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# BUSINESS JOURNAL

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Chris Acker, head coach of the men's basketball team at Long Beach State, speaks to his players during practice at the Pyramid.

# New investors push Long Beach to compete in upended economy of college sports

By Melissa Evans

Chris Acker arrived at an exciting moment: Long Beach State had just won its conference and made its first showing in the March Madness men's basketball tournament in 12 years.

Acker, the incoming head coach, had been on the job a mere days that spring 2024 when other universities began plundering the players he inherited. Xavier and Louisville snagged two of their starters with six-figure offers.

"It was disheartening," Acker said. Long Beach was the only university in its conference that didn't pay players last season, and assembled a team with less than 5 minutes of

on-court Division I playing time. The season didn't go well.

A year later, as chaos settles around college sports' new supercharged economy of talent, a coalition of local private sector leaders has stepped in, quietly raising capital for top players in at least three sports and nudging the university to start thinking like a business rather than a bureaucracy.

Rules are now in place that allow universities and outside firms to pay athletes directly for use of their "name, image and likeness." Long Beach State must create an atmosphere in and around the iconic Walter Pyramid stadium that people want to be part of — and must build an active and engaged donor base that

supports players who can win games.

"A good team enhances the community and the city," said Sean Rawson, co-founder of Waterford Property Company and one of the investors hoping to boost the team's roster of talent.

Gonzaga University's success put Spokane, Washington, on the map. Applications doubled and civic

Rawson and Blake Klingeman, the COO of Curtin Maritime, who moved to Long Beach from Seattle five years ago, and others believe the same can happen here. The men's basketball collective has committed to raising \$500,000 what Acker believed was enough to recruit a quality team this fall.

The urgency is pressing for a university like Long Beach, which plays in the top division but not in a top conference. A larger portion of the nearly \$1 billion in revenue from the NCAA March tournament flows to conferences with big-name schools.

Ohio State's athletic department budget tops \$250 million; Long Beach has \$52 million. More locally, UCLA has paid nearly \$7 million to athletes

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# Who benefits from big crowds?

# Warped Tour gave us a preview

By Jacob Sisneros

When the Vans Warped Tour arrived in Long Beach on July 26, Mayor Rex Richardson touted it as the largest music festival in the city's history and hopped on stage to introduce Sublime, one of our most renowned local bands.

The scene mirrored a pledge Richardson made on another downtown stage in January: Long Beach will become a musical juggernaut capable of drawing world-class acts, and the crowds that come with them, year-round.

It's a strategic move. As the city's ability to depend on oil extraction wanes, this transformation is meant to spur growth and replace declining tax

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# Departing words from CSULB president Jane Close Conoley

By Melissa Evans

lane Close Conoley has already traded the 5,200-square-foot Miller House in Park Estates — the traditional home for Cal State Long Beach's top administrator — for a 1,300-square-foot space in a shared home with her son, two of her five grandchildren, a puppy and a gaggle of rabbits in San Francisco's Richmond district.

After announcing her retirement as president of CSULB, the second largest CSU in California, Close Conoley will remain a consultant to help with the transition for at least a few more months. The California State University Board of Trustees is expected to announce an interim or

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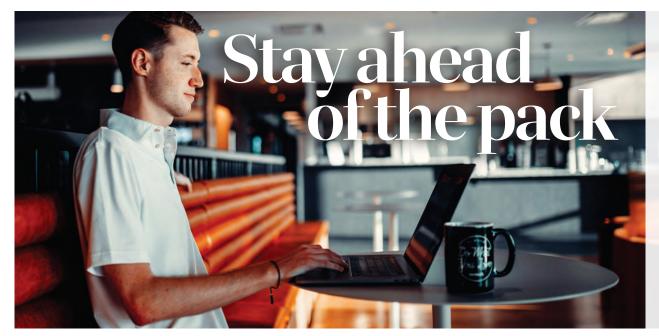
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#### **COVER STORY**



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since 2021; Long Beach State has paid just over \$30,000.

The new "NIL" rules are supposed to be about "revenue sharing," but most athletics departments in the university's conference run at a deficit, said Bobby Smitheran, the Long Beach State athletic director for the last two years.

"In reality, there isn't a whole lot of revenue to share," he said.

The university is also in the midst of a major leadership transition. Not only are Smitheran and Acker both relatively new to the city, but the university is still searching for its next president.

Long Beach State doesn't expect to come near the \$20.5 million annual limit the new rules allow for total player pay.

The university is still internally getting a handle on the new rules, which just became operational July 1. Smitheran said he must also balance revenue and scholarships across 19 sports, including a national champion men's volleyball team and the Dirtbags, the baseball team.

Confusion has also clouded the rules much of this calendar year. The Department of Education said in a fact sheet in January that universities would be required to spend NIL dollars evenly across men's and women's sports. Then the page disappeared.

Off campus, progress is moving more quickly. Private collectives have formed around baseball and volleyball, too, and in many cases, those involved are working together.

Acker spent the spring and summer shaking hands, networking and fundraising — among the new duties tacked on to the job description of every college coach who wants a com-

petitive team in this new economy.

Mayor Rex Richardson has met with the coach and others involved, and said he's on board.

"We've got to create a donor base and excitement to compete with teams that have been doing this a long time," the mayor said in an interview. "It's going to take an all-handson-deck approach."

Richardson has pushed to elevate the city's profile, particularly around entertainment. Long Beach has flirted with professional sporting teams in the past and is now pursuing a minor league baseball team. The LA Force, a third division professional soccer team, signed a deal last year to play here. Long Beach also has a long pedigree of high schoolers who have competed professionally in a range of sports.

Getting into the Sweet Sixteen
— the third round of March Madness that draws 10 million viewers
— would be a significant coup and
windfall, the mayor said.

"There's enormous value there," he said.

Rawson and Klingeman's Long Beach State Basketball Collective hosted a gathering of potential investors in July at the Boathouse on the Bay restaurant. They presented a business plan built as much on attracting top players as strengthening grassroots portals of entry — like youth basketball camps — bolstering community and business interest, and critically, enhancing and leveraging the fan experience at the Pyramid.

Rawson said one investor told him that he'd give \$10,000 to the collective — all he wanted in return was to be able to easily get a beer in his courtside seat.

They are hoping to attract a range



Photos by Thomas R. Cordova/Long Beach Business Journal

Top: Chris Acker, head coach of the men's basketball team at Long Beach State. Bottom: Sean Rawson, left, and Blake Klingeman, are leading a push to invest in the Long Beach State men's basketball team.

of investments for players who are still developing skills to those who could earn as much as \$150,000 for their game-changing impact.

Part of their pitch is the well-documented downstream value that athletic success brings. Schools that make deep runs in the NCAA tournament receive millions in revenue, along with a boost in applications and academic interest.

