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Long Beach's aerospace sector reinvigorated by new companies, innovation with an eye on space



Rocket Lab's Electron rocket takes off from the company's New Zealand complex, Dec. 16, 2018. The ELaNa-19 mission delivered NASA nanosatellites into orbit. Photo by Trevor Mahlmann courtesy of Rocket Lab.

■ By **BRANDON RICHARDSON** Senior Reporter

Aviation and aerospace roots run deep in Long Beach—about 80 years to be exact. The sector has ebbed and flowed through the decades but has remained a constant force in the city. In the past, it was military and commercial aircraft. Today, companies have their sights set higher: Earth's orbit and beyond.

In 1940, construction began on an 11-building Douglas Aircraft facility on what is now the 220-acre Douglas Park. Business was booming due to World War II. At one point, some 160,000 workers were assembling planes in Long Beach, including many "Rosie the Riveters."

The war's conclusion led to a cut in government contracts and the loss of thousands of jobs. Still, plane production continued in Long Beach under the name Douglas—bombers, Globemasters and eventually commercial airliners with the DC-8 and 9.

In 1967, Douglas merged with McDonnell Aircraft

Company to form the McDonnell Douglas Corporation, which continued the city's aerospace and aviation legacy with the production of the DC-10, the C-17 Globemaster III and more.

In the mid-1990s, Boeing bought McDonnell Douglas for \$13.3 billion and rebranded its airliners. But in 2006, Boeing ceased production of its commercial craft in Long Beach, leaving only the C-17 in production in the city with a small fraction of the workforce that once pumped out as many as one aircraft every

The C-17 operation was shuttered in 2013.

Though airplane production in Long Beach is gone, Douglas Park today is home to dozens of industrial buildings, several of which are adding their own chapters to the city's aerospace history. Over the last five years, Long Beach has become a growing hub for rocket manufacturing and small-satellite launch companies.

The employment pool in Los Angeles County is high-

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One of the bright spots in the midst of city's budget woes: Cannabis revenue is way up



Diamond Gomez works behind the counter at Haven Cannabis Dispensary in Long Beach's Belmont Heights neighborhood. Photo by Thomas R. Cordova.

■ By JASON RUIZ Staff Reporter

The coronavirus pandemic and resulting stay at home orders hurt nearly every industry in the city in 2020, however, the cannabis market saw one of its best years, adding nearly \$10.3 million to the city's coffers.

City projections anticipated a more conservative return of \$4 million from the industry in the last fiscal year, as sales of legal cannabis have lagged since voters legalized it in November 2016.

However, a number of new retail locations opening, as well as other parts of the industry's supply chain investing in the city, helped bring in \$6 million more than what budget analysts predicted. Statewide, taxes from the industry more than doubled from the third quarter of 2019 to the same quarter of 2020.

Legal cannabis, which was met with scorn from law enforcement and some elected officials, helped stave off a larger budget deficit caused by the pandemic.

The city was forced to close a \$30 million funding gap this fiscal year with furloughs and service cuts. A separate withdrawal of emergency reserves will likely be approved Tuesday to backfill a \$19.7 million deficit from the previous fiscal year.

The banner year enjoyed by the industry was not too surprising for retailers in the city, who view their product as an alternative to treat a number of medical conditions, some of which have been exacerbated by the pandemic.

Adam Hijazi, who manages multiple locations in the city including The Green Room on Seventh Street, said that his sales were up about 35% last year. He attributed it in part to the city becoming a more cannabis-friendly place to do business, but also to storefronts like his having grown their client-base over the last few years.

"Every single year we've increased," Hijazi said. "There are other locations that have not done the same but overall there's been a bump from last year."

Long Beach voters approved a law in 2016 that allows for up to 32 dispensaries citywide. According to a city website tracking cannabis businesses, there are now 30 active storefronts in the city.

There are also dozens more cultivation, testing, manufacturing and distribu-

(Please Continue to Page 4)



Build Your Future

Applications for the Port of Long Beach's high school scholarship program are due March 1! If you're a Long Beach-area senior looking for a career in logistics or trade, don't miss this opportunity. More information at *polb.com/scholarships*.





(Continued from Page 2)

tion businesses in operation or winding their way through the city's approval process. The City Council voted in 2019 to reduce taxes on those non-retail businesses, dropping their rate from 6% to 1%.

Hijazi said the reduction in taxes likely made an impact on the sales because prices could be then lowered on the retail end.

"It has increased both the number of businesses opening up and the number of people wanting to invest in Long Beach," he said.

Elliot Lewis, who operates multiple cannabis storefronts in the city, said his sales have more than doubled over the first quarter of last year.

The business-bump has been driven by casual consumers as well as regulars, he said. The combination of economic uncertainty and the anxiety of a massive public health crisis not only drew in customers who wanted a break from the pandemic, but also found themselves in new working conditions where daily commutes were no longer part of the work day.

Lewis said that the stimulus checks also seemed to help. He recounted one of the biggest business weeks for his shops was in early April, around the time that federal stimulus checks were deposited into Amercians' bank accounts.

He anticipates that could happen again in the coming months as Americans continue to grapple with the isolation and stress of the pandemic.

"Mental health is one of the most important parts of life and if cannabis helps you achieve that, we support it," Lewis said.

Will the momentum carry into 2021 and beyond? A city analysis expects that "at least a portion" of the increase in sales from 2020 will continue and the market will stabilize at higher levels. Retail business owners are confident that they can

still carve out more of a share of the remaining illicit market, and that combined with new customers gained through the pandemic can continue the industry's momentum.

A continued normalizing of the industry could help boost its profits in the coming years, but Hijazi is looking forward to a different normal. He's hopeful that a nationwide vaccine rollout could mean the start of an economic rebound and the return of a vital portion of his business: travelers.

"During the summer we depend a lot on tourists and tourism wasn't a factor in last year's sales," Hijazi said.

Belmont Pool project wins key approval from Coastal Commission



A rendering of the proposed Belmont Beach and Aquatics Center courtesy of the city of Long Beach.

■ By **JASON RUIZ** Staff Reporter

The Belmont Pool replacement project can move forward after winning approval from the California Coastal Commission on Feb. 11, closing a seven-year process that began after the closure of the Belmont Plaza Olympic Pool in 2012

Commissioners voted 10-1 to approve amendments to the city's local coastal plan and approved a permit that will allow the city to begin securing the \$85 million it expects it will cost to construct the pool, and find a firm to build it. But first the city will have to fine tune the design of the pool, which will require approval from both the City Council and the commission for a final building permit, something that's expected to happen next year.

The city currently has about \$61.5 million in Tidelands Funds allocated for the project, but will have to work to close the roughly \$20 million funding gap.

While cost will likely be one of the last remaining barriers for the project, equitable access and how the city will ensure all residents of the city can enjoy the new pool complex still hangs over the project.

Many commissioners expressed concerns that the pool is located in one of the city's most affluent neighborhoods. The city will have to prove that it can accommodate communities outside the southeast area, one of the key factors that the Coastal Commission considers with any project along the coast.

City Manager Tom Modica outlined the city's plans to use shuttle services to transport children from 11 parks in disadvantaged areas in the city to the pool; the city will also reduce rates for their entry and create programs for youth.

"If you want to go to the Belmont pool, you can walk to your neighborhood park, take that direct connection to the Belmont pool and be returned to your neighborhood," Modica said.

But some commissioners questioned whether that would be enough.

"You're not going to bake a whole cake, put all the ingredients in and sprinkle a little sugar on top," Commissioner Effie Turnbull-Sanders said.

Commissioner Shelley Luce, the only member of the commission who opposed the project, criticized the project for continuing the problem of investing large sums of public money into wealthy communities.

The commission asked that the city return to the commission with more

concrete plans for how it would make sure the project is accessible to all members of the public. This request will have to be approved by the whole commission, likely at the same time that it considers the city's building permit for the pool in 2022.

City officials are hopeful the project can be completed within the next few years and that it will serve as an asset to the city's beaches.

"I think it will be something that will bring people to the coast," Mayor Robert Garcia said during the meeting. "We want to bring as many people as possible to our amazing coastline, and I think this project can do that."

A previous version of the pool replacement project included a 78-foottall translucent dome that covered an indoor pool complex. That project was rejected in part because of its height—the original pool building was 60 feet tall—and because of its orientation on the shore that would have made it vulnerable to flooding brought on by projected sea-level rise.

The new pool complex will largely sit on a 7-foot plinth that will help raise it above future storm surges. The new design also incorporated a family play area with a zip-line and waterfalls as well as 92,000 square feet of green

space, some of which would serve as a buffer between the project and the beach.

However, commission staff pointed out that the city's plan only accounts for a 5.7-foot sea level rise scenario when projections have put that figure at at least one foot higher by 2100. A staff report said that this could result in the plinth serving as an island if sea levels were to ever rise that high.

"It's still possible the beach could be reduced [by wave activity] and the pool could impact access to the beach," said Dani Ziff, a coastal program analyst, who suggested a modified beach path could help ensure access to the shoreline.

A sand replenishment program like the one the city uses to protect the shoreline on the Peninsula could be a solution to future erosion.

The project has been held up for a number of years, including challenges for a litany of reasons including the project's impacts on birds, trees, parking being susceptible to sea-level rise, possible accessibility issues for all city residents and the height of the pool's structures blocking views of the beach.

Two groups of residents filed separate appeals to the project and argued that the project should be located somewhere else, suggesting sites like the Elephant Lot near the convention center Downtown.

"The first principal for development on the beach is that it must be a coastal dependent activity," said Jeff Miller, one of the appellants. "Swimming and diving is not coastal dependent."

Despite the city working to address the issues over the years, some thought that the changes to the proposed plans were still not enough to deal with climate change, and said some changes created new problems.

"Moving the project north won't resolve sea-level nor seismic problems and it creates loss of street parking," said Ann Cantrell, a member of a local activist group Citizens About Responsible Planning.

The original Belmont Plaza Olympic Pool was shuttered in 2013 and demolished the following year because of seismic deficiencies.

Sears and Kmart stores in Los Altos to close as company liquidates holdings



The Kmart near Bellflower Boulevard and Spring Street is slated to close sometime in April. Photo by Brandon Richardson.



The Sears in Long Beach's Los Altos neighborhood was expected to begin closing on Feb. 18 as the retailer's parent company, Transformco, liquidates stores in its holdings.

An employee confirmed on Feb. 15 that the store would begin closing, just days after the company posted listings for temporary positions to close the store. The Long Beach location, at 2100 Bell-flower Blvd., is one of five new closures added to Transformco's growing list of closures that includes Sears and Kmart stores.

Transformco, which acquired Sears Holdings in 2019, holds the rights to remaining Sears and Kmarts in the country. Earlier this month it was reported that the last Kmart in Long Beach, located about a mile north of the Los Altos Sears, was also headed toward liquidation.

Similar postings for temporary positions



The Sears in the Los Altos shopping center is closing. Photo by Brandon Richardson.

preceded the announcement that the Kmart was closing earlier this month.

Forbes first reported on the closing of the Long Beach location, as well as the five other Sears stores that were made public. It adds to the 11 Sears stores Transformco slated for closure just two weeks ago. Stores in Illinois, Massachusetts, Louisiana and Colorado were also reported to be closing.

