cultivators, manufacturers and distributors to build their own cannabis brand.

Like Douhassey, Brandon’s involvement in the cannabis industry changed after the full legalization of cannabis in California. He had long worked in the field and developed an expertise in set-



Brian Delahoussaye at Fox Hills Park in Culver City. Photo by Thomas R. Cordova.



ting up indoor growing operations for the medical marijuana market.

On his first official gig helping to set up a grow in Long Beach in 2013, Brandon was arrested by the Long Beach Police Department and charged with illegal cultivation.

"I remember one of the officers telling me: 'This is Long Beach, this is a non-tolerant jurisdiction,'" he said. "If it wasn't for that, I may have been able to get a license."

Unable to obtain a license to cultivate cannabis in the early stages of legalization, Brandon went into cannabis consulting and became an advocate for racial diversity in the industry in his new chosen home in the San Francisco Bay area.

At the time, he said, Northern California was more accepting of the industry. Now that Southern California has embraced cannabis as well, Brandon saw it as an opportunity to right the wrongs of the past.

"When the social equity program started, I felt that this was my opportunity to be validated," he said. "I felt like it was something that was owed to me."

With his new project, the incubator for cannabis businesses in Long Beach and Southern California, Brandon hopes to offer that same opportunity to other entrepreneurs. "If you have the ability to reach out and help others, especially other people of color, it's my duty to do so." ■

## LBCC to offer first cannabis industry class

■ By **ALENA MASCHKE**  
Senior Reporter

For the first time in its history, Long Beach City College will be offering a class solely focused on the cannabis industry.

From cultivation to retail, the eight-week class will cover all sectors of the industry, additional sessions on the history of cannabis in California and an overview of the state's track-and-trace system for cannabis products from plant to the hands of consumers.

"If somebody is interested in engaging with the cannabis industry on a professional level, this is an important first step in that process," said Joe Rogoway, an attorney with more than a decade of experience in the cannabis industry and the course's lead instructor.

"This is their portal to the cannabis industry," he said.

The first class is expected to admit 30-35 students and a tentative start date has been set for the end of September. The course will be housed in LBCC's workforce development program, alongside other vocational and professional classes.

In that regard, the class is nothing new, said Kathy Scott, the college's executive vice president of academic affairs.

"It's the same in that it's industry-driven, industry-requested and it's taught by industry," Scott said.

What's new is the subject matter. Few community colleges currently offer classes on the cannabis industry. To inform the curriculum and find qualified instructors, LBCC has collaborated with the Long Beach Collective Association, a membership-based industry organization.

Nate Winokur is one of the members of the LBCCA who will be teaching a class this fall. An expert in the area of cannabis testing, Winokur will be providing students with insights on the science of cannabis and the business of running a cannabis testing facility.

The founder and owner of BelCosta Labs in North Long Beach was among the members of the LBCCA to help develop the curriculum. Winokur already has some experience teaching: He started collaborating with the LBCCA last year, offering individual workshops on the different types of licenses available in Long Beach.

"We decided to introduce something that, at its heart, would introduce different businesses and license types to each other," Winokur said. "We got a really awesome response from the community."

The new class at LBCC aims to in-

troduce a new group of students to the industry, from those hoping to build a career in cannabis to professionals who are interested in applying their existing skills, in areas like accounting and business, in the cannabis industry.

"This is long overdue," Rogoway said. "This is the kind of curriculum that should have been developed long ago."

Scott emphasized that the course is not intended to serve as a job placement program, but rather to strengthen students' resumes when applying for positions in the industry or provide a foundation for building a cannabis business of their own.

Having a class at the local community college also benefits existing businesses, as it introduces more people to the consumer benefits offered by rigorous testing and other quality control requirements in the legal industry as opposed to illegal competitors, Winokur said.

"I, for one, am hoping for cannabis to be treated a lot more seriously as things go on and I think that proper education surrounding that has a lot to do with it," he said.