Rawson, a 15-year resident, said he's motivated by wanting to see the city and his kids experience the kind of pride a winning team can bring. He and Klingeman both have three kids under 12.

"We want to go to games and see the community come out around a great team and a great story, and have a VIP experience at a game," Klingeman said.

They've also become quick friends with Acker, also in his 40s, with a wife and young daughter. The coach is hopeful about the coming season.

Thanks to financial backing, Long

Beach was able to sign a crop of talented players for this year's team, including Petar Majstorovic, a transfer from Syracuse.

Acker, who spent five years as an assistant at San Diego State and has been coaching since 2007, said his coaching style won't change, even though money is now in the mix. He said the young men he leads still need the same qualities, both physical and mental, to play well on the court.

"All those things, discipline, hard work — they still matter," Acker said. "Probably more so now."

During the first week of practice in July, the screech of shoes quieted as the coach implored the players to drive the ball harder and to up their energy.

"We can't wait for November," he said. "We do this now, today!"

His goal is to win the Big West Conference, and he believes he has the right team — and the start of strong community backing — necessary to make it happen.

#### **NEWS**

# Long Beach spends millions fixing its streets; they're still among the worst

By John Donegan

Long Beach is spending historic amounts of money trying to fix its deteriorating streets, but it cannot say if it's spending that money effectively, a recent city audit has found.

These findings, among others, were contained in an 84-page report released in May by City Auditor Laura Doud, which compared the cost and status of road repairs from 2020 to 2024 in Long Beach to a dozen other areas, including the city and county of Los Angeles, San Jose and San Francisco.

Examining road studies from 2018 to 2023, auditors found local streets were highly deteriorated compared to other cities. More than 150 miles of city roads had fallen into the worst-rated condition. As of 2023, more than a third of city streets were in "poor" or "very poor" shape. These roads are in such disrepair that they cannot be patched and must be resurfaced.

Long Beach ranked among the worst of any municipalities studied, with one of the lowest pavement quality grades despite spending \$310 million on road repairs since 2020.

Historically, Long Beach has neglected its streets, according to Doud, but it's ramped up spending in recent years, appropriating \$47.9 million in 2022 and \$87.3 million in 2023. Despite this surge of funding, the city's overall pavement score decreased that year from 58 to 56 out of 100.

Officials redoubled the following year, budgeting \$83 million for streets in 2024. They also appropriated \$53 million in 2025, which amounts to \$52,527 spent per mile of road — the second-most of any city or county in the study.

By comparison, San Diego spent \$13,939 per mile, Seal Beach spent \$23,352 and the county of Riverside earmarked \$17,936. Orange County, which budgeted about \$8,000 more per mile, has a pavement score of 81.

It's unclear if Long Beach's major investment will result in a score of at least 60, which is the city's immediate target. The city is currently compiling its latest report on street conditions and will release its findings later this year. Public Works Director Eric Lopez would not speculate about the results.

(Editor's note: Shortly before this story went to print, the latest index was released with a score of 61.)

Despite spending markedly more than other municipalities, Doud doesn't expect Long Beach's recent spending to result in dramatic improvement.

In future budgets, she said the



Photo by Thomas R. Cordova/Long Beach Business Journa

Cracks form throughout the street on Ximeno Avenue in Long Beach.

city would need to spend at least \$73.2 million annually to bring its pavement score up to 60. To fix the majority of its streets and score an 85 — putting it slightly ahead of Seal Beach and Orange County — would require the city to spend \$1.4 billion over five years, according to Doud.

Exacerbating the problem, auditors also pointed out a host of short-comings in the way the Department of Public Works uses the money it already has — arguing the issue stretches beyond a lack of funding.

The audit found the city department had no complete repository of information, or "single-source of truth" where officials can accurately track and provide data on the cost and timelines of their street projects.

Instead, Doud's team found critical project data to be gathered in a way that was inconsistent or inaccessible, with managers unable to show how many roads have been repaired, what it cost and whether it was done on time.

Project managers who tracked these data points compiled them in individual spreadsheets with "no standardized system," auditors say, resulting in "inconsistency across project teams."

Without a single body of data to examine, auditors spot-checked a handful of projects, including one where they found project bids that ran on average 34% over engineers' estimates. Auditors weren't able to assess what caused those inflated estimates or how much the project ultimately cost.

The result, Doud said, is that the city cannot say how much has been spent to fix a given road, when it will get fixed and, in the event it runs over budget, offer an explanation.

"So, even though we're investing millions and millions of dollars every year, we don't know if we're doing a good job, cost-effectively," Doud said. "Are we being cost-effective? Are there cost overruns? We can't tell you."

In its 34 recommendations, the auditor's report said the city should implement new ways to track and maintain project data. It should also create a master document and schedule that outlines all required reporting for every project, to make sure money is being spent the right way.

The auditor and department officials agree the city is up against a daunting problem, with an enormous backlog of street repairs, the result of decades of shoestring budgets that forced the city to defer maintenance. According to a 2009 report, the city spent a fraction of its current budget on repairs and maintained a far lower pavement score of 42.4.

"The city's streets have been neglected for a long time," Doud said.

Amid competing priorities, there has been a historical pressure on the City Council to invest elsewhere. As a result, the easiest places to trim the budget, she said, "are those that you're not hearing from. And the streets aren't speaking."

Long Beach Public Works agreed to 32 of the audit's findings, saying they have already implemented or planned to establish new standards for how it tracks projects.

On the issue of data and formatting, Lopez said it was standard years back for engineers to use applications like Excel spreadsheets when there was a paltry \$10 million budget to work with.

Since the creation of the department's Transportation Project Management Bureau in 2023, Lopez assures the department is far more organized and has "a lot of momentum."

"I think we have the right organizational structure," Lopez said. "I think we have the right staffing, and I think as we fill in all of our positions, we're going to be in a better position to better manage and deliver those projects."

As for tracking projects, Lopez said it's very difficult to say whether a particular street project is or will be on time or under budget. Considerations, he said, need to be made for a "volatile construction market"

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where the availability of materials and workers ebb every hour or day.

"When oil goes from \$60 to over \$100 a barrel, that impacts us," Lopez said. "When steel increases by 20% year over year, that has a major impact. When fuel costs increase by 10%, 15% that has a major impact. When, you know, equipment costs increase by, you know, 60%, 70%, 80% and it is impossible to stay on budget, a lot of those increases."

Lopez, who took the helm of the department in 2020, said public works is doing more street repair "than we've ever done in a generation." In FY 2024, it repaved 135 miles of streets and alleyways, slurry sealed more than 6 million square feet, installed nearly 7 miles of bike lanes, filled 48,000 potholes and replaced nearly 4,000 traffic and street signs.

The city disagreed with two findings in Doud's report, arguing against the auditor's suggestion to focus on minor networks, which include residential streets. Tackling the most battered streets — which account for 41% of the city's backlog — would chew up so much cash that the city would be unable to prevent salvageable ones from sliding into disrepair, according to Public Works officials. Unless the city gets a lot more money, they say, the worst roads will remain the worst.