The store in Long Beach was formerly a Broadway department store and was converted into a Sears in 1995 when the new owner of Broadway Stores turned nearly 50 of its stores into Macy's and Sears locations, according to the Los Angeles Times.

The Long Beach Sears became the 31st location in the Los Angeles metro area, but after decades of decline and waves of store closures, the Long Beach location is the latest victim of liquidation.

There are now less than 30 Sears left in the country.

Transformco did not respond to a request for comment.



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Belmont Shore shuttle project put in park by sagging meter revenue

■ By JASON RUIZ Staff Reporter

A proposed electric shuttle program that would have run along the business corridor from Second Street to Alamitos Bay is on pause after the COVID-19 pandemic has squeezed its main source of funding: parking meters in Belmont Shore.

Parking revenue in the area is down over 50% in the first quarter of the current fiscal year, something that's not expected to pick up soon. The pandemic has been a double gut-punch for the revenue stream: More people are staying home, and the city took away about 70 spaces to make room for parklets to help restaurants make room for outdoor dining.

Parking meter revenue was supposed to pay for the free shuttles that would have connected the bay, Belmont Shore and the retail complex 2nd & PCH, but the sudden sharp decline will not allow for the program to go forward at this time, according to a recent city memo.

Matt Peterson, a business owner in Belmont Shore who chairs the Belmont Shore Parking and Business Improvement Area, said that while parking revenue is down the parklets have been an "extremely necessary" addition to the shopping district for businesses trying to survive the pandemic.

"To me, it's a price well paid to have them in the Shore so restaurants can remain relevant," Peterson said. "I wish we were inside, but we're not."

Peterson said that there is a will among business owners to fund a shuttle, but it would be better from a logistics and liability standpoint for the city to operate it, likely in partnership with Long Beach Transit.

The shuttle could help alleviate a parking crunch in Belmont Shore and bring more foot traffic to a struggling retail district.

Dede Rossi, former head of the Belmont Shore Business Association, said she still supports the project, which has been talked about for years. Rossi, who recently left her position at the association, said that there were weeks where there would be no one walking around Belmont Shore, but she's hopeful that future projects like the shuttle and the return of the Belmont Pool could turn things around.

"Since the pool closed, business has been down for us," Rossi said. "You had people coming down from all parts of town. It really made our area."

The California Coastal Commission approved plans and permits for a new pool on Feb. 11, pushing the project over one of its last remaining hurdles.

Whether future swimmers and shoppers can travel around the area on a free shuttle will likely rely on parking revenue returning to at least pre-pandemic levels but also on Long Beach Transit taking some sort of role in operating the shuttles.

Michael Gold, a spokesperson for Long Beach Transit, said discussions with the city are too preliminary to know what a program like this would cost, but said the agency is interested in being a part of it.

"We've said that if the city wants to

bring transportation programs online that they should really work with Long Beach Transit because we have the expertise," Gold said.

He added that the agency is expected to roll out a new line of smaller all-electric neighborhood buses that will service shorter routes that connect to bigger streets. During that procurement process it looked at other types of vehicles like vans that could be used for shuttle services in the future.

Peterson is hopeful things will turn around. Parking revenue should bounce back after the pandemic, and the ability to have events like the Belmont Shore Christmas Parade, Stroll n' Savor and tenants in the pipeline to fill vacant storefronts should drive more traffic to the district.

He doesn't see the pause on the shuttle project as the end of the discussion.

"I've seen lots of final nails in coffins," Peterson said. "The idea that because we can't afford it right now we're going to give up on this is just silly to me."

Children's Village opens, first patients arriving this week

■ By **BRANDON RICHARDSON** Senior Reporter

Patients and their family members who will utilize the new Cherese Mari Laulhere Children's Village were joined Friday, Feb. 12, by numerous elected officials and hospital staff to celebrate the ribbon cutting at the new facility on the Long Beach Medical Center campus.

Patient Derrick Cervantes, 9, addressed the small crowd and digital viewers virtually during the event, along with his mom Ashley.

"Thank you everyone who has been there for me," Derrick said. "I'm excited to be a part of this new Children's Village."

Derrick was born with gastroschisis, which later led to the development of short bowel syndrome. Due to his condition, Derrick has required treatment from multiple specialists in several areas, including infectious disease, pediatric surgery, endocrinology, gastrointestinal, hematology. Most recently, he's been undergoing a series of weekly iron infusions.

While Derrick and Ashley currently have to make numerous trips to different clinics for care, the opening of the Children's Village—which will house 36 specialties—

marks the beginning of a more convenient treatment regimen moving forward, Ashley said

"We are in Long Beach quite often," she said. "We have watched this vision of the Children's Village become a reality ... as we passed by weekly with excitement."

The four-story, 80,000-square-foot outpatient facility began seeing patients on Monday, hospital officials announced. Inpatient care will continue to be based in the main Miller Children's & Women's Hospital building.

Every year, Miller Children's cares for more than 65,000 children through more than 84,000 visits, and having to travel to multiple offices for necessary care can take a toll on patients and their families, hospital officials said.

The Children's Village includes 67 exam rooms, one blood-draw station and one specialty lab for the hematology and oncology patient care area. Each floor has a shared workspace for staff and a small number of private offices for managers.

The facility also includes multiple indoor and outdoor gyms for various age groups, so teenagers are not working out in the same space as toddlers, said clinical operations manager Mary Jorgensen, who has worked



Chris Laulhere, a key donor to the Children's Village project, cuts the ceremonial ribbon Friday, Feb. 12, 2021. Chief Nursing Officer Susan Herman, left, Miller Children's & Women's Hospital CEO John Bishop, center, and Chief Medical Officer Dr. Graham Tse, look on. Photo by Brandon Richardson.

at the hospital for 41 years. Jorgensen said the facility is different from most hospitals and medical offices because of the input taken into consideration during the design phase.

"Most of the time, we put in a building and we make it work. But we helped design this one," she said, noting that it was not only hospital staff that gave input. "It's by families for families—they were involved in every step of the process, too."

Many of the rooms throughout the facility feature sliding barn doors as opposed to traditional doors, a feature suggested by Maria Andrade, whose son Elias will be a patient in the new facility. Elias used to be confined to a wheelchair and Maria noted that trying to hold open a door and maneuver a wheelchair through is not an easy task.

The new hospital also includes a family resource center, daycare for patients' siblings and lactation rooms, all at the recommendation of families.

During virtual comments, Long Beach Mayor Robert Garcia said the facility is an "amazing contribution to the community, region and state." Assemblywoman Cottie Petrie-Norris said the Children's Village is going to be a "tremendous blessing and a tremendous resource for the children and families of our community."

Congressman Alan Lowenthal, State Sen. Lena Gonzalez, Assemblyman Patrick O'Donnell and California Assembly Speaker Anthony Rendon also gave virtual remarks during the ceremony.

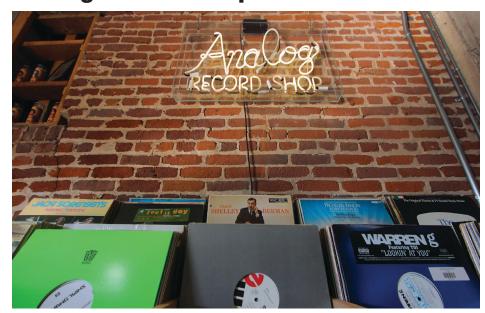
Cherese Mari Laulhere, for whom the facility is named, died in 1996 while abroad for a semester at sea program. In the years since, her parents, Chris and Larry, have donated money in her name to various projects and organizations to the benefit of the Long Beach community. The Laulhere family was a key donor to the Children's Village.

"[During her travels], she was especially touched by the children of the orphanages and talked about wanting to actually have an orphanage for children someday," Chris said of her daughter. "When we first learned about the Children's Village, I knew in my heart that it had to be Cherese's village so she would be able to help thousands of children every year."



Derrick Cervantes, 9, and his mom Ashley spoke virtually during the ribbon cutting ceremony for the Cherese Mari Laulhere Children's Village medical facility Friday, Feb. 12, 2021. Derrick will be a patient at the facility in the coming weeks. Screenshot.

Analog Record Shop—a retail store turned filming hotspot—closes permanently



Analog Record Shop in Long Beach closed its doors for good. Photo by Brandon Richardson.



Long Beach has an assortment of record stores—some that specialize in certain vinyl such as Toxic Toast's Japanese imports and others that cater to a broader clientele such as Fingerprints. But only one record store stopped selling records after becoming a hotspot for commercial filming. Now that space, Analog Record Shop, has closed for good.

Alex Forsythe opened Analog at 1322 Coronado Ave. in August 2018. It was his third record store but his first in Long Beach. He first got into the record business in 2012 when he opened the original Analog in Costa Mesa. Next, he opened up shop in Tustin. He went on to close Costa Mesa a few years later to open in Long Beach, where he had previously lived for nine years.

"I got into the business kind of impulsively," Forsythe said, noting he had worked in retail through most of his 20s. "My dad grew me up on records—he still has a huge collection. And I've been a musician my whole life."

Forsythe originally opened his Costa Mesa store selling instruments and accessories such as guitar pedals. He had a small record section that did well, so he abandoned the instruments in favor of the reemerging audio format.

While his Tustin store has a heavy emphasis on rock, jazz and blues, the Long Beach shop featured many local artists, hiphop, punk and metal genres, along with indie rock. Having played in a number of Long

Beach bands over the years, including, most prominently, Repeater, the local aspect was important to Forsythe.

"Long Beach has a great arts community," he said. "There were already a lot of record stores but I know that people just love music in this town."

Retail sales at Analog Long Beach were plugging along through 2019 but as the year passed, Forsythe said requests to use his vintage sonic haven for commercial filming and photoshoots became a frequent occurrence.

Some photoshoots and commercial projects would close Analog to customers for a full day or longer, paying more than the store would normally make on record sales. Brands such as Ford, Subaru, Amazon and PacSun, to name a few, have filmed in the space, Forsythe said.

With the photo and film business booming, in January 2020, Forsythe made the decision to shut down the retail aspect of his store and focus solely on being an event space for rent.

"I was just going with the flow," Forsythe said. "I had every intention of being a regular retail record shop but lots of people were wanting to shoot."

Unfortunately, as with everything else in 2020, Forsythe's new business model was flipped upside down when the pandemic set in. With COVID-19 dominating headlines, Forsythe said the marketing industry dried up for him. Many companies pivoted their marketing to incorporate health and safety, putting the relaxed, record store vibe on the back burner.

Month after month, Analog sat, ready



A wall of posters at the now-closed Analog Record Shop in Long Beach. Photo by Brandon Richardson.



Thousands of records were sold for \$1 during Analog Record Shop's closing sale. Photo by Brandon Richardson.

for its closeup but devoid of people. Converting the store back to retail was out of the question due to the funds it would take. Ultimately, Forsythe decided it was time to shutter the shop permanently.

Last week, Forsythe held a "closing sale," selling everything from thousands of \$1 records to posters to broken and tattered audio equipment to furniture to fixtures. Everything had to go, Forsythe said, noting that he has no space in his Tustin store to absorb the inventory, furniture or equipment.