Classes are expected to start this fall, at a fee of \$395. Those interested in enrolling can contact the LBCC Workforce Development program by emailing wfdev@lbcc.edu for more information. ■

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Private boaters anchor just off the shore of Avalon on Catalina Island. Photo by Brandon Richardson.

## Catalina Tourism

(Continued from Page 1)

rel said. “People can get away from the masses on the mainland.”

Restaurant owners on the island saw a light at the end of the tunnel when dine-in services were allowed to resume, only to have the light snuffed out with the reversal of the decision days before July 4.

Fortunately for the Catalina Island Company, two of its three restaurants—Descanso Beach Club and Harbor Reef—offer mostly outdoor dining, which is still allowed under current safety guidelines. The group’s fine-dining eatery, Avalon Grille, remains closed. Herrel said his restaurants avoided overbuying food; however, other restaurateurs on the island were not as fortunate.

Jerry Dunn, an avid fisherman and owner of multiple non-restaurant businesses on the island, said with dine-in service approved, the holiday weekend was shaping up to be great for business.

“I feel bad. I sold a bunch of fish [to a restaurateur] because business was cranking and the weekend was going to be really busy,” Dunn said. “Two days later, they closed restaurants.”

Maggie’s Blue Rose and Steve’s Steakhouse and Seafood, two restaurants that front the ocean in Avalon, normally have minimal outdoor dining only capable of accommodating a handful of customers. However, days

before the Fourth of July weekend, the city gave owners approval to convert the adjacent Middle Beach into an outdoor dining experience in the evening, after most beachgoers vacated the space.

“Quite a few restaurants have shut down because of this whole COVID thing, so we scrambled and called the city,” co-owner Margaret Bray said. “[July 1] was our first trial run and people loved it. We got lemons and we made lemonade out of it.”

Bray and her husband Steve have operated the steakhouse on the island for 20 years and Maggie’s, which serves Mexican fare, for the last six years. She said the beach dining experience has been such a success that the couple hopes the city allows the practice to continue post-coronavirus.

While the outdoor dining was a boost for her businesses that would otherwise only offer takeout or be closed all together, Bray said the island was substantially less crowded than it normally would be during the summer, especially heading into a holiday weekend.

“It’s been very rough. Our whole town is based on tourism. There are no other real jobs here,” Bray said. “We’re all taking a big hit and we’re wondering how we’re going to make it through to next year because winter is coming and we usually live off summer [revenue].”

Takeout dining on the island has not been a successful option for restaurateurs, Bray said, noting the service

was only being utilized by the small number of permanent island residents. Tourism is the key to Catalina business success, she said.

Despite the restaurant closures and holiday event cancellations, some tourists still took the short journey to the island for the weekend.

Leah Adler and her small group of close friends ventured to the island from LA for a long four-day weekend.

“We’ve been cooped up in quaran-

tine for a few months so I thought it’d be nice to go out for a little bit,” Adler said. “[Catalina] is close to home, so we still feel safe—we’re not traveling on a plane or anything—but it’s far enough that it’s still a getaway for us.”

The Catalina Island Conservancy, a nonprofit organization that owns 88% of the 48,000-acre island, has been hit hard by the virus, with President and CEO Tony Budrovich estimating a \$1-1.5 million budget deficit this year,



Max Argoud, a STEM and robotics teacher in Imperial Beach, has taken annual camping trips to Catalina Island for 30 years. He said his trip this year was delayed by COVID-19 but that he never considered canceling it indefinitely. Argoud is pictured at his campsite. Photo by Brandon Richardson.





A pair of bicyclists ride past two hikers on Catalina Island. Photo by Brandon Richardson.



Bison graze on Catalina Island. Photo by Brandon Richardson.

which will take years to recover from.

Revenue streams for the conservancy consist of donations and grants, land leases, and recreational activities utilized by tourists. Several of the group's largest fundraisers have already been canceled this year and recreation was nonexistent for several months.