"Those are the most expensive streets to repair," Lopez explained. "They are the most deteriorated, they are the most dangerous. They are the ones where you kind of need a complete rebuild. Do I have the money to do those streets right now? I do not."

Lopez's department said it will advocate for more money to hire full-time staff and for a new infrastructure bond to "fully fund the needed arterial pavement rehabilitation," which is expected to range between \$24 to \$47 million annually.

And any bond would stack atop the city's current \$90 million bond approved in 2023 — which sets aside \$41.35 million for road work.

Funding for city roads comes from more than a dozen sources, from state, federal and county governments, Measure A — a local sales tax approved by voters in 2016 and extended indefinitely by voters in 2020 — LA County Measure M and state grants. Of the \$458 million generated by the Measure A sales tax between 2017 and 2023, about 16%, or \$74 million, went to mobility and safety projects, including street projects.

Although Doud agreed with the need for more money, the auditor insisted that Long Beach Public Works has enough staff to adequately address its backlog and reverse the city's course. Doud said the city should be tracking costs down to the dime, keeping timelines of projects from start to finish, and budgeting and tracking staff hours.

"But nobody's doing that," she said. The auditor's office later said in a statement Thursday that the city could use additional staffing to help overhaul its data and tracking systems, as the audit recommended. In the past four years, department staffing has increased by more than 25%, adding roughly 142 employees.

Under the status quo, Doud said, city streets may improve slightly in the immediate future because of the surge of funding in 2024, but she expects it to decline over the next three years, down to a pavement score of 47 by 2028, well under the already lowend goal of 60.

If Long Beach wants well-paved roads, the current investment is "not going to cut it," she said. ■





## **REAL ESTATE**

# Historic Ocean Center Building is for sale after \$50 million renovation

**Bv Jacob Sisneros** 

The historic, 14-story Ocean Center Building in Downtown Long Beach is up for sale.

The prominent structure at Ocean Boulevard and Pine Avenue (110 W. Ocean Blvd.) recently opened as a luxury apartment building. Its first tenants arrived less than two years ago, after a \$50 million renovation converted the interior from offices to rental units with 10,000 square feet of ground-floor

Pacific6 Enterprises, an investment company led by longtime Long Beach businessman John Molina, bought the nearly century-old building in April 2018 for \$18 million and began the multimilliondollar renovation shortly after the purchase.

Molina said it "wasn't a tough decision" to put the building up for sale. "We accomplished what we wanted to do with renovating the building," he said, adding that when Pacific6 bought the property, it was "vacant (and) kind of falling into disrepair."

The five-year restoration of the 197-foot-tall building resulted in 80 luxury apartments ranging in size from a 520-square-foot studio to a two-story penthouse spanning 2,158 square feet.

Molina said 60% of the units are currently occupied.

Avison Young, the Canada-based real estate company handling the sale, described it as a "rare opportunity to acquire a 14-story, architecturally iconic coastal asset."

Amenities for the building include three community rooftop terraces, a private fitness center, bike storage and one parking spot for each unit.

The cheapest available studio unit is \$2,525 per month. The most lavish unit available, a one-story penthouse, can be rented for \$5,995 a month. When the building opened in October 2023, the lowest monthly rents started at \$3,150.

Despite the facelift, Pacific6 kept the existing doors and hallways along with the building's iconic marble entryway, terrazzo floors, ornate elevators and staircases with wrought iron railings.

"It's an important part of Long Beach history,"



Photo by Thomas R. Cordova/Long Beach Business Journ

Vehicles zoom past the Ocean Center Building at Ocean Boulevard and Pine Avenue in Long Beach.

Molina said. "I think nowadays people are a little bit too fast to pull the trigger on older buildings, and Long Beach has such a rich heritage."

Originally constructed in 1929, the building first hosted accountants, tax attorneys, bankers and real estate salesmen, according to the building's website. It was designed by the same Los Angeles architects who designed Grauman's Chinese Theater and the Egyptian Theater in Hollywood.

City staff worked there briefly in 1933, while City Hall was under repair following a 6.4 earthquake that March.

Ocean Center was also once part of the longgone Pike Amusement Zone and its "Walk of a Thousand Lights."

During that time, thousands of visitors "passed through the arches on the 14-story building's south side and headed west into the land of thrill rides, penny arcades, hot dogs and tattoo parlors," according to the building's website.

Ocean Center is a short walk from another Pacific6-owned building, the Fairmont Breakers hotel, which opened last December after hundreds of millions of dollars in renovations.

Pacific6 initially decided to buy Ocean Center because they were starting renovations on the Breakers around the same time, according to Molina.

The group wanted to redo both buildings while maintaining their character.

"When construction projects are done by people from the city, they tend to reflect the city's character more, and there's more commitment because we

John Molina's company previously owned the Long Beach Post and Long Beach Business Journal. The two publications were reorganized under an independent nonprofit in 2023. ■

# Blighted by speeding and deadly crashes, Pacific Avenue is getting a redesign



A Metro train makes its way along Pacific Avenue in Long Beach.

By John Donegan

Major changes are coming to Pacific Avenue. The city is in the midst of a redesign of the north-south artery that runs from Ocean Boulevard, through the Wrigley area and up to the 405 Freeway.

The project is expected to create about two miles of new, protected bike lanes - some of which will be raised at sidewalk level — as well as eight new pedestrian crossings, widened sidewalks, expanded medians and bus stops that officials hope will offer non-motorists safe, streamlined access to city institutions like the Metro A Line, the Long Beach Convention Center and Long Beach City College.

It will also include a road diet, removing a traffic lane in either direction from Ocean Boulevard to Spring Street as a means to curb excessive speeding. Officials say there may be some road widening from Spring

Street up to the point where the road intersects with the 405 Freeway.

It's an estimated \$34 million makeover, expected to be built in two phases: from Ocean Boulevard to Pacific Coast Highway and then Pacific Coast Highway up to the Wardlow rail station just south of the 405. A \$25 million federal grant, accepted by the City Council last month, will cover the northern section.

While the project is still in the design phase, officials recently offered some updates on what it could offer and why it's being sought.

According to city traffic engineer Paul Van Dyk, a road study found that only 14% of drivers were at or under the 25 mph speed limit along Pacific Avenue. Nine people have died in vehicular collisions along the avenue since 2020, most of them being pedestrians.

"We had quite a few cars actually going double the speed limit through that area," he added.

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# So many reasons to stay put: What's behind California's frozen housing market?

By Ben Christopher, CalMatters

This story was originally published by CalMatters. Sign up for their newsletters at CalMatters.org.

The national housing market is stuck in a post-pandemic rut.