For now, Forsythe is going to focus on his Tustin location but said he could see himself coming back to Long Beach to open another business in the future.

"I don't know about doing another record shop. There are so many good record shops in Long Beach," Forsythe said. "I think if I focused on more of the audio stuff, I could see myself going back into Long Beach down the road for sure. Long Beach is my home, I love the area a lot."

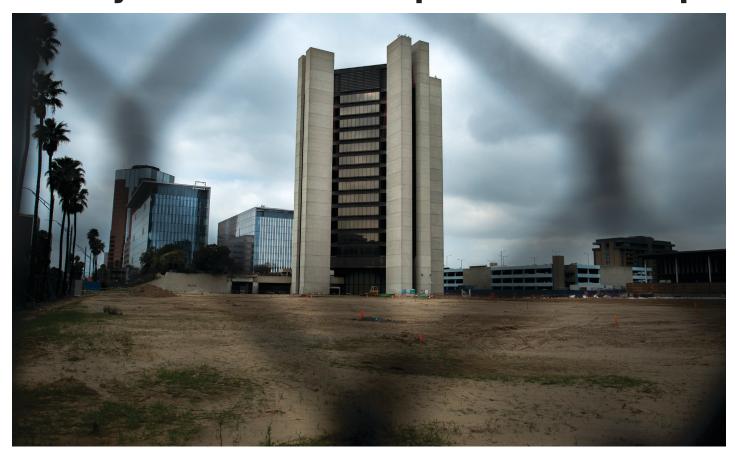
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Old City Hall demolition expected to be complete by next year



The old Long Beach City Hall stands in an otherwise empty lot, the future home of the new Lincoln Park. The building is expected to be demolished by next year. Photo by Thomas R. Cordova.

■ By JASON RUIZ Staff Reporter

The complete demolition of the old City Hall building could take until early 2022 as the city's overhaul of its civic center continues to navigate through setbacks.

The City Council approved an amendment to its contract with Plenary Properties Long Beach, LLC Feb. 16 to speed up the tear-down of the old building as Plenary works to complete construction of the new Lincoln Park,

and find a new partner to develop the "Mid-block" site where the old City Hall is located.

While the park is expected to be completed by the end of 2021 "barring any unforeseen delays," the demolition of the old City Hall building could stretch into 2022, according to Jennifer Carey, a spokeswoman for the city's public works department.

Demolition work on the building could begin in the next few months and would likely be a drawn out process like the one the city undertook to clear

the old courthouse so the new port and City Hall structures could be built.

"A controlled demolition is preferred as it not only addresses any hazardous material concerns but allows for the building materials to be properly sorted and recycled or disposed of properly," Carey said.

A plan to develop the mid-block site into a mixed-use residential housing development with 580 units was approved, delayed and then eventually put on hold after the developer pulled out of the project in July.

Carey said Texas-based JPI Development was unable to find funding due to the pandemic but Plenary is in contract negotiations with another firm to move the project forward.

Christopher Koontz, deputy director of Long Beach Development Services told the Long Beach Business Journal in July that the new developer would be building the project under the plans that JPI abandoned. The residential development could take until 2023 to complete.

The decision to tear down the old building with no imminent construction plans comes as the old City Hall building, still under city control, has become a public safety issue, according to a city memo.

A memo sent to the City Council this month said the building is regularly vandalized and building codes will require utilities to be reconnected to the old City Hall if it's not demolished, which will create a "significant" cost that the city has not budgeted for. Vacant buildings are still required to meet certain standards under the city's municipal code.

Demolition of the building was originally expected to be completed nine months after the city relocated to the new building in July 2019. Lincoln Park was originally scheduled to open in November.

The city will pay up to \$1 million of the \$8 million the demolition is expected to cost. But instead of paying Plenary up front, the city's share will be deducted from money Plenary owes the city once it sells the mid-block site.

Plenary will owe the city about \$6.3 million after it sells the mid-block site to a developer.

Eunice Sato, the first woman to serve as mayor of Long Beach, dies at 99

■ By **TIM GROBATY** Columnist

Eunice Noda Sato, who served as the first female mayor and first Asian American mayor of Long Beach from 1980 to 1982, died at her home in Long Beach Friday, Feb. 12. She was 99.

The daughter of Japanese parents Bunsaku and Sawa Maeda Noda, Sato was also the first Asian American woman to serve as mayor of any major American city.

Sato grew up in the town of Livingston east of the San Francisco Bay. While in school at Modesto Junior College, she and her parents and siblings fled the Bay Area when the government began interning Japanese immigrants in camps. The family moved to Colorado to live with relatives.

Sato continued her education at the University of Northern Colorado and later earned her master's degree from Columbia University. As a teacher, she worked in Michigan and then spent three years as a missionary teaching English in Yokohama, Japan.

In 1950, she married Thomas Takahashi Sato. The couple had a daughter, Charlotte, and twin sons, Daniel and Douglas, before moving to Long Beach in 1956.

An active Republican, Sato worked in support of the party, while keeping involved with her children's schools, PTA's and serving as president of the Long Beach Council of Churches.

Though she had said she had no interest in running for office, Sato nevertheless ran for City Council and was elected in 1975. She served on the council until 1986, including the two years when she was mayor, which was a part time appointed post at the time.

Her death is "terrible news for the city," said Mayor Robert Garcia. "She really loved Long Beach and had a huge

personality. People should know that she broke barriers, especially for Asian Americans and women. Our love and prayers are with her family."

Former Long Beach Mayor Bob Foster described the 4-foot, 10-inch Sato as gruff and straightforward. "She was very honest," he said. "She said what she thought and damn the consequences.

"I really began to know her when I was running for mayor and trying to get her endorsement," said Foster. "We set up an interview, and when I got out of there I swear I felt like I'd been through a medical exam. Let's just say she was very thorough."

As mayor, Sato found herself leading a city that was going through some difficult financial times and during her years as mayor she made the decision to focus efforts on Downtown, which had reached a low point in terms of vibrancy and visitors.

City officials decided to focus on the heart of the city. Sato was mayor in 1982 when the Long Beach Plaza shopping center was built and opened and, while the Plaza eventually was razed in 2000, she had said that it had served its purpose in terms of bolstering business in Downtown.

After leaving council, Sato continued working on conservative causes. Gov. George Deukmejian appointed her to three state commissions and President George H.W. Bush appointed her to the National Advisory Council on Educational Research in 1991.

In 2015, Sato was honored by the naming of a new high school in East Long Beach, when Hill Middle School became the Sato Academy of Math and Sciences

There will be a private service for the family. \blacksquare

East Village dog salon closes its doors amid a number of challenges

■ By KATE KARP Staff Reporter

On Feb. 17, pet groomer Abigail Gibson picked up her clippers, dryers, blueberry-infused facial concoction, and all the little buttons and bows she adorned her furry little customers with and closed the door to her salon for the last time.

Pawsitively Long Beach, located in the East Village Arts District at 254 Elm Ave., is Long Beach's latest small-business casualty, pushed out of existence due to a combination of reasons.

Gibson, who began her professional grooming career in Long Beach eight years ago, at Soggy Dog Pet Grooming, opened Pawsitively Long Beach in 2015, taking along a good number of her appreciative clients.

"These are my core, my OGs [original guys]," Gibson said.

Pawsitively Long Beach's quality of service and personal treatment of her clients' pets won the salon a number of awards from media outlets.

Her community of loyal clients has expressed sadness and disappointment at the business' closure but also are wishing her well

"I have always admired Abby for opening her business at a young age and have loved being able to support them," said Pamala Machado, whose dog, Sookie had been kept "soft and fluffy" since Pawsitively opened. "I wish Abby all the best!"

In addition to providing personal service to pets, the salon has hosted fundraisers to benefit organizations like the Animal Resource Team, a nonprofit dedicated to giving pet owners access to resources to keep their animals in their homes instead of being relinquished to shelters. Pawsitively Long Beach also donated funds and barrels of dog food to a San Fernando Valley Shelter during the Woolsey Fire in 2018.

"I'm from up there—I know a lot of people that were impacted by the fire," Gibson said. "Even my parents were affected."

A snowball of circumstances led Gibson to close her salon. One was her parents' health. Gibson has been commuting to work from Norco since May 2020 to care for her parents, both of whom are disabled. Her father, moreover, is terminally ill.

"I went up there [to Norco] originally to sit out quarantine with them, and then it became clear to me that they needed help," Gibson said. "My apartment wasn't working out for me, so I gave it up and moved there permanently."

The pandemic, the city's response to her concerns, and an unsatisfactory relationship with the business' landlord added to the stress, making it intolerable for Gibson to continue working. When COVID-19 hit, the salon closed in March and remained shut until May. Once Gibson reopened, she said that she repeatedly had to close down.

"Anytime we were told to shut down, I shut down. I couldn't take the chance of a family member getting sick, and hurting a business is not worth it, either," she said. "And it just got harder and harder—it did a number on me."

Pawsitively's final reopening was on Feb. 1. Gibson, though, was on overload.

"We had just gotten open this month, and I was crying on my way to work because I didn't want to deal with it anymore," she said.

Gibson has no idea what she'll be doing during the next stage of her life, but she seems to have swept aside her concerns along with the dog hair.

"This is the first time in my life I don't know what I'll be doing, but I'm OK with it—I know I'll figure it out," she said. "I can go back to school and hopefully can start homesteading and live sustainably. Norco is my stepping stone to that."

Gibson and her partner already have chickens and a working dog, a Great Pyrenees named Lyra.

Gibson will keep the business's Facebook page active, and she welcomes clients to come out to Norco to get their pets groomed.

"The one good thing I will say is that the people of Long Beach have been nothing but supportive," Gibson said. "They love their pets and are passionate about animals. That's the one thing I'm most grateful for—people and their pets."



East Village Arts District pet groomers Pawsitively closed permanently Wednesday, Feb. 17, 2021. Photo by Thomas R. Cordova.

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Virgin Orbit's LauncherOne rocket—carrying a payload of 10 small satellites—deploys from Cosmic Girl, the company's modified 747, Jan. 17, 2021. Photo courtesy of Virgin Orbit.

LB aerospace reinvigorated

(Continued from Page 1)

ly desirable for tech companies. Long Beach, with a university of its own and its rich aerospace history, is an ideal location for these up-and-coming companies. Also, industrial real estate is virtually nonexistent across the county, particularly in the South Bay area, so the redevelopment of Douglas Park was able to draw in many companies looking to expand.

"I'm proud to see the growth that our aerospace, rocket and satellite industry has had over the last several years in Long Beach," Long Beach Mayor Robert Garcia said. "There's no doubt that investment in supporting this industry in the months and years ahead will help us strengthen and build back the Long Beach and regional economy."

Here is a look at four innovative aerospace operations that now call Long Beach home.

Virgin Orbit

In 2015, Virgin Galactic—the human spaceflight and transportation arm of Sir Richard Branson's empire—moved into its new home in one of the first phases of Douglas

Park Development. In 2017, the Long Beach facility transitioned to become the home of Virgin Orbit, a new branch of the company dedicated to a new method of launching smallsats into orbit.