"Every dollar that the conservancy gets stays on this island and it's used for this island," Budrovich said, adding that nearly 90% of staff live on Catalina.

In the early days of COVID-19, the conservancy was forced to furlough 75 of its 90 employees. The organization was able to acquire a loan through the federal Payroll Protection Program to carry them through the earlier, rougher pandemic months and, as of July 6, all staff were back to work and many of its activities, such as guided tours, are operating with slight safety modifications.

"When you start having less money coming in, you do less program work, less interactive educational talks, less conservation efforts," Budrovich said. "Maybe instead of monitoring eight animals this year, we're going to drop to six—things like that."

Despite ongoing economic challenges, the conservancy has continued its mission to be stewards of the island. Since the outbreak of the virus, the group has identified a new species of bat not previously known to live on the island. The discovery came after reviewing a portion of 200 hours of audio recordings taken in the Wrigley Memorial & Botanical Garden.

Researchers also have discovered a new population of Lyon's pygmydaisy, a federally endangered plant species that has only been seen on the island one other time since 1931.

A major component of the conservancy's mission is education through seminars and various programs. However, coronavirus halted all education efforts due to their in-person formats. The team had been wanting to utilize online tools to expand education programming for years and coronavirus

forced their hand to either implement those changes or give up on its mission to educate until the virus passed—the team rose to the challenge.

"I am thrilled that we now have a platform to hopefully reach out and serve a wider audience," said conservancy Director of Education Leah Melber. "That, to me, is a silver lining—gaining a whole new audience."

Educational seminars and other videos, as well as activities, have been uploaded to the conservancy's website

and the success was almost immediate, Melber said. The group's in-person lecture series, which took place during the last Friday of every month prior to the pandemic, averaged 30-50 people. Using an online format, the audience has doubled, with more than half of its viewers being from outside the Southern California area, she said.

Since digital education cannot fully supplement being in and experiencing nature, Melber said many of the online materials include activities that require participants to go outside and interact with nature in their own neighborhoods while practicing proper social distancing and other guidelines. When it is safe to resume in-person education, the online education pro-

grams will continue, she added.

Herrel of the Catalina Island Company said he is hopeful that life—and business—on the island will be back to normal once a vaccine is available. He said that the company is forecasting most operations will be in full swing by early summer next year. For now, Herrel said even the current level of business is welcome.

"I'm pleasantly surprised at how business has come back," he said. "People want to travel. They want to go somewhere COVID-free, where they can socially distance. People want to get away and they're seeing Catalina as a place to go that's safer than the mainland." ■

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# Private travel to Catalina Island is picking up again



Visitors disembark from the Catalina Express boat in Avalon on Catalina Island. Photo by Brandon Richardson.

■ By **ALENA MASCHKE**  
Senior Reporter

The state of transportation to and from Catalina Island, like just about anything these days, has been in constant flux.

As the number of visitors to the island ebbs and flows, and regulations on the re-opening of the economy change on a weekly basis, the business of ferrying people from the mainland to the town of Avalon has changed as well.

Greg Bombard, president and CEO of the Catalina Express, said his ships have seen an uptick in passengers, especially ahead of the Fourth of July weekend, traditionally one of the busiest times for travel to the island.

“It’s a popular time of year,” Bombard said. Because most visitors travel in groups, he explained, social distancing between those family or household units has been easier aboard the Express than it would be in a more commuter-heavy setting, where many travel alone.

“We’re able to accommodate a lot of

people and it’s working out real well,” Bombard said.

The state’s decision to allow leisure travel is what turned things around for the island and for the Express, Bombard said. “We’re starting to see more and more people who want to get away.” The company has restored departures from San Pedro and Dana Point, which had been canceled during lockdown.

But even before the reopening of local travel, the Express continued to operate, albeit on a reduced schedule. As the main mode of transportation for visitors and residents alike, the Express had to offer at least two sailings a day, one in the morning and one in the evening.

“We were still an essential carrier,” Bombard said.