Prices and interest rates have stalled out at unaffordable highs, keeping buyers at bay. Sellers, unable to fetch the still-higher prices they want, are backing out of the market in droves. The result is a housing market stuck in molasses, with a slowdown in new listings, stagnant sales and an uptick in deals canceled at the last minute.

If the country as a whole is in the middle of a housing market drought, conditions look especially parched in California.

New homes listed for sale fell by more than 17% in San Francisco, compared to the same time last year, according to online real estate broker Redfin. There were double-digit yearover-year declines in listings in San Diego, Riverside, Anaheim too. Of the 10 metros where new listings fell fastest, five were in California.

"The number of transactions have absolutely slowed down," said Amy Kong, a real estate agent who works in and around San Francisco. "As everyone knows, it's because of the higher interest rates and the affordability, which is just really, really low."

Part of the market slowdown can be blamed on a nationwide financial pathology that dates back half a decade, said Daryl Fairweather, Redfin's chief economist. As mortgage borrowing costs have whipsawed from ultra-low to harrowingly high over the last five years, the gap between what most current homeowners pay for their mortgage and what they would pay if they were to borrow and buy again is historically wide. That makes this an inauspicious time for most homeowners to sell.

But as with so many of the nation's housing woes, things are even worse in California thanks to the specific

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## Pacific Avenue from page 6

Van Dyk said that putting streets on a "diet" by restricting or removing lanes forces drivers to slow their vehicles, making it safer for cyclists and pedestrians and greatly improving the odds that when accidents do occur, the results are far less deadly.

If you can't weave in and out of traffic, you can't go faster than the person in front of you, he explained.

Complaints about Pacific Avenue have been a perennial feature at the Wrigley Association's meetings, according to Alejandra Gutiérrez, a board member of the neighborhood group.

It's "pretty blighted," she said, and is in need of "improvements at all levels."

Residents, she said, routinely bring up the condition of sidewalks and the lack of lighting, protected left lanes and crosswalks along the avenue that make it unsafe at night.

Parking is another source of anxiety. "It's densely populated and Pacific Avenue is a relief valve for the congestion in the neighborhood," Gutiérrez said. "So there is a concern that building the bike lanes might affect how much parking is available."

Ultimately, what improvements come should make it easier for people to walk or bike to parks, businesses and homes in the neighborhood.

"Overall, the feeling is positive, and it sparks an excitement that we might be getting more of a focus," she said. "The western part of the city hasn't always had that attention. Hopefully, it gains some momentum."

Nothing is yet finalized, Van Dyk said. Designs could include various types of bike lanes — on one or both sides of the road — as well as buffer zones designed to separate drivers from cyclists and pedestrians.

"So we don't want to definitively say it'll be entirely on both sides of the street, but that is the general design (that) we'll have: a northbound bikeway on the east side of the street and the southbound bikeway on the west side of the street," Van Dyk said.

Once the city has a viable draft for the project, Van Dyk said the plan is to host community town halls to workshop with residents and neighborhood groups.

The Pacific Avenue project is one of several major fronts in Long Beach's ambitious efforts to eliminate traffic fatalities and shift drivers to other transportation options by adding miles of bicycle and bus-only lanes.

It's one of several projects the city wants to finish before the 2028 Los Angeles Olympics and will play a key role in the city's Safe Streets initiative, which aims to have zero traffic-related fatalities and serious injuries by 2026.

The city's master bike plan calls for 300 miles of lanes and paths 15 years from now. There are about 150 now, and the mayor has promised to add eight miles of lanes each year.



# **WORK LONG BEACH**

Industries on the rise

# In a race to replace the ISS, Vast unveils new headquarters in Long Beach

By John Donegan

Humanity's next outpost in orbit may come from a warehouse in Long Beach.

Vast, an aerospace company headquartered near the city's airport, announced in July it's nearly finished building out the last of the three warehouses on its 189,00-square-foot campus, where workers are constructing what they hope will be the first commercial space station.

At a ceremony to mark the milestone, Long Beach officials and Vast engineers, ebullient over the company's progress, said it epitomized the city's "Space Beach" culture of forward-looking companies that challenge conventional technologies in the aerospace sector.

"We have American investment, American engineering, Long Beach talent, all coming together to shape the future," said Long Beach Mayor Rex Richardson.

Drew Feustel, a former NASA astronaut chief who now acts as an adviser to the company, said the headquarters has transformed dramatically in the last 18 months.

The company, founded in 2021 by a crew of 40, has grown to a 950-person workforce of coders, engineers and industry experts working under the singular directive: to launch the first commercial space station into orbit.

"This is an exciting time for human spaceflight in general," Feustel said. "It's the first time in history we've seen this much investment and com-



Photo by Thomas R. Cordova/Long Beach Business Journal
A crowd gathers in front of the Vast control center for a ribbon-cutting ceremony on Thursday, July 18, 2025, in Long Beach.

mitment to putting humans in space, and we plan to be the first ones to do it, and I think you'll see the evidence of that here."

Vast is among the handful of companies vying for NASA's 2026 contract to replace the International Space Station. The ISS, built between 1998 and 2011, is scheduled for retirement at the end of 2030.

If selected, the company plans to have the first module of Haven-2, an evolved and NASA-certified version of Haven-1, in orbit by 2028. Further missions will add ligaments to the modular station through 2032. The company unveiled the model during the 75th International Astronautical Congress (IAC) in Milan last year.

At Vast's open house last month, attendees gathered along suspended walkways and stairs to watch a cinematic trailer of the company's plans to launch their first model, the Haven-1, into orbit as early as May 2026. A crew of four will be sent aboard a SpaceX Dragon spacecraft for the company's first crewed mission as early as the following month.

"I can't wait until the day that we

have a party like this," said Vast CEO Max Haot, standing before the screen that will eventually serve as the company's mission control. "And on this screen we have the actual crew safely in the space station, (in) orbit live."

So far, they're on schedule. The company began construction of the Haven-1 at its Long Beach headquarters in July 2024 and has its primary structure welded together. Further tests — for the craft's avionics, visual dome, air locks and more — will need to be conducted in Long Beach or at the company's test stand in Mojave, Calif. Some tests, such as the simulated g-force of a launch, will be conducted at a NASA facility in Ohio.

About 90% of the station's parts are constructed in-house, according to a Vast spokesperson.

Construction of the International Space Station, by comparison, enlisted the help of 15 countries, including the United States, Russia, Japan and numerous European nations.

Testing is the difficult part, workers said. Panels must withstand the subzero cold of space, the bullet-like impact of a passing meteorite and the pressure of launch.

Touring a one-to-one model of the Haven-i's interior, staff showed the crew's eventual living quarters, laboratories and even a stowaway eating area.