Virgin Galactic continues its operations outside of Long Beach.

While most rockets launch from a stationary ground platform, the Virgin Orbit team has developed a method similar to military aircraft weapons systems: The company mounts its 70-square-foot LauncherOne rocket under the wing of the firm's Boeing 747 jet, aptly named Cosmic Girl. When the plane reaches 35,000 feet, LauncherOne is deployed, propelling itself through the Earth's atmosphere to deliver its smallsat payload.

The company's first launch attempt on Memorial Day last year failed because of a breach in a high-pressure line carrying cryogenic liquid oxygen, causing the engine to stop providing thrust. But Virgin Orbits' second attempt was another story.

"It was unbelievable," President and Chief Executive Dan Hart said in an interview. "Absolutely superb."

Cosmic Girl's second mission was not merely a test flight, Hart said. After much discussion with NASA, the company upped the mission's ante and put a 10-satellite payload into its LauncherOne system.

"Scientists and students had spent years developing these satellites, so the sense of responsibility was pretty heavy on the team," Hart said. "It was a lot of work—long hours, solving lots of problems along the way. But as the flight works out, knowing we are traveling somewhere, getting to space, it's an incredible combination of fatigue and euphoria.

"When we released all 10 satellites in perfect orbit, everyone on the team had this incredible grin on these tired faces," Hart added. "It was really beautiful to behold."

With the successful launch and delivery of multiple satellites, Virgin Orbit is pushing forward, Hart said. The company has three more flights slated for 2021 and Hart said he expects to double the number of missions in 2022.

Depending on demand, Hart said Virgin Orbit's current capability is about 20 launches per year, which is only hampered by manufacturing limitations. If demand were to exceed those limitations, Hart said, the company could tap into other resources to "easily" double production. Other



than manufacturing limitations, the only other cap on LauncherOne missions is the number of times a 747 can take off each year, Hart said.

In a Jan. 18 tweet, Former Assistant Secretary of the U.S. Air Force Will Roper said the Virgin Orbit technology is "the satellite equivalent of keeping an ace up your sleeve."

"This is a big disruptor—and hopefully a deterrent—for future space conflicts," he tweeted.

Virgin Orbit has a wide array of contracts with various missions attached to each. The Department of Defense, NASA, the Royal Netherlands Air Force, a consortium of Polish universities and numerous other public and private organizations have all signed on with Virgin Orbit, Hart said.

Most of the company's contracts are for missions to deliver payloads into Earth's orbit, Hart explained. But the firm is working with one group on a potential mission to Mars and has had some discussions about a Venus mission, he said.

When Virgin Orbit was first established in Long Beach, the company had about 230 employees in one building. Since then, the firm has expanded into a second building and boasts more than 500 employees.

"Long Beach has been an aerospace center for many years," Hart said of the company's decision to be based in the city. "There is such talent. We have brought in a number of people right out of school or early in their career. And it's wonderfully diverse, energetic, creative and youthful. It's a unique place to live."

SpinLaunch

One Long Beach aerospace company is pioneering a new method of smallsat ground launch that would literally hurl its payload into space using kinetic energy. Founded in 2014 by Chief Executive Jonathan Yaney in Sunnyvale, the company is developing a ground-based launch system that uses a large electrical mass accelerator to provide the initial thrust,



Virgin Orbit's LauncherOne attached to the company's modified Boeing 747 prior to its first successful mission in January 2021. Photo courtesy of Virgin Orbit.

propelling smallsats into orbit at hypersonic speeds.

SpinLaunch relocated its headquarters to Long Beach in January 2019, where it took over a new 140,000-square-foot industrial and office building with about 30 employees and grand plans.

"Long Beach has become an important hub for ... aerospace, innovation," Yaney said, noting that the move has allowed him to expand his company in a region where industrial real estate is hard to come by.

Over the last two years, thanks to various investors and funding sources, including a recent \$45 million contract with the Department of Defense for a prototype, Yaney said SpinLaunch has quadrupled its staff as it pushes forward with development

Yaney said his team has made strides in technology development and advancement of its launch facilities over the last year. While not ready to share details of its progress, Yaney said the company will soon be announcing milestones associated with its Spaceport America-based suborbital launch platform.

Aside from the ability to expand, Yaney said he was drawn to Long Beach because of the area's work pool, Douglas Park's proximity to Long Beach Airport and walkable amenities such as dining and shopping.

"[The city] has historically played a key role in Southern California's history of aviation and aerospace and is experiencing a rebirth with New Space," Yaney said of the industry's recent commercialisation after years of governmental monopoly.

Rocket Lab

Long Beach's most seasoned rocket manufacturer, Rocket Lab, was founded in 2007 by New Zealand engineer Peter Beck. The aerospace manufacturer became a U.S. company in 2013, setting up its headquarters in Huntington Beach.

But the Orange County beach city was too far removed from prospective employees in Los Angeles County, Beck said, which was a major factor for the company's move to Long Beach at the start of 2020. Additionally, like Virgin and SpinLaunch, the company signed a lease for a brand new building in Douglas Park and was able to build out the interior to their specifications, Beck said.

While Virgin and SpinLaunch are using—or developing—new technol-

ogies to deliver payloads into space, Rocket Lab is using traditional rockets built in Long Beach and launched from land-based pads in Virginia and New Zealand. Combined, both complexes are licensed for up to 130 launches per year.

In 2017, the company launched one rocket. In 2018, three rockets. In 2019, six.

"[We were] on track to maintain that cadence in 2020 before COVID-19 led to statewide and New Zealand national lockdowns, which temporarily halted launch operations," the company said in an email. Still, the company managed seven launches in 2020.

Rocket Launch has 12 launches slated for 2021, including a moon mission for NASA.

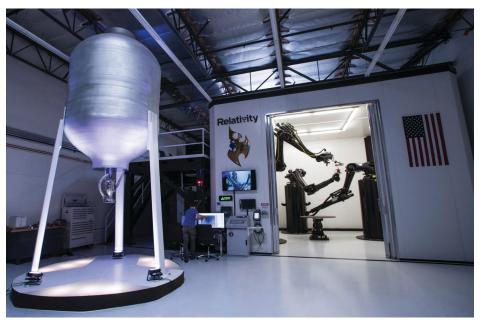
"The only other people who launch more than us are countries," Beck said.

Over the course of 17 missions, Rocket Lab has successfully delivered more than 97 satellites into orbit, Beck said, including the Nov. 19 "Return to Sender" mission, which deployed 29 smallsats.

"We have a private mission to Venus and a bunch of other interplanetary missions that we get to announce soon from various customers," Beck said.

In addition to its successful payload delivery, "Return to Sender" marked Rocket Lab's first attempt at "first stage recovery." After the first stage of rocket flight, a portion of the rocket separates as it enters the second phase. Rocket Lab successfully retrieved the first stage component, which represents a major milestone in making its Electron a reusable rocket

(Please Continue to Page 12)



Stargate is a 3-D printing system developed by Relativity Space used to print 95% of its rockets. The system uses lasers to melt a metal also developed by Relativity into each component. Photo courtesy of Relativity Space.

(Continued from Page 11)

and allows the company to increase launch frequency.

But 2020 wasn't all success for Rocket Lab. In addition to the turbulence brought on by the COVID-19 pandemic, the company's Fourth of July mission that featured payloads from Canon Electronics, among others—and dubbed "Pics or it Didn't Happen"—failed to reach orbit and deliver its payload of seven satellites. A single faulty electrical connection was determined to be the cause of the failure.

Rocket Lab has about 100 production and assembly staff in Long Beach to build its rockets and staff its mission control. But among multiple facilities around the world, the company has 530 employees.

Rocket Lab, unlike the other Long Beach-based companies, has also branched out beyond launches and is producing components for the satellites themselves. The latest addition to the satellite division came in March 2020, when Rocket Lab announced the acquisition of Toronto-based Sinclair Interplanetary.

Relativity Space

The new kid on Long Beach's proverbial space block is Relativity Space, founded in 2015 by Tim Ellis and Jordan Noone in Los Ange-



A section of Rocket Lab's Electron rocket separates as it enters a new phase of its "As the Crow Flies" mission in October 2019. Photo courtesy of

les. Like Rocket Lab, Relativity is in the business of producing traditional rockets used for smallsat deliveries. But while 3-D printing has been used by Rocket Lab and the aerospace industry at large for years in parts production, Relativity has taken it a step

"We're currently building the Terran 1, which is the first entirely 3-D printed rocket," said Caryn Schenewerk, the company's vice president of regulatory and government affairs. "We're building humanity's multi-planetary future."

To print entire rockets, Relativity created Stargate, a system that uses laser beams to melt metal wire and form each component. The wire is made of a metal developed by Relativity

Whereas Virgin Orbit and Rocket Lab's vehicles can carry payloads of smallsats between 500 kg (about 1,100 pounds) and 300 kg (about 660 pounds) respectively, the Terran 1 is capable of delivering payloads of up to 1,250 kg (about 2,756 pounds). The rocket will still be carrying smallsats, but they will be on the larger side of the spectrum, sometimes nearly 500 kg.

Relativity is still in the development phase, with tests of its engines taking place at NASA's Stennis Space Center in Mississippi. The company is constructing its launch site at Cape Canaveral in Florida and is slated for its first launch later this year, which will be a demonstration mission, Scherewerk said.

Schenewerk said Relativity also is working to set up a second launch site at Vandenberg Air Force Base on the West Coast within the next year.

For the next few years, Relativity's missions will remain in the single digits, Schenewerk said. But with the capability of building a vehicle from start to finish in 60 days, she said the company will be positioned to be part of a rapid response launch, a term used by Space Force to describe rapidly deployed craft for various mis-

sions

Sales for Relativity's service have been "robust," Schenewerk said, noting two recent contracts with NASA and global security and aerospace company Lockheed Martin.

The company moved into its new home at Douglas Park last summer, while the pandemic was wreaking havoc on most industries. But most of the company's employees were well equipped to work at home, Schenewerk said, giving the company time to work on the build-out of its new facility and to bring its printers online.

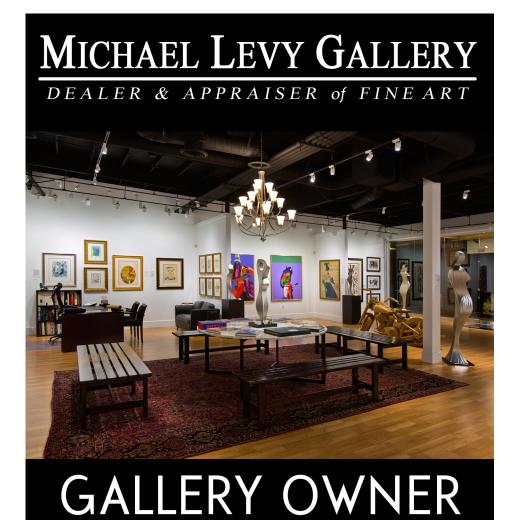
The flexible work environment stemming from the pandemic, Schenewerk said, also has helped the company handle its quickly multiplying growth at its new home.

"We've more than doubled in size in the last year," Schenewerk said, noting that the company has grown from around 100 employees before its move to Long Beach to around 280 now. "We'll be in the 500-employee range by the end of this year is the expectation."