To maintain a safe environment on-board, passengers are required to wear masks and the boats are sanitized in between trips. Every night, they are fogged with a disinfectant. Enforcing the mask requirement can be difficult at times, Bombard acknowledged, especially as people

eat and drink during the trip.

“It’s just difficult for people to wear masks for as long as they have,” he said. “We work with them, we just ask them to put it back on after they drink their glass of water.”

Some travelers choose to make the 30-mile trip across the channel on their own vessels. Moorings in Avalon, Two Harbors and other docking sites reopened in May and unlike the overall number of visitors, private boat traffic has been consistent with pre-pandemic numbers.

“Private boat traffic has been great,” said Avalon Harbormaster JJ Poindexter. “People just want to get out, they want to get away from everything that’s happening over there.”

Weekends have been especially strong. “On Fridays and Saturdays everyone just makes a beeline over here,” Poindexter said.

Over the Fourth of July weekend, 248 boats were docked at the harbor, compared to 286 boats the previous year.

Cruise ships, which normally bring large groups of travelers to the island, have completely ceased operations as the industry re-evaluates its future following several highly publicized outbreaks early on in the crisis.

But even when cruise ships return, the city of Avalon will have to make some tough choices to protect the health of its residents, said Mayor Anni Marshall.

“When they come back, we have the ability, as a town, to say: You can have your cruise ship, but you can’t let the people come ashore,” Marshall said.

The town relies on the sales tax revenues brought in by cruise ship passengers, but Marshall noted that many of the island’s wealthier, retired residents likely won’t be as concerned about the city budget as they are about their health, and may favor a ban on shore visits by cruise ship passengers as a result. Meanwhile, local bars, restaurants and shops—along with their workers—may want those visitors to return sooner rather than later.

“They are a necessity,” Marshall said. “It’s going to be a difficult conversation.”

One of the less common forms of transportation to and from the island, air travel, has seen lower numbers after seven weeks of lockdown, but traffic is picking up, according to Airport Manager Justin Bollum.

June is normally a low-traffic month for Catalina’s Airport in the Sky, Bollum noted, as most pilots avoid flying under the low-visibility conditions commonly referred to as “June gloom.”

“Now that it’s clearing up, we’re seeing more traffic, but we’re still down a good portion,” Bollum said.

The airport is financed almost entirely by passenger fees and operates on small margins as it is. To top it off, the Catalina Island Conservancy, which operates the airport, just spent \$5 million on landing strip repairs, which were finished a year ago. Nonetheless, Bollum expressed optimism.

“It will be a burden, but the life expectancy of that project is going to last a lot longer than a short-term downturn,” he said. ■



The last Catalina Express boat from the island to the mainland for the day was much less crowded than a normal summer day due to the coronavirus pandemic. Photo by Brandon Richardson.



Tourists walk by a single-engine plane as they exit on the tarmac at Catalina Airport. Photo by Brandon Richardson.



# ‘Nothing’s sacred, nothing’s safe’: Catalina’s Avalon faces financial crisis as cruise ships, visitors steer clear

■ By **ALENA MASCHKE**  
Senior Reporter

In early July, when tourists normally descend on Catalina Island in droves for the Fourth of July weekend, it looked like Avalon was slowly coming to life again.

Just that week, Gov. Gavin Newsom had abruptly ordered restaurants to cease all inside dining. But that didn’t keep visitors from enjoying a hearty breakfast outside Original Jack’s Country Kitchen on Catalina Avenue or digging into some enchiladas at Maggie’s Mexican Blue Rose, sitting at tables set up on the beach in front of the restaurant.

For the city of Avalon, transit occupancy and sales tax revenues generated by visitors are a major source of funding. Many of those visitors come to the island on cruise ships, which have ceased operations since March.

While the holiday crowds were a step in the right direction for the city, financially, it won’t make up for the months of lost revenue Avalon has already experienced due to the pandemic-induced lockdown—and may continue as California struggles to gain control of the outbreak.