Vast is one of several aerospace startups berthed out of the 437 acres rezoned by the city for industrial and warehouse use at and around the Long Beach Airport, each of which seeks to leave their mark on America's — and Long Beach's — race to space. ■

# Port celebrates \$365 million terminal expansion that could bring in another half million containers annually

By John Donegan

Officials on July 11 turned the ceremonial shovels on a \$365 million expansion to a seaport terminal operated by the International Transportation Service container company. Officials say the project will help the Port accommodate more inbound ships, reinforce the nation's Pacific Rim trade and create hundreds of local jobs using materials sourced from the region.

If all goes to plan, the South Slip Fill Project begins this month and will finish by December 2028.

Construction will consist of filling in 19 acres of open channel, extending the wharf by 560 feet. That will bring the total length of the dock to 3,500 feet and the terminal to 277 acres.

**Port expansion** page 9



Photo by Thomas R. Cordova/Long Beach Business Journa In this 2021 file photo, a cargo ship unloads its containers in the Port of Long Beach

# Long Beach makes pitch for a new minor league baseball team

By John Donegan

About 13,000 hats purchased, 33 new tattoos inked on fans, four players sent to the major leagues, one playoff run and 100,000 fans streaming into the ballpark.

Those are the results Bryan Carmel, a co-founder of the Oakland Ballers, said came during the inaugural season of his Bay Area minor league team in its first season. They're the same results Carmel and the rest of his ownership group hope to bring to Long Beach as early as next May.

"Once we realized this was something we could replicate, the first place we thought of was Long Beach," Carmel said.

The Long Beach City Council voted unanimously on July 22 in favor of pursuing an agreement that would bring a minor league team, preliminarily named the Long Beach Baseball Club, to play its three-month spring season at Cal State Long Beach's Blair Field on the edge of Recreation Park.

Negotiations among the city, the club and CSULB have already begun, touching on potential investments into the ballpark's field and facility, as well as commitments that prioritize the schedule of the university's baseball team and public access.

Blair Field's amenities, central lo-



Photo by Thomas R. Cordova/Long Beach Business Journa

The historic Blair Field in Long Beach, Friday, July 18, 2025

cation to the city and its "potential to be a good complement to Long Beach State's Program" were all factors that went into the decision, said Long Beach Mayor Rex Richardson.

Third District Councilmember Kristina Duggan, who represents the area around the park, said she has been in discussions with the university for the past several years about the field. Duggan has also met with the team's ownership group to shape an agreement she says works with the university and

the surrounding neighborhood.

"I'm so excited about the possibility of bringing a professional baseball team to Blair Field," Duggan said. "They're bringing new energy, new resources and entertainment to our community."

With any deal, the group would help pay for improvements to the park, including the addition of a batter's eye, padded walls and renovated visitors clubhouse, to meet league

The city will also look at the add-

ed noise, traffic and any headaches a professional program could bring to the park and the surrounding neighborhood.

The team would be the 13th in the Pioneer Baseball League. Its ownership would include Paul Freedman, a co-founder of the Oakland Ballers, a team in the same league that was launched last year following the exit of the Oakland Athletics.

Investors pulled together about \$10 million for Freedman's Oakland team, staged at a pop-up ballpark around an existing Little League field in Raimondi Park.

The team would be started from scratch, Carmel said, far and apart from the three independent minor league teams that have come to the city in the past 30 years. The last team, the Long Beach Armada, folded in 2009 after its league disbanded.

Carmel said the team will be "specifically tailored" to the city, highlighting the blue-collar and homegrown parallels between Long Beach and Oakland.

Chase d'Arnaud, a former MLB player of 12 years and a Long Beach local who runs youth baseball camps, said that once the CSULB Dirtbags' season ends in May, the city has a lull period until the following spring.

"And there's nothing for local families and kids in Long Beach to watch live," d'Arnaud said.

## Port expansion from page 8.

With that added space, crews will install cranes and other crane equipment to berth up to ultra-large ships (18,000 twenty-foot equivalent containers, or TEUs at a time), resulting in half a million more containers moved through the terminal annually.

Mario Cordero, chief executive of the Port of Long Beach, said at a groundbreaking ceremony that the expansion binds ties between the Port and ITS to a stronger point than "it was nearly 20 years ago, when it became our first to sign a green lease."

"By 'building more America now,' ITS is also building more land for the Port of Long Beach while expanding capacity and driving efficiency on its terminal," he said.

Officials expect the work to bring three years of local construction jobs. Materials are local, too, with rock sourced from Catalina Island, asphalt and concrete pilings from U.S. producers and sediment dredged from the surrounding harbor.

"This project strengthens America's supply chain by investing in infrastruc $ture\ the\ right\ way-using\ local\ labor$ and U.S.-made materials," said ITS Long Beach CEO Kim Holtermand. "We're not just preparing for the future — we're building it here, at home."

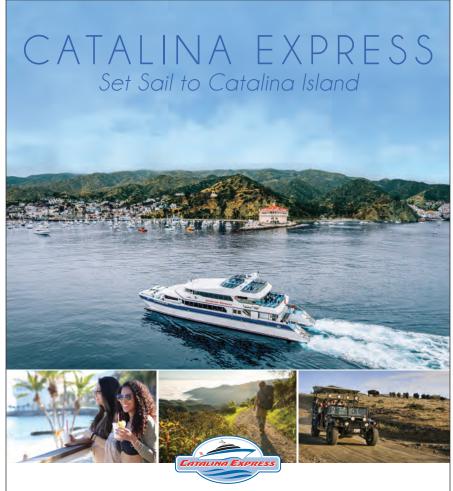
The expansion is the latest in a series of planned upgrades. Crews are still at work on the first on-dock rail system at the Port of Long Beach, a \$1.6 billion endeavor, which broke ground last year and is scheduled to finish by 2032. Officials say they have planned \$3.2 billion in infrastructure improvements over the next decade.

It also comes at a strange time for the Port, subject to dual narratives of extraordinary gains in container volume and rising tariffs that threaten its rise as the busiest seaport in the nation.

The Port celebrated an extraordinary 2024-25 fiscal year that saw the volume of cargo handled by the Long Beach port jump 20.3% to about 9.6 million TEUs. The Port has moved 4,042,228 TEUs during the first five months of 2025, up 17.2% from the same period in 2024.

But trade declined 8.2% in May due to tariffs and retaliatory orders that shocked shippers before being temporarily paused. Despite a budget, which begins Oct. 1, that is 9.5% higher than last year, operating revenue this coming fiscal year will drop nearly 2% due to fears over the current and future tariffs, officials say.

We are monitoring the development of the new trade policies and the effects on our dockworkers and others across the supply chain," said Long Beach Harbor Commission President Bonnie Lowenthal. "We are staying in close contact with our customers and other port stakeholders as they work to handle the ongoing changes in trade."



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What did it mean for local businesses and residents when tens of thousands of people flocked to the Long Beach shoreline?

#### Warped Tour from page 1

revenue. The festival, which officials promised would draw 80,000 people daily, was the most visible example so far of what Long Beach's entertainment-centric future could hold.