To accommodate its growth, Schenewerk said the company is working with city officials to identify opportunities for expansion within Long Beach but would not disclose any details.

Schenewerk did say that the company is working with Pacific Gateway, Long Beach's workforce development arm, to tap into the area's diversity.

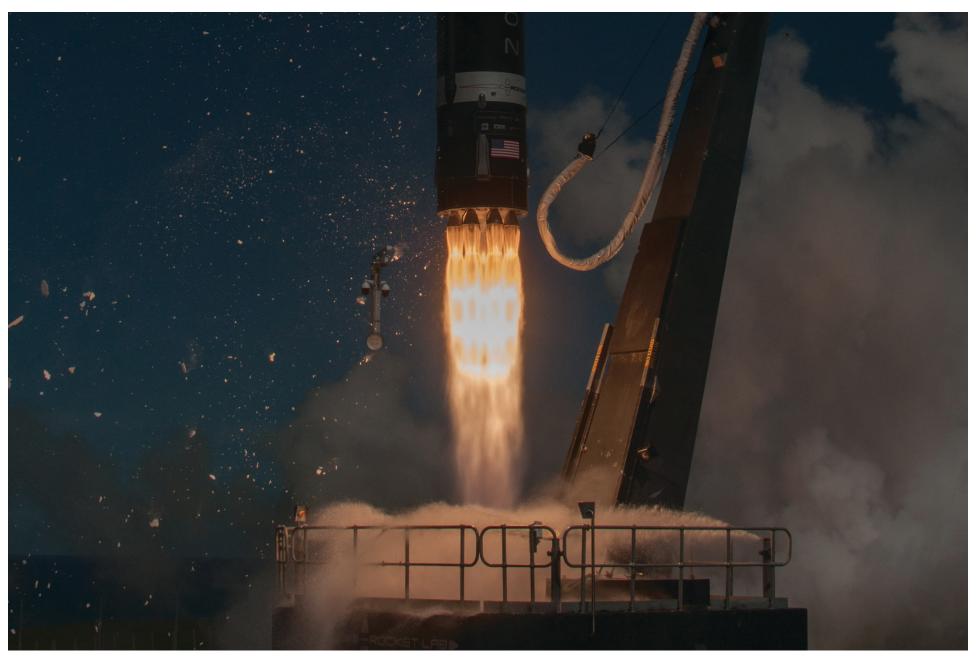
"We're building rockets but we're also trying to build a company that thinks about the inclusive future of aerospace for the workforce that is engaging in these exciting endeavors," she said. "Long Beach has a long history of aerospace and aviation and there is a great opportunity to work with the city to continue that history."



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In spite of pandemic shutdowns, report finds aerospace added jobs this year



Rocket Lab's Electron rocket takes off in New Zealand for the company's "As the Crow Flies" mission in October 2019. Photo by Andrew Burns and Simon Moffatt courtesy of Rocket Lab.

■ By **BRANDON RICHARDSON** Senior Reporter

It's been a tough economic year for just about every business sector, especially in the hospitality-heavy city of Long Beach.

But one of the industries that has emerged unscathed has been aerospace, which managed to add a few thousand jobs between September 2019 and September 2020, according to a February report compiled by the Los Angeles County Economic Development Corporation.

"We're a community that tends to double-down when we have challenges," said Dan Hart, president and CEO of Long Beach-based Virgin Orbit. "We put our heads down and we drive."

Employment in aerospace throughout the Los Angeles basin rose 6% year-over-year, with companies hiring software developers, industrial and aerospace engineers, machinists and mechanical engineers.

The coronavirus pandemic did impact the commercial aerospace industry as flights were limited for much of the year due to stay-at-home orders.

"We did have to redesign how we operate," Hart said, noting that normally bustling mission control rooms were

manned by few people, with others joining in remotely from other rooms and locations. "Pretty much all the rooms had one or two people."

However, the recent report noted, many of the aerospace companies in the Los Angeles area are positioned to focus more on space technology—a chunk of which is funded through government contracts—instead of aircraft production.

Early on in the pandemic, Virgin Orbit and its sister company Virgin Galactic even pivoted their business models to focus on helping produce crucial medical and personal protective equipment, which at the time was in short supply.

"Out engineers started to tinker and we ... decided to take on building a ventilator," Hart said. "A couple months later, we had delivered 600 ventilators to the state of California. A couple weeks after that, we gave the design to outfits in South Africa, South Asia and the Caribbean so they could produce it for their populations."

The Jet Propulsion Laboratory in Pasadena similarly produced a NA-SA-designed COVID-19 ventilator.

Virgin Galactic, meanwhile, began manufacturing face helmets and face shields, Hart said.

Long Beach over the years has made a deliberate push to attract aerospace companies in Douglas Park after companies such as Boeing and Northrop Grumman Corp. relocated to other regions.

The city, fueled by the new additions of Virgin, Rocket Lab, SpinLaunch and Relativity Space in Douglas Park, has positioned itself as a hub for the booming space industry.

The industry across the region initially lost about 1,400 jobs in March and April, but quickly rebounded, adding about 3,000 jobs from May to October, the LACEDC report found.

Relativity Space, for example, nearly tripled its staff from around 100 at the start of 2020 to around 280 as of early February, according to Caryn Schenewerk, the company's vice president of regulatory and government affairs. The newest addition to Long Beach's reemerging aerospace sector, Relativity expects to reach around 500 employees by the end of the year, Schenewerk added

These jobs tend to be higher-paying, too.

While the average county wage is \$67,100 annually, aerospace jobs pay more than \$100,000 on average.

The industry is not extremely diverse

in its workforce, however; it is older, educated men, with a high concentration of White and Asian workers. But at least one company, Relativity Space, is trying to be more inclusive in its hiring, Schenewerk said, noting the company is working with Pacific Gateway, Long Beach's workforce development arm, to tap into the area's diversity.

Industries that cater to a younger more diverse workforce were far harder hit by restrictions put in place to stem the spread of the coronavirus.

The LACEDC report found arts, entertainment and recreation and accomodation and food services were the two hardest-hit industries by the pandemic, losing 39.5% and 28.2% of their workforce, respectively, from September 2019 to September 2020.

More than 25,000 waiters and waitresses alone lost their jobs during that time period, and roughly 55% of all unemployment claims were filed by those under the age of 44.

But while the outlook for hospitality and other service-based industries remains bleak, aerospace firms continue pushing forward.

"There's a huge amount of innovation," Hart said. "By and large, it's a pretty darn exciting time. We're seeing a renaissance happening in orbit."

Less office space, more e-commerce warehouses: Lockdown continues to dictate real estate market



The overall vacancy for office space in Downtown Long Beach increased from 19.5% at the end of 2019 to 22.1% at the end of 2020, according to reports by Cushman & Wakefield. Photo by Brandon Richardson.

■ By ALENA MASCHKE Senior Reporter

Despite the ongoing vaccination effort and subsequent reopenings currently underway in Long Beach, the local real estate market is still operating under the cloud of COVID-19.

The demand for office space is low, as many companies continue their work-from-home policies, in turn driving up demand in the residential market as stuck-at-home workers grow tired of the four walls they've been surrounded by for almost a year or require more room for a home office.

As those stuck at home order apparel, tech gadgets and even groceries online, an uptick in e-commerce has kept the industrial sector flourishing, while the rest of the commercial real estate market has suffered.

Industrial

The industrial sector is "the darling in the market right now," said Robert Garey, senior director at Cushman & Wakefield in Long Beach.

Vacancy rates in the South Bay and ports region are still at record lows, despite a slight uptick over the past year, with Lee & Associates reporting a vacancy rate of only 1.7% for the last quarter of 2020.

Most companies leasing industrial spaces have remained in operation throughout the pandemic, with some experiencing significant growth as a result of the e-commerce boom.

"The vitality of the tenants is by far the strongest," said John Eddy, executive vice president at Coldwell Banker Commercial BLAIR WESTMAC. "Many have actually flourished."

But, Eddy pointed out, there's a cap on growth in this subsector in the Long Beach area because of the scarcity of land on which new industrial property can be developed.

"The South Bay is really hamstrung from a growth standpoint," Eddy said.

The limited inventory and high demand for warehouses, distribution centers and other industrial properties near the nation's largest port complex has kept vacancies low and demand high, experts say.

Retail

The yin to industrial real estate's yang is found in the retail sector, where a move to online shopping and mandated closures has many businesses struggling—causing more inventory to come online and less demand to absorb it.

"The transaction flow is pretty darn anemic for now," said Toliver Morris, CEO of William Morris Commercial, which holds over 500,000 listings in the Long Beach area.

But the reopening of outdoor dining and the upcoming spring and summer seasons provide a glimmer of hope that is reflected in a slight uptick in inquiries for restaurant spaces, Morris said.

"We're starting to see sprouts," he said.

The growth, he noted, will likely happen in properties that are already set up for gastronomy use, many of which have become vacant as the economic pressure of the pandemic became too much for their previous occupants to bear.

"Existing infrastructure spaces are getting lots of attention," Morris said. Spaces that need a lot of upfront investment—not so much.

"The savvy restaurateurs have had a rough year," he noted. "They're dealing with their existing locations."

Instead, the market offers opportunities for those hoping to try out new concepts, without putting up the money to build out a restaurant from scratch.

The site of the now-shuttered Rock Bottom Brewery as well as the former Burger-IM location in Downtown Long Beach are examples of sites that have generated some interest, according to Morris.

Because of the sheer volume of small retail spaces—many of them owned by independent landlords—it's difficult to find comprehensive data on the status of the retail real estate market in Long Beach, Morris said.

According to Colliers' reports on the retail real estate market in the Los Angeles basin, vacancy rates saw the widest increases of the past three years during the pandemic, reaching a 6.2% vacancy rate for the Greater LA region in the second quarter of 2020.

Since then, vacancy rates have slowly decreased again, coming in at 5.9% in the

third quarter of the year, the last published by the real estate brokerage and investment management firm.

Brick-and-mortar, non-restaurant retail will remain in a tough spot, as it has been for years, Morris projected.

"It's difficult for the small retailers to succeed right now," he said. "Some of these guys—they just got absorbed by the internet."

Office

The future of office space, another problem child of the commercial real estate market during the pandemic, remains uncertain.

For the time being, the numbers reflect a fear among companies to commit to additional office space in Downtown and suburban Long Beach.

Lease rates have remained stable at \$2.52 and \$2.61 per square foot, with landlords offering other perks such as rent-free months or improvement allowances instead of lowering the asking rent, according to Dave Smith, senior vice president at CBRE's South Bay office.

Net absorption for both Long Beach submarkets, however, reflects the low interest in office space at the moment. Both the downtown and suburban market have seen negative net absorption last quarter, at -8,924 and -26,866, respectively, according to CBRE.

How this submarket will fare in the future will depend largely on whether companies will continue remote work policies beyond the restrictions of the pandemic.

"Those who have found that they no longer need a traditional office space are looking to either downsize or get rid of their office space," Eddy said.

Further, many companies have spent significant amounts of money to make sure their employees were equipped with the right technology and furniture to work from home. "They're invested in the home office now," he added.