“The city of Avalon is somewhat unique, in that we’re dependent on visitor-generated taxes,” said Matthew Baker, the city’s financial director. Of Avalon’s unrestricted funds, 75% comes from visitor spending.

As a result, the city is facing a significant budget shortfall that will likely affect programs and services for years to come.

“From a financial perspective, it’s put us in a tough spot,” Baker said.

And the city’s woes are likely to worsen as the crisis rages on. “Luckily, March and April aren’t our busiest months of the year,” Baker said. It’s the summer months that usually account for a majority of visitors. But with infection

rates skyrocketing and some restrictions being reinstated, the summer doesn’t look promising.

“We’re seeing our visitor numbers go down again,” Baker said. And there’s not much the small city of 3,700 residents can do about it. “It’s out of our control,” he said.

As it stands, cross-channel visitors account for a small portion of sales tax revenues. The majority of cash is brought ashore by cruise ship passengers. But with Carnival Cruise Lines suspending all travel until the end of September—a suspension that has been extended numerous times—that funding source has completely dried up.

“I miss the cruise ships,” Baker said.

It’s not just the sheer mass of passengers cruise ships are able to shuttle to the island at once, it’s their year-round sailings that have made them such a significant part of Catalina’s economy.

“It really was the cruise ships who provided that customer base throughout the year, to keep people employed,” Baker said. “The cruises are what made this a year-round destination.”

While revenues dropped, costs have decreased as well.

Fewer visitors on the island means fewer full-time employees are needed to service public restrooms, collect trash or protect diners from seagulls and pigeons out to steal food off their plates. The city’s contract with the falconer providing those services has been suspended until further notice.

Visitors trickling back onto the island presents a challenge in that regard, one that is also faced by individual businesses in Avalon and beyond: There aren’t enough visitors to pay for a full staff, but just enough so that money has to be spent to service them.

“The challenge we’re running into is that we’re getting a certain amount of visitors,” Baker said. “We’re, unfortunately, in a similar situation as many businesses in town.”



Restaurant dine-in service was prohibited by the county days before the Fourth of July weekend, so customers of NDMK Fish House in Avalon waited outside for their takeout orders. Photo by Brandon Richardson.

An added struggle faced by the city is that some of its public safety services, namely the staffing of the sheriff’s station and lifeguard towers, are contracted out to the county. The amount owed under that contract hasn’t changed, even as the city’s revenues have decreased.

In the city’s adopted budget for 2020, law enforcement accounted for \$1.76 million, or 17% of the \$10.2 million in expenditures planned for by the city of Avalon.

Meanwhile, there has been little help from the state and federal government so far, said Baker. The city has been allotted \$50,000 compared to approximately \$1 million—and counting—in estimated losses. The amount of funds allotted to each municipality was based on population size, which didn’t do Avalon any favors.

“Unfortunately for us, we have a

small population, but our impact has been proportionally greater,” Baker said.

Further, much of the money designated to cities during the crisis, including funding from the CARES Act, has to go toward covering emergency response expenses, of which Avalon had few.

“I know there’s a lot of cities out there that have incurred a lot of overtime, that wasn’t really our challenge,” Baker explained. “There weren’t monies to replace lost revenue.”

Restricted or not, the funds Avalon is scheduled to receive are no match for the financial shortfalls the city is facing. “Even if we could put it toward lost revenues, it wouldn’t even scratch the surface,” Baker said.

Which departments will suffer the most severe cuts remains to be seen, Baker said, but one thing is clear: “Nothing’s sacred, nothing’s safe.” ■



Tourists and residents alike practice social distancing and wear face coverings in Avalon on Catalina Island. Photo by Brandon Richardson.



Heading into the July 4 weekend, Avalon beaches on Catalina Island were uncharacteristically empty. During a normal summer, there would be no open space on the small beaches, according to Mayor Anni Marshall. Photo by Brandon Richardson.





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