On city streets, residents said the influx of attendees each morning brought street traffic to a crawl and strained an already thin parking supply. But restaurant owners said it was nevertheless a welcome reprieve from days when they struggle to justify even staying open.

Orsa Modica, owner of Modica's Deli on the corner of Ocean Boulevard and Linden Avenue, said she saw a roughly 25% increase in her sales.

"There was a buzz in the air," Modica said. "It didn't seem like a ghost town."

The only downside, she said, was that she had regular customers cancel their online orders because of parking and traffic issues.

But to the chagrin of some businesses, Warped Tour organizers didn't allow reentry and didn't post the day's lineup of bands until the festival gates opened at 11 a.m., meaning local restaurants saw surges of business at the beginning or end of the day instead of steady foot traffic.

Dani Dodge, a downtown resident who attended the festival, said she was able to walk to the festival and

"This is an incredible event for Long Beach to host and to be associated with," Dodge said.

Others sought an escape from the crowds. Jim Goodin, who has lived in an apartment overlooking Shoreline Drive for nearly three decades, said he has a set routine for when festivals come to town. In this case, a stage was set up roughly 50 feet from his apartment building.

If he closes doors and sits in the room furthest away from the street, he can watch TV with his headphones on and forget there's a concert happening.

Goodin and his neighbors have been making the city aware of their predicament for years, resulting in incremental changes, he said. At past events, the speakers have faced his apartment building. Now, they face away.

Still, at the recent festival, Goodin said he measured noise levels that are four times what the city ordinance allows.

"We all want them to have successful events, we just don't want it to risk our health," Goodin said.

Long Beach is betting on larger downtown crowds becoming a more regular occurrence. It is in the midst of constructing a temporary, outdoor amphitheater near the Queen Mary. The project, called the Long Beach Bowl, is tentatively slated to open in April.

Tourism in Long Beach, like many cities statewide, has been slow to rebound after the pandemic. However, it's shown signs of positive growth.

In 2023, visitor spending had a \$1.9 billion impact on the city's economy, according to a study commissioned last year by the Long Beach Convention and Visitors Bureau.

That year, local hotel revenue and air travel grew more rapidly than Los Angeles County's in part because of Long Beach's reliance on "business and convention visitors," which have bounced back more quickly, the study's author, Robert Kleinhenz, wrote.

Adding in more entertainmentbased tourism with the Long Beach Bowl "has potential" to drive that \$1.9 billion impact even higher, Kleinhenz said in a phone interview.

A "vibrant downtown that appeals to visitors" would be a "win-win between the convention industry" and local businesses, Kleinhenz said.

Whether the transformation will happen fast enough for local businesses and whether they'll see the promised economic payoff remains to be seen.

"Downtown is struggling," Clay Wood, owner of Clay on First Pottery Studio, told the mayor at a town hallstyle meeting this summer.

Richardson was laying out how the Olympics — the biggest event of the decade — could boost Long Beach's economy, but Wood and other business owners weren't assuaged.

"I feel like the Olympics are just a distraction," he said. "I mean, it's two months. It's going to help our businesses three years from now. What's happening right now?"

He and dozens of downtown business owners have pushed for more frequent small-scale events that can help enliven the area where shops have struggled, often raising complaints about homelessness and vandalism.

City leaders are trying to push forward that vision with experiments like limited public events that sanction walking around with open containers of alcohol.

The first one took place on The Promenade on Aug. 2, with plans to slowly scale them up if all goes well.

Warped Tour, meanwhile, is already scheduled to return to Long Beach next summer.

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#### Housing market from page 7 \_

"dysfunctions" of our market and the particularities of our property tax system that date back to the 1970s, said Fairweather.

Taken all together, California homeowners "have extra reasons to stay put," she said.

That means fewer opportunities for aspiring homeowners, more pressure on the rental market as discouraged would-be buyers find themselves shunted there and prices that are likely to remain persistently high, despite high interest rates meant to cool things off.

California's housing market has been in a kind of holding pattern for years, said Oscar Wei, economist with the California Association of Realtors. "I thought by now we would see sales coming back up a little bit more," he said.

Unanswered questions about the future of the economy, tariffs and what they might mean for inflation, the stock market and how all of the above will influence interest rates are likely holding both buyers and sellers back, he explained.

And then there's the persistent borrowing cost gap, which economists dub the "lock-in effect."

In an effort to jump-start an economy that had ground to a halt during the early days of the COVID-19 pandemic, the Federal Reserve brought borrowing rates down to near-zero. Homebuvers tapped those low rates to buy homes. Existing homeowners scrambled to

"When people are doing the math about how much money it would cost them to move and they look at the mortgage expense, and then on top of that, the property tax expense, it's not worth it."

refinance to lower their costs.

Two and a half years later and facing the new crisis of rapidly rising prices, the Fed jacked borrowing costs back up. For homeowners who took out fixed-rate mortgages (most do) when borrowing costs were low, the sudden rate bounce made selling a home with plans to buy a new one and in the process losing the coveted low rate in exchange for a high one a losing financial proposition.

An analysis by economists at the Federal Housing Finance Agency found that the majority of borrowers in mid-2024 had a rate below 4%. A typical new mortgage, on the other hand, is likely to come with a rate of more than 6.5%.

That difference comes with a steep financial price tag. If the average mortgage payer were to swap out their existing loan for one at the new rate, they would pay another \$398 per month, the agency researchers estimated.

The effect is even more pronounced in California, where property values are particularly high. The median sales price on a single family home across the state is just shy of

\$900,000, according to the state association of Realtors.

Even small changes in interest rates on such a massive purchase add up.

A typical California borrower would pay an extra \$675 every month if they were to take on the same mortgage at current rates, according to the Federal Housing Finance Agency report. In San Francisco, it's an extra \$915. That's a compelling reason not to sell.

California homeowners have even more reasons to hunker down.

Since 1979, when the prior year's Proposition 13 went into effect, property taxes in California have been tied to the purchase price of a home and only allowed to increase at a modest rate. With real estate prices across the state trending upward ever since, that's created yet another kind of "lock-in effect:" The longer that a person owns a home, the less they pay in property taxes compared to a new buyer. A recent analysis by the Lincoln Institute of Land Policy estimated that new buyers can expect to pay more than twice as much in property taxes compared to a typical long-time homeowner in many of

California's largest cities, including Los Angeles, San Diego, Long Beach, Oakland and Sacramento.

—DARYL FAIRWEATHER

"When people are doing the math about how much money it would cost them to move and they look at the mortgage expense, and then on top of that, the property tax expense, it's not worth it," said Fairweather.

Absent an influx of new listings, aspiring homeowners looking for the opportunity to buy will need to wait on new construction to deliver. But new supply has essentially flatlined over the last decade, despite a bevy of state legislation aimed at boosting more development. Fairweather said she isn't optimistic that that's likely to change soon — and the lock-in effect on property owners is one reason why.