Garey, of Cushman & Wakefield, projected that the office market will bounce back, albeit with some changes. "I don't think that office is dead," he said.

But, companies are likely to reimagine and possibly cut down on their office space, turning it into a space where company culture is created, maintained and passed on, Garey said.

"Companies have cultures and those cultures need to be nourished," he said, something that will be especially relevant for new hires. "You can't learn the culture working remotely."

Residential

Whether remote working arrangements prevail on a large scale will also have an impact on the residential real estate market, said Phil Jones, managing partner at Coldwell Banker Coastal Alliance.

Some homebuyers, with the anticipation of working from home moving forward, have set their sights toward the mountain ranges and beyond. More affordable markets outside of LA County, where single-family homes currently fetch an average price of \$709,500 according to the California Association of Realtors, have become even more attractive to buyers as a result of the pandemic

"People being sheltered at home, working from home, realized that the home wasn't enough for them," Jones said. In search of a better deal, some are heading east, to the Inland Empire for example. "You'll start seeing a flight to more affordable housing areas, out of the coastal cities," Jones said.

But the sheer lack of inventory means the local market for single-family homes has remained as hot as ever, with a single listing attracting as many as 20-30 offers, Jones said. As of Feb. 15, there were 247 single-family homes and 250 condominiums on the market in Long Beach, a number that is subject to fast-paced change, as the average home currently spends only 10 days on the market.

The year-over-year development in home prices reported by the state's Realtors association is equally indicative of demand—buyers in December 2020 paid an average 10.6% more for their home than they did the previous year.

And high prices didn't slow down sales in LA County either—or anywhere in Southern California. Sales in the LA area were up 30.5% year-over-year, second only to the 39% increase in home sales in Riverside County.

The competitiveness of the market favors wealthier buyers who are able to make concessions, such as allowing the previous owner to stay in the home rent-free for a while or waiving appraisals meant to protect their financial interests.

"It's that competitive," Jones said. "It's not a buyer's market by any stretch of the imagination."



Trucks navigate the narrow streets of Long Beach's industrial Westside near the port, Thursday, Feb. 18, 2021. Photo by Thomas R. Cordova.

Ed Killingsworth on the beach: Home he designed on the Peninsula is on the market for \$5.179 million

■ By **TIM GROBATY** Columnist

A two-story beach house at 2 Laguna Place on the Peninsula is on the market for the second time since world-renowned Long Beach architect Edward Killingsworth designed it in 1956 for its original owners, Dr. Thomas Kiddie and his wife Mary.

The listing tag of \$5.18 million puts the house in the pricing stratosphere of Long Beach homes. Currently, there are just two other homes listed at a higher figure: An Alamitos Bay-front five-bedroom, five-bath at 5565 Naples Canal, for \$5.7 million, and another Peninsula home, a four-bedroom, seven-bath oceanfront home on the boardwalk at 5601 E. Seaside Walk for \$5.199 million.

The Kiddie family got its money's worth out of the house over the decades. Thomas Kiddie was a pathologist at St. Mary Hospital and both he and his wife were championship anglers. He was president of the Southern California Tuna Club as well as president of the Long Beach Medical Association. Together they raised two boys and two girls in the beachfront home. Thomas died in 1994, but the house remained as the center for family get-togethers for another 23 years, when Mary died at home, surrounded by her children, as the sun and the year were setting, on Dec. 30, 2017.

Five months later, in May 2018, the home was purchased, still in its original Killing-



This upgraded Edward Killingsworth-designed home on the Peninsula is at the top end of the market, listed at \$5.179 million. Listing photo courtesy of Keith Muirhead.

sworth design, for \$2.6 million.

According to listing agent Keith Muirhead, the new owners spent at least \$1 million on remodeling the house, transforming it from a homey, family beach house into something a few levels more glamorous and upscale.

There are still major Killingsworth features, including the generous use of glass, his floating stairs, the nice touches of Catalina Island-quarried stone that gives it a solid mid-century look, as do the post-and-beam ceilings, a Killingsworth/Mid-Modern sig-

nature.

The landscaping isn't as graceful as Killingsworth generally preferred, but perhaps the eternal expanse of the Pacific visible throughout the house was more than enough for the architect who invariably integrated the inside of his houses with the outside environment.

The sellers have obviously put a lot of money into the house, with new window trimming, a kitchen with top-dollar appliances and modernized bathrooms.

The home retains its wide-open layouts

on both floors, with the top floor designed around an open-air courtyard patio. The master suite features sliding doors to the outdoor patio, wood ceilings, built-in wardrobe closets and a master bathroom with vanity, dual sinks, and a separate bathtub and walkin shower.

The home also has an elevator and a two-car garage.

The upgrades, coupled with the home's setting, makes it one of the most opulent properties in town right now, though it might not fly off the shelf at \$5-million-plus. "Once you get over the \$5 million mark, you're separating the men from the boys," Realtor Muirhead admits. "You need a lot of millions."

The home, as it stands now, isn't so much an authentic Killingsworth as it is a home inspired by Killingsworth. He wasn't an architect who thought too highly of people monkeying around with his original plans, and when a home he designed was significantly, or oftentimes insignificantly, altered, it was generally dead to him and he wrote it off as a child gone hopelessly bad, leaving him both broken-hearted and resigned to the loss.

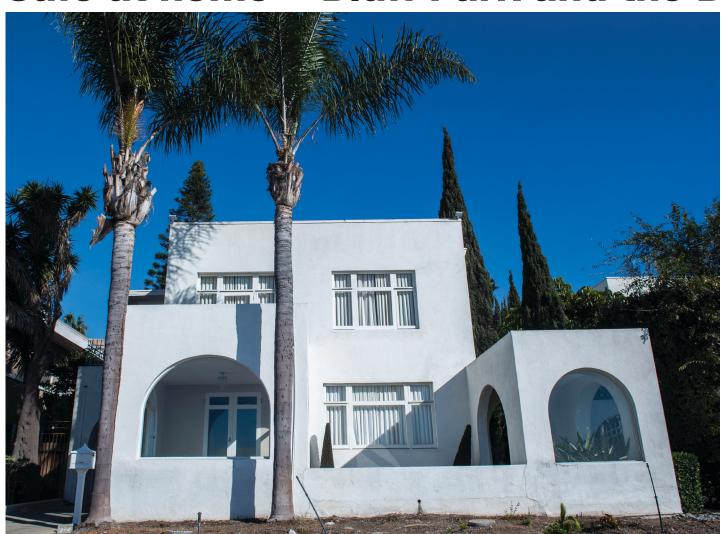
Which isn't to say there's anything wrong with the house—and for many people's taste it's vastly improved and perhaps warrants its price tag.

It's a gem if you're looking for the ultimate beach pad, but if you're a Killingsworth purist, wait around for one of the other couple dozen Long Beach homes that he's designed to come on the market.





Safe at home—Bluff Park and the Beans House



An Irving Gill-designed Modern home on Ocean Boulevard in Bluff Park Historic District. Photo by Thomas R. Cordova.

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■ By TIM GROBATY Columnist

Home buyers who can afford to live in the pricier parts of town mostly flock to the coastal areas in the southeast part of town: the canals of Naples, the beachfront homes of the Peninsula, or they're drawn to the quieter eucalyptus-lined estates of Los Cerritos' Country Club Drive. Those with more of a taste for mid-century luxury a few notches above the Cliff May homes in East Long Beach will always show high interest in Park Estates.

But sometimes overlooked by people willing to write a million-dollar check or more for a house is Bluff Park, the original high-dollar neighborhood

of Long Beach that was annexed by the city in 1906 and is the city's second neighborhood to be designated as a historic district.

The area runs along Ocean Boulevard between Loma and Junipero avenues, with Broadway as its northern boundary.

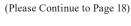
Naturally, the homes on Ocean are in some ways the most desirable, with unimpeded views of the Pacific thanks to Bluff Park itself, which runs along the entire length of the district on the south side of Ocean. But First Street (formerly Park Boulevard), too, is lined with what could be considered more beautiful homes laid out along an extra-wide street with little traffic and quite noticeably quieter than the boulevard just one block to its south.

The homes in Bluff Park are predominately Craftsman, though the whole range of architecture can be found, from Tudor and Spanish Revival to Cape Cod and Mediterranean, to Mid-Century and Modernist and Post-Modernist.

Bluff Park is where the city's early wealthy residents, as well as monied people from Los Angeles and Pasadena, chose to make their home or summer cottage: Members of the Buffum's family (including Dorothy Buffum, later Dorothy Buffum Chandler), Gov. Frank Merriam, oilman A.T. Jergins and heiress Elizabeth Millbank Ander-

Anderson, who split her time between Long Beach and New York, built a home on the south side of Ocean at Kennebec in 1912 for the ungodly sum of \$100,000. The 15-room Craftsman would later become the Long Beach Museum of Art.

Early filmmakers and stars became enamored of Bluff Park, and bought or rented the homes along Ocean. Among them were the Horkheimer brothers, who ran Balboa Studios, and stars Roscoe "Fatty" Arbuckle and Theda Bara. W.C. Fields rented the "Weathering Heights" home at 3065 Ocean Blvd. for about a dozen years in the 1930s, and





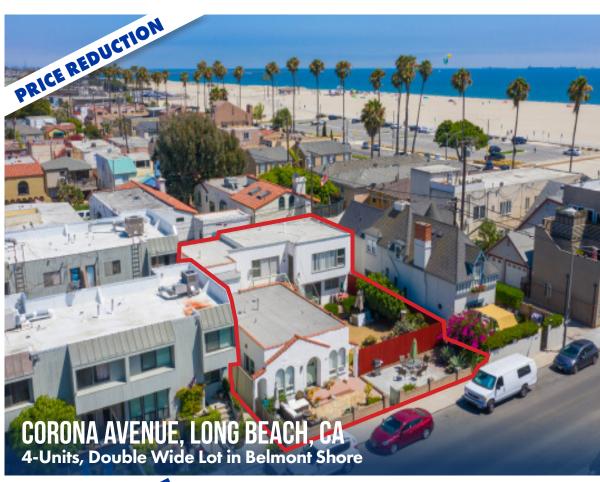
The Long Beach Museum of Art is the former home of heiress Elizabeth Millbank Anderson. Photo by Thomas R, Cordova.

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Brianna Porter-Hoops, Realtor Compass

With her B.S. in Interior design, infatuation with homes, the beach and warm weather; Brianna started her career as

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Realty One Group Diamond Isadora serves Long Beach as a top producing agent with Realty One Group Diamond, and her passion for helping people achieve their home ownership

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quickly became a force in Long Beach commercial real estate. Throughout her more than 30 years in commercial real estate, Ms. Blair has represented thousands of clients in sales and leases. cbcblair.com

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Coldwell Banker Commercial Blair Westmac Brokerage Co George Bustamante is the President of Coldwell Banker Commercial Blair

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for First Team Commercial and instructor for several commercial courses. Steve served as the Director of First Team's Commercial Division for three years prior to

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Sheva Hosseinzadeh - Associate VP Coldwell Banker Commercial BLAIR WESTMAC.