"I'm skeptical that owners of single-family homes are going to give up the land to actually build enough housing to make a difference," she said. "It's good that all those laws change, but I feel like they might be muted in their impact because of all the other forces that are pointing towards single-family neighborhoods staying exactly the same." •





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## **GOVERNMENT**

# Long Beach congressman picked as top Democrat on House Oversight Committee

By John Donegan

House Democrats in June picked Long Beach Rep. Robert Garcia to lead the House Committee on Oversight and Reform — an influential post for the congressional sophomore amid growing internal calls for a generational change in leadership and a turbulent second term for President Donald Trump.

Garcia, 47, won the seat in a 150-63 vote over 70-year-old Stephen Lynch, D-Mass., who filled in for Rep. Gerald Connolly of Virginia, who took a leave of absence in April. Connolly died in May at 75.

Two other representatives — Rep. Kweisi Mfume, D-Md., and Jasmine Crockett, D-Tx. — both withdrew prior to the vote after a poor showing in a Democratic steering committee vote. Garcia earned 33 of those 60 votes.

As the main investigative committee in the House, the Oversight Committee is one of the most influential and contentious panels in Congress. Its leadership has the power to investigate, monitor and oversee the federal government and its agencies for misconduct and malfeasance.

While Democrats, as the minority party, cannot issue subpoenas or call hearings, Garcia will have the authority to conduct investigations, control Democratic witnesses during hearings and manage debate time on the House floor.

Republican leader James Comer, who chairs the Oversight Committee, will have to consult Garcia on issues of procedure and the legislative agenda.

In a call shortly after his selection, Garcia acknowledged that leadership of such a post is often rewarded to a party's most senior members. The contest between Lynch and Garcia was seen by many as a generational challenge,



Photo by Thomas R. Cordova/Long Beach Business Jour

Rep. Robert Garcia takes questions from journalists at a press conference about his recent trip to El Salvador.

as more senior Democrats have in past years shown reluctance to pass on key roles to younger members.

"This has typically been a caucus that has rewarded seniority and longevity, neither of which I have in Congress," Garcia said. "But I think they also made a decision to expand the tent. I think everyone has heard, 'We need to expand the tent. We need to bring in new voices. We need generational change.'"

The position has also suffered high turnover recently, with Lynch being the fifth person to hold it in six years. None of them was younger than 60

Garcia's pitch, made in more than 200 meetings with Democrats during a six-week campaign that led up to the vote, was that he strikes the balance between priority for Congress' experienced lawmakers and those wishing to offer new ideas to the mix.

While new to Congress, Garcia pointed to his eight-year tenure as mayor of Long Beach, from 2014 to 2022, after which he succeeded Rep. Alan Lowenthal, D-Calif., who did not seek re-election.

"How we were able to run a port, an airport and utility department and a transit agency, and we had 6,000 incredible employees, and presented the work of our City Council," Garcia said. "All the experience that gave me to prepare me to do this job.'

Garcia has served on the Oversight

Committee since first being elected to Congress in 2023.

Over the next several weeks, Garcia said he plans to meet with committee staff and leadership, "to make sure we're all on the same page." There will be a definite focus, he added, on investigations into the Trump Administration, the Department of Government Efficiency, or DOGE, and its former head, Elon Musk.

"We will hold Donald Trump and his Administration accountable for their corruption and abuses of power, and will work to make our government more efficient and effective for the American people," Garcia said in a statement. "Now let's get to work."



A promotional photo shows what the delivery robots that previously operated in Long

# Long Beach asks delivery robots to leave while it crafts regulations

By Jacob Sisneros

Long Beach has temporarily kicked out delivery robots that at least one company was testing while the city figures out how to license and regu-

For several months, Serve Robotics was testing the automated bots to deliver Uber Eats, but Long Beach asked them to pause in April, according to

A city spokesperson confirmed this, saying staffers told Serve Robotics they needed a business license to operate, but Long Beach does not have a licensing process for automated delivery services.

Serve Robotics complied with the request because "delivery robots don't fit neatly into the city's existing business license categories," said Aduke Thelwell, a company spokesperson.

This comes not long after a downtown Long Beach resident wrote to Councilmember Mary Zendejas' office in January about a "strange en-

Delivery robots page 18



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# Mayor unveils immigrant aid package, tariff relief fund in proposed budget

By John Donegan

With the state facing an enormous budget deficit and federal cuts looming, Long Beach proposed a lean 2026 budget that still sets aside money for those impacted by recent immigration raids and a continued homelessness crisis.

As part of a \$3.7 billion spending plan unveiled last month, Mayor Rex Richardson suggested the city reserve \$5 million for assistance and legal defense for those facing the specter of deportation or federal cuts that could put more people on the streets.

'We don't want people to have to choose between health care or paying the rent or making a choice between going to work or the risk of potentially being separated from their families," Richardson said at a budget unveiling on July 24.

The package, titled "Defending Our Long Beach Values Plan," will include \$1.85 million in direct legal support through the existing Long Beach Justice Fund, about \$500,000 in emergency cash and rent subsidies for immigrant families, and \$150,000 to establish a program that educates businesses about undocumented workers' rights. The other \$2.5 million will go toward an eviction protection fund, meant to help  $anyone-not\ just\ immigrant\ families$ - affected by the federal administration's policies or cuts.



Photo by John Donegan/Long Beach Business Journa Long Beach Mayor Rex Richardson speaks on Thursday, July 24, 2025, at a press conference outlining a proposed city budget for 2026.

Immigration legal defense would be provided by Western State College of Law and Esperanza Immigrant Rights Projects, both of which have been on the city's retainer since January. The city also initiated a bid request two weeks ago for their permanent replacement.

Those two providers, along with the city's office of equity, will vet those seeking legal assistance and accept referrals from the city's community groups, including Órale. About \$950,000 of the justice fund carried over from the last budget, leaving the fund at its highest total since it was established in 2018, officials said.

In another budget initiative, Richardson proposed allocating \$500,000 for a tariff relief fund that could be doled out in one-time grants to cover local businesses' increased costs from President Donald Trump's trade policies

Richardson also recommends policy changes in response to the immigration raids. The mayor asked that the city further restrict access within city-owned property by designating some areas as "non-public secure locations." These restrictions, typically used by businesses, would be used to limit access by federal agents on city property without a warrant in hand, as allowed under state and federal law.

Signage on doors and other entryways would be present if this took effect, and staff would be trained to handle situations where federal immigration agents attempt to enter city property.

He also recommends establishing a new legal reserve for the city attorney's office to defend against legal challenges from the Trump Administration and pay for ongoing litigation costs. The City Council recently voted to join a lawsuit arguing immigration agents are violating people's civil rights.