Sheva Hosseinzadeh is an Associate Vice President with Coldwell Banker Commercial BLAIR WESTMAC. Sheva is our retail/office leasing/ sales specialist in Long Beach and surrounding areas. Being born and raised in Long Beach has allowed her to be extremely familiar and knowledgeable of the Long

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Patrick Michel – Associate Patrick Michel joined CBC BLAIR

WESTMAC in June 2011. He focuses on both the leasing and selling of industrial, percial and investment proper ties throughout Long Beach and the

surrounding cities. Patrick brings a marketing-based mindset and tremendous drive for success that has established him in the Southern California CRE Market.

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for our local community. I pride myself in meeting and exceeding most expectations, which is why I donate a portion of my commission to local charities at closing. www.SuperRealtorV.com

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The Weathering Heights home in Bluff Park was once rented by W.C. Fields and Clark Gable and Carole Lombard. Photo by Thomas R. Cordova.

(Continued from Page 16)

Clark Gable and Carole Lombard vacationed in the house.

Other notable homes in the area include the Loynes House, built by Long Beach Yacht Club co-founder Dick Loynes and his mother in 1928 at 2501 E. Ocean Blvd.; the Heartwell/Lowe House, a Colonial Revival at 2505 E. Ocean Blvd.; the Raymond House, at 2749 Ocean Blvd., designed by architect Irving Gill, often called the father of modern architecture, in 1918; and the Milton Baird House, built for the pioneer settler of Long Beach and styled after an 18th-century French townhouse, at 2515 Ocean Blvd.

Today, another house of fame is on the market at 2721 E. Ocean Blvd. The residence, listed by Mollie Beck of Coldwell Coastal Alliance, features two separate homes, and the second, rear house is much more than an afterthought mother-in-law shack. The two-story, two-bed, three-bath rear retreat was completed in 2018 and is full of top-line fixtures.

The front, primary residence is the one with a history. The unimposing three-bed, three-bath one-story brick house was the former residence of famed Major League umpire John "Beans" Reardon, a colorful, quotable and rough-talking ump who was the sort of person who could step in and out of a Damon Runyon yarn. A sportswriter once wrote of Beans, "When Mr. Reardon speaks you are under the impression that he has just spit out a hand grenade."

When a pro ballplayer complained that Beans cussed him out, he was assured that it was just Beans' way of saying hello.

Beans' career included umpiring six World Series games and three All-Star games in his 24 years of officiating in the mid-1920s through 1949. He was featured and memorialized in a Norman Rockwell painting, titled "Tough Call," or "Game Called Because of Rain," that placed him on the cover of the Saturday Evening Post on April 23, 1949. The original painting is in the collection of the National Baseball Hall of Fame.

"I heard that when the house was sold, there was a big barrel of autographed baseballs in it," said Realtor Beck.

Reardon's unquenchable love for beer was also legendary. A dedicated drinker of Budweiser, he would walk out of a bar if it didn't carry his brand.

That loyalty paid off when Budweiser offered him a job as spokesman for the brand. Beans took his affinity for Bud a step further in 1946, when he bought the Budweiser distributorship in Long Beach, which led to him buying a home in Bluff Park. He ran the distributorship until he sold it in 1967.

Beans died in 1984 at the age of 86. The Beans two-house compound is listed at \$2,998,750. It would be a steal if the barrel of autographed balls came with it.



The Beans Reardon house at 2721 E. Ocean Blvd., with a second home in the back, is on the market for nearly \$3 million. Photo by Thomas R. Cordova.

A rare chance to buy a loft penthouse in the historic Ebell Club for \$878,000

■ By **TIM GROBATY** Columnist

The Ebell Club at Cerritos Avenue and Third Street in Alamitos Beach continues to preside over its neighbors like a grand and moneyed matron just as it had when it first opened in 1924.

The Spanish Renaissance-style building was constructed for the club by Charles T. McGrew, a notable Long Beach builder whose company C.T. McGrew & Sons earned the nickname as "the firm that built the Long Beach skyline."

That might have been a bit over the top in terms of praise, but McGrew's company did compile an impressive list of building achievements that include the Pacific Coast Club, the First Congregational Church, the Press-Telegram Building and several smaller buildings including private residences and the Alamitos Branch Library.

Less than a decade after its completion, the \$250,000 clubhouse was damaged in the March 10, 1933 quake. A loan of \$101,200 was secured for the rebuilding, and, to help in the cause, satirist Will Rogers moseyed into Long Beach to give a talk before a soldout crowd at the Municipal Auditorium, hauling in \$1,148 toward the rebuilding ef-

The building, in fact, has outlived the club itself. Founded by Adelaide Tichenor and 17 other women in 1896, Ebell Long



A penthouse loft is for sale at the historic Ebell Club. Listing photo by Cody James.

Beach promoted women's education through study groups, lectures, music, books, travel and poetry, while the club's theater made money screening feature films.

The club reached its peak in the mid-1950s and 1960s when its membership grew to around 3,000 members.

But societal changes caused membership to dwindle as more women entered the workforce. By 2002, it had a mere 100 members remaining and the club formally dissolved in 2013.

Today, the Ebell Club is enjoying a new life as a quality elegant event space, as well as an 11-unit loft condominium complex repurposed in 2005 at the building's eastern end by preservationist and developer Jan van Dijs, who bought the building in the early 2000s.

Events promoter Alan Dunn purchased the Ebell in 2016 and totally revamped the events space, but left the condos remain as van Dijs designed them.

Each residential unit is unique from the

others and they range in size from 1,200 to 2,200 square feet, and they don't go on the market very often, with an average of one unit selling per year.

Currently, the true penthouse of the complex is for sale, listed by Nate Cole of Unique California Properties.

In recent times, Realtors have termed virtually every unit higher than the lobby a penthouse, and all of the second-floor condos at the Ebell are called penthouses, but Unit #201 is the jewel of the Ebell, the penthouse of the penthouses.

Priced at \$878,000, the condo features over 1,800 square feet of living space with 18-foot ceilings in the unit's main level with its living area, main bedroom, a bath and a kitchen.

Swirl your way up on the industrial spiral staircase to the second floor of the loft where you'll find a guest bedroom or office and a half bath. Go through the sliding glass doors to your own, private outdoor patio, the only such amenity in the complex, though all units come with their own balcony, a rare-enough feature for loft units.

The rooftop patio provides a bit of a peek at the ocean to the south, says Cole.

Amenities include two secure parking spaces with additional storage available, as well as access to the gym and exercise room. Trash, sewer and water fees are included in the association fee of \$619 a month.

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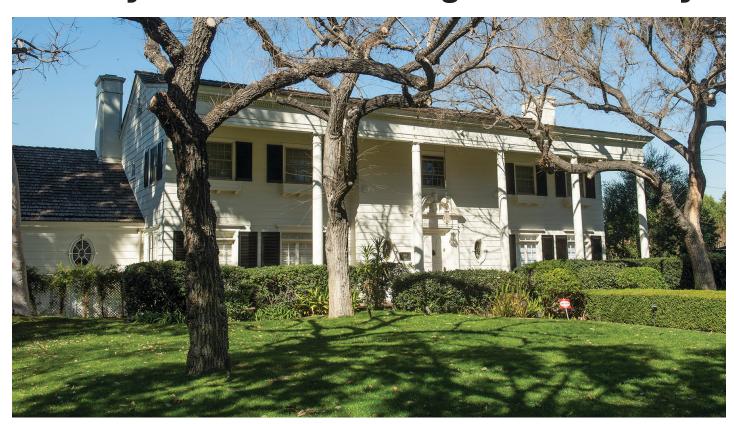








Country Club Drive is Long Beach's Hollywood boulevard



A home in Bixby Knolls that was featured in the movie "Donnie Darko" in Long Beach. Photo by Thomas R. Cordova.

■ By **TIM GROBATY** Columnist

Hollywood homes abound in Long Beach, a city frequently visited and employed by film companies who find it handy for its acting ability to portray any town of any size in the U.S. convincingly, as well as its proximity to Southern California movie studios.

Long Beach's waterfront properties can pull off a perfect portrayal of such places as Miami and other Floridian waterfront cities, and its Country Club section of Los Cerritos can play virtually Anytown, USA (as long as cinematographers can keep palm trees from photobombing the scenes), where middle class families inexplicably live in homes that, at least in Long Beach, sell for well over a million dollars.

One such home, which played the residence of Donnie Darko in the film of the same name, is on the market now, and if you doubt the house's acting chops, consider that it played that



A home in Bixby Knolls that was featured in the movie "Ferris Bueller's Day Off" in Long Beach. Photo by Thomas R. Cordova.

"Darko" role as a home in Middlesex, Virginia. In fact, the house was so credible in its supporting acting role it more or less put Middlesex on the pop-cultural map. Google the town and all Wikipedia can say about it is,

"It is notable for being the name of the main city in the film 'Donnie Darko,' though the movie was filmed entirely in California."

The star home, at 4225 Country Club Drive, is listed by Realtor Jason Patterson of RE/MAX College Park Realty for \$3.15 million—and it's in great shape. The hole in the roof where a jet engine came crashing through in the movie is totally gone now, due to the fact that it never happened in real life; just another bit of Hollywood trickery.

The residence is as stately as any other on Country Club Drive, the most elegant of any street in the city, featuring one eye-popping old-money mansion after another.

The Colonial-style house was designed by the famous Long Beach architect Hugh Gibbs, with a later addition designed by the equally famed architect Edward Killingsworth. It wasn't the first time the two men had worked back-to-back on a project. Gibbs was the initial master planner of Cal State Long Beach, before Killingsworth took over the role in 1962.

While the house attracts its rightful share of architecture aficionados, it is perhaps even more of a draw from the cult followers of "Donnie Darko."

"People come by and say they're 'Donnie Darko' fans and ask if they can take a picture of themselves in front of the house," says Patterson.

The interior of the home impresses visitors as soon as they enter, with a grand foyer with a sweeping staircase. Other features, as you venture inside, include a thoroughly upgraded kitchen, a formal dining room, living room, and a massive family room highlighted by a hand carved custom marble mantle and grand fireplace. An elevator provides an alternative to the sweeping staircase to access the upstairs bedrooms and master suite with its marble master bath.

Though "Donnie Darko," starring Jake Gyllenhal, with Patrick Swayze and Drew Barrymore, is the home's biggest role, it has also been used for several commercials and smaller parts in the TV shows "CSI: Miami," and "Joan of Arcadia," and the feature films "The Girl Next Door" and the spoof "Not Another Teen Movie."

The upper-class Los Cerritos neighborhood includes several houses with film careers, most famously the Ferris Bueller House from "Ferris Bueller's Day Off," at 4160 Country Club Drive. The "Ferris" house also had a turn in "The Girl Next Door," as well as a bloody scene in "Red Dragon," the prequel to "Silence of the Lambs."

The "American Pie" house, at 4153 Cedar Ave., played the East Great Falls residence of Jim Levinstein (Jason Biggs), where the titular pie makes its ham-fisted appearance. Farther away from Los Cerritos, Poly High was used to portray East Great Falls High School's interior scenes, while acrosstown's Millikan High was used for exteriors. The Cedar house was featured in "American Pie's" two sequels as well. In fact, "Pie 2" used a couple of other Los Cerritos homes, one at 4165 Country Club Drive, and the other at 3925 Cedar Ave.