His proposals would also establish disciplinary policies for city employees who do not adhere to Long Beach's sanctuary city law, called the Long Beach Values Act. He recommended establishing pathways for "warnings, suspensions, demotions, or dismissals" to ensure full compliance. The plan also calls for an online portal where residents can report city employees they believe aren't following the rules.

Vendors contracted with the city who do not follow its sanctuary policies may be disqualified from future contracts.

The mayor also recommended the city use \$16 million from the new LA County Measure A sales tax, as well as money from the Los Angeles County Affordable Housing Solutions Agency, or LACAH-SA, to pay for several housing and homelessness initiatives focused

Proposed budget page 18

# Long Beach plans to sell ads on its lifeguard towers

By John Donegan

Long Beach is trying to sell advertising on the back of its beach lifeguard towers.

The idea, floated by the city's Economic Development Department, is meant to make money for the Long Beach waterfront. Under the plan, each of the 25 towers along the shoreline would have space for an ad, as well as beach safety messages, public service announcements and other informational campaigns.

It's not clear yet how much cash this could bring in, but the city is intent on "maximizing revenue" while "maintaining a look and feel consistent with Long Beach's coastal environment," according to the project proposal.

The city first started looking for companies to run the program in May, and the city hopes to have a contract presented to the City Council by October.

Most details for the program have yet to be finalized. There are no restrictions so far on what brands or logos will be allowed, though ad-

vertisements must complement the "coastal environment and aesthetic," the city said in its proposal.

When bidders on the project asked how many people visit the beach annually, Long Beach officials said they weren't sure, but they estimated the city as a whole gets 6 million visitors per year.

Officials have yet to say what percentage the city and the contractor would each take from ad sales. "The City is seeking a vendor that can provide a minimum annual guarantee, along with a revenue-sharing arrangement for any amount exceeding that minimum," city spokesperson Chelsey Magallon said.

The contractor chosen will implement the program for two years, with the option to renew for three additional one-year terms. Once approved, they will be responsible for overseeing the installation of ads and ensuring that they do not obstruct public access or views, and make sure they do not require any permanent alteration to the lifeguard towers. The contractor will also be responsible for any maintenance and cleanup in the case there



Photo by Thomas R. Cordova/Long Beach Business Journa

A lifeguard watches the water from the tower in Long Beach.

is damage or vandalism.

The idea of slapping advertising on lifeguard towers isn't new to the Los Angeles region; signs are already affixed to 175 towers spanning more than 30 miles of coastline, from Malibu to San Pedro and including

Manhattan, Hermosa and Redondo

City staff said they based their program on an iteration used to place ads on lifeguard stations in Huntington Beach in 2024. ■

# Neighbors sue, demanding tighter enforcement of airport noise ordinance

**By Jacob Sisneros** 

A group of residents near Long Beach Airport has filed a lawsuit against the city, alleging it is allowing flight schools to exploit a loophole in its airport noise ordinance to fly small aircraft late at night.

The lawsuit, filed by the Long Beach Small Aircraft Noise Reduction Group on May 30 in Los Angeles County Superior Court, claims that flight schools get away with running around-the-clock flights by classifying them as "taxi back" operations instead of "touch-and-go" maneuvers, which are explicitly banned outside

Lisa Dunn, founder of the group that filed the lawsuit, said taxi-back training flights involve an aircraft taking off, then turning around and

landing before taxiing back to the beginning of the runway to take off again. Touch-and-go maneuvers, by contrast, do not involve the aircraft stopping or remaining on the ground before taking off again, Dunn said.

Long Beach's airport noise ordinance prohibits training operations between 7 p.m. and 7 a.m. on weekdays and between 3 p.m. and 8 a.m. on Saturdays, Sundays and holidays. According to the ordinance, prohibited operations include "touch and go, stop and go, practice low approach and practice missed approach, or any of them."

The lawsuit alleges the city claims it cannot enforce the ordinance against the taxi-back flights because they are not "specifically labeled" as one of the prohibited training operations spelled out in the ordinance.

Dunn says the flight schools are taking advantage of this loophole to get around the rules.

'They do touch-and-gos all day until 7 p.m., and then after 7 p.m. they do taxi backs," she said. "We never get a break."

From Jan. 1, 2024, to June 30, 2024, more than 5,600 flights took place during prohibited hours, the lawsuit claims.

The trainings consist of "anywhere from five to 10" small planes landing and taking off while traveling in a circle, each "within a minute" of each other, according to Dunn.

"It's like a really loud lawnmower going over your house," she said.

The City Attorney's Office declined to comment on the lawsuit while it is still pending.

Long Beach could try to amend its ordinance to close the loophole, but city officials have said previously that this comes with the risk of losing hundreds of millions of dollars in federal funding because the current ordinance



Photo by Thomas R. Cordova/Long

A small plane passes the Long Beach Airport control tower

is grandfathered in under FAA rules.

In the absence of changes, the city says it has sought voluntary agreements with flight schools to reduce noise.

The lawsuit seeks a court order telling the city to enforce its noise ordinance — including against taxi-back operations — against the "at least 16 flight schools" that train private pilots at Long Beach Airport.

Increased regulation, a shortage of commercial pilots and higher operating costs at other airports in the region have led to an influx of flight school training at LGB, according to the lawsuit.

Torrance Airport, for example, restricts all touch-and-go operations and restricts taxi-back and low approaches to between 10 a.m. and 4 p.m. Monday through Friday.

The lawsuit represents the latest attempt to reduce the sound of small planes flying over homes in the neighborhood.

In May 2024, the Small Aircraft Noise Reduction Group rallied against noise and lead pollution produced by small planes, which typically still use leaded gasoline.

"Our community has had enough," Dunn said. "The city is turning a blind eye to blatant violations of an ordinance that was specifically designed to protect residents from exactly this kind of disruption." •



# Long-awaited Belmont Pool faces another delay after construction bids come in over budget, city says

By John Donegan

Construction of a new aquatic center near the Belmont Pier in Long Beach has been delayed again after bids came in significantly higher than the project's \$50-million budget.

At a Marine Advisory Commission meeting on June 12, project manager Charlene Angsuco with Long Beach's Tidelands Improvement Division told commissioners the city decided to reject the only two bids submitted.

Angsuco did not provide a specific reason. Bids are rejected on occasion at the discretion of the Public Works Department. Bids are typically abandoned when there aren't enough submissions or the proposed costs run over city estimates.

Both bids, Angsuco told the commission, came in around \$60 million, well over the project budget. Angsuco clarified at the meeting that only one of the two bids was "viable," as the other was not filled out correctly.

Moving forward, she said, city engineers will "repackage" the bidding process and then field new submissions from contractors — a move that will delay that project several months.

This will shift the start of construction, Angsuco said, from late fall to late winter or early spring, depending on how long each step takes. It will take two to three months to repackage bids and another one to three months to field new applicants, she added.

In the repackaging process, Angsuco said the city will look at "factors that may have contributed to cost-growth and certain categories compared to estimates," but did