The 2001 "Risky Business" spoof "Not Another Teen Movie" slyly used a few previously filmed teen movie residences including an impressive Tudor mansion at 4252 Country Club Drive, where athlete Jake Wyler lived. The home also served as the residence of the Patrick Swayze character, motivational speaker Jim Cunningham, in "Donnie Darko."

John Robinson, whose company Long Beach Locations, which represents several houses in Los Cerritos, says the neighborhood is most appreciated because of its appearance and ability "to portray a suburban neighborhood in any Midwestern city."



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You can still buy a lot in Naples for \$4 million; throw in a house for \$4.2 million



This rare Naples vacant parcel has been on the market for more than 1,000 days. It is listed at \$4 million. Photo by Thomas R. Cordova.

■ By **TIM GROBATY** Columnist

When you're talking real estate, you're talking land. Sure, houses are nice and sometimes eye-catching; sometimes they are the stuff of which covetousness and bitter envy is made; sometimes they do little more than providing basic shelter. But the money's in the land. Burn down a house, or knock it over and you've still got the property on which to rebuild.

And, when you're talking land, you're talking location. It's why you maybe can't afford to buy an extraordinarily rare vacant lot in Naples, but you can snap up a plot in the middle of town with little more than your good looks and excellent credit.

When I embarked on writing about real estate in Long Beach at the beginning of 2019, one of the first things I wrote about was a vacant waterfront lot on Rivo Alto Canal in Naples, which was on the market for \$4 million.

As vacant lots go, this one was top-shelf: A premier corner oversized lot on Naples Island at the riverine intersections of the Rivo Alto Canal, the Colonnade Canal and Naples Canal, and just steps from the Colonnade itself, the center of the Neapolitan universe.

It's a vacant lot with its own boat dock that runs the entire 68 feet of the lot's frontage; typically, a vacant lot doesn't come with a place to moor

In short, it's not the vacant lot of our youth, where kids would have dirt-clod fights while trying not to twist an ankle in a gopher hole. Throw a tent up on this lot and you could live happily the rest of your

After 1,000 days and a month, the lot is still listed for sale, obviously by a considerably less-than-motivated seller.

"We've had offers for as much as \$3.5 million, but the seller's pretty stuck on \$4 million," said listing agent Keith Muirhead.

Is the lot worth \$4 million? Probably not. Maybe someday, but right now the average price of a home in Naples is still under \$2 million, and, while the more attractive properties overlooking Alamitos Bay and other waterfront homes can easily go for double that amount, perhaps the best way to gauge the vacant lot's value is by the fact that right next door to it, the lot's owner has listed a fairly spectacular house he owns for \$4.2 million.

It's like, pay \$200,000 more for the lot and they'll throw in a two-story house with a high-dollar kitchen featuring a six-burner Gaggenau stove top that'll make you throw away your cheesy Viking, plus a walk-in pantry and a walk-in laundry

The four-bedroom, four-bath opens grandly into full-on views of Alamitos Bay and virtually daily spectacular sunsets. The second-floor living quarters sports a large balcony, cathedral ceilings in the master suite and a sitting room with a fireplace.

For your means of transportation, there's a three-car garage and room for additional vehicles outside, and a

of Naples. Elsewhere in town, there's anoth-

out having to duck under the bridges

er sweet vacant parcel for sale on the corner of Kennebec Avenue and the eternally bucolic and inviting First Street in the Bluff Park Historic Dis-

Purchase this lovely 8,500-square-foot lot for \$1.5 million and you'll run the peril of alienating your neighbors who have enjoyed this bit of green space as a sort of de facto park for years and might not be overly pleased if you put up a mini-compound of three two-story Mediterranean style units, each with its own rooftop deck. Construction documents, including construction drawings, survey, geotechnical report, grading plans, structural plans, landscaping plans, and mechanical, electrical and plumbing plans for the buildings are included in the purchase price.

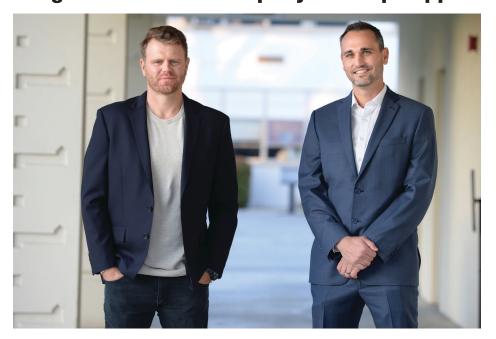
The property includes an ancient and stately evergreen tree, which is the highlight of the corner and I, for one, intend to riot, along with nearby neighbors, if the future owner monkeys around with that tree. Work around it, or buy the Naples lot instead.

45-foot open-water boat deck giving you access to the bay or ocean with-



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Long Beach-based company develops app to help mom-and-pop landlords and their tenants



Justin Morgan, left, and Mike Bronson have created an app called Rentado for renters and property managers, Wednesday, Feb. 10, 2021. Photo by Stephen Carr.

■ By ALENA MASCHKE Senior Reporter

About seven years ago, in October 2013, Justin Morgan and his wife had just celebrated the arrival of their newborn son. When temperatures began to drop rapidly a month later, the couple wanted to turn on the heat in their apartment, only to find out that the heater didn't work.

Morgan, who at the time commuted from Long Beach to Los Angeles, remembers feeling stressed out.

"You go into this protective mode when you have a newborn," he recalls.

The couple texted their landlord, who said they had to get a subcontractor involved, the whole process would take about a week.

"Everything in terms of maintenance requests and communication was incredibly

difficult," Morgan said. "I remember thinking back then: This should be so much easier."

The 39-year-old has since settled down and started a family just across the street from his alma mater, Cal State Long Beach, but the experiences he made as a renter in his 20s stuck with him.

To be clear: Morgan didn't blame his landlord.

"When you have smaller landlords, they just simply don't have the time," he said, pointing out that for many small-property owners, rental revenue is often just additional income next to a full-time job.

So together with an old friend from his CSULB days, Morgan decided to develop an app to help improve communication between small-property landlords and their tenants.

"It's about creating a fair process, an



A demo of the Rentado app interface.

equal process," Morgan said about the company's mission. The app, Morgan and his business partner Mike Bronson hope, will provide more transparency and accountability between landlords and their tenants.

For now, Morgan and Bronson are focused on setting up a mobile, contactless rent payment system called Rentado to avoid the need for hand-delivered checks, which is still a monthly reality for many renters, especially at the lower end of the rental market.

"Everything is moving to the phone," Bronson said. "Everything is moving toward contactless payment." First, they will be focusing on direct bank payments and PayPal, but eventually, their plan is to add mobile-driven payment services like Venmo and Apple Pay.

"Our pitch would be: This is going to help you organize all your payment systems," Morgan said. For renters, adding mobile payment platforms would make it easier to pool funds for rent between roommates or family members.

The first version of the app is scheduled to launch this week in mobile app stores. A city as diverse as Long Beach, Morgan and Bronson say, is the perfect place to test the waters and gauge interest from landlords.

"It's a really wonderful place to test the market, because you have access to so many different groups of people," Morgan said.

Down the line, the two are also planning to add more functionalities to Rentado, from managing and documenting maintenance requests to notifications about street sweeping and trash collection schedules.

"Things that cause a lot of animosity between the renter and the landlord," Bronson said

There's still plenty of work ahead, but according to Bronson, getting a preliminary version of the app into the hands of users was a priority for them.

With the help of Wade Martin and the rest of the team at the CSULB Institute for Innovation & Entrepreneurship, the two Long Beach grads were able to narrow down their vision and get started on their project, receiving feedback from other successful entrepreneurs in the real estate tech space and working with a development team to turn their ideas into reality.

"Long Beach really did provide the infrastructure for us to start," Morgan said. "I think it's a wonderful place to develop new technologies."

Downtown luxury apartments will become moderate-income housing under new pilot program

■ By JASON RUIZ Staff Reporter

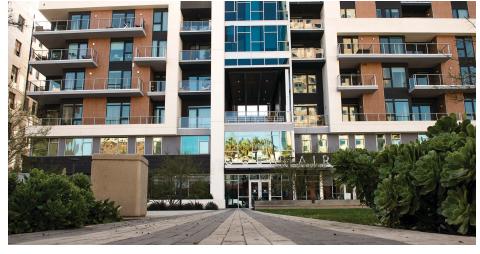
The Oceanaire apartment complex in Downtown will become an affordable housing project for middle-income earners for at least the next 15 years under a new pilot program approved by the Long Beach City Council on Feb. 16.

Rents in the building will be locked into an agreement that will keep rents lower for households making between 80% and 120% of area median income for potentially as long as 30 years. It's expected that full conversion of the 216 units in the building will take four years.

Under the agreement, 87 units (80% of the median income), 43 units (100%) and 86 units (120%) will receive varying degrees of rental reductions.

A two-bedroom apartment for a household earning \$72,080 would cost \$2,366, while the same apartment would cost a household making \$108,120 annually about \$3,550 per month. The market rate for a two-bedroom unit in the Oceanaire is about \$3,529 per month, according to a presentation to the council.

To accomplish this the city will en-



A pilot program will transform the Oeanaire apartments in Downtown into moderate-income housing. Photo by Thomas R. Cordova.

ter into an agreement with the California Statewide Communities Development Authority to issue bonds for the purchase of the Oceanaire from its current operator, Waterford Property Group.

The acquisition by the development authority is expected to cost about \$144 million in real estate and ongoing maintenance, administration and management fees

Greystar Real Estate Partners would be brought in as the property manager and the city would receive the public benefit of having more affordable units added to its inventory, but it will come at a cost.

Because the project will exempt the building from property taxes, it's expected to cost the city, the county and schools in Long Beach about \$1.5 million in year one. The city alone is expected to lose about \$8

million in tax revenue over the course of the pilot program. All tax collecting bodies are anticipated to lose about \$43 million.

"This is currently the only option for providing moderate income housing units," said Patrick Ure, a manager in the city's development services department, who laid out the risks of the project for the council.

The city can force a sale of the property after 15 years, but a financial analysis carried out for the site suggests that it would be better for the property to be sold after 30 years. Still, a city staff memo noted that "there are likely situations where the city and other taxing bodies do not recover foregone property tax or make a profit" when that sale happens.

The city's subsidizing of the project by foregoing property taxes normally collected will mean that services elsewhere in the city will need to be reduced.

The Oceanaire opened in 2019 as the city's newest luxury apartment complex, and a spokesperson said in early 2020 that it's expected to be near 90% capacity by the summer. As of January, only about 71% of the units were occupied, according to a city report.



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A Heartfelt Thank You from All of Us

We've witnessed your courage. We've witnessed your unwavering strength. For nearly a year, you have put the needs of the community above your own. Thank you for showing up day in and day out to make a difference in the lives of others that need you now more than ever. Thanks to you and your families for your bravery and your sacrifice. Thank you for choosing to be our heroes.

As our frontline staff tirelessly work to battle this disease, we implore our community to continue doing your part by social distancing, wearing a mask, washing your hands and getting vaccinated once it becomes available to you.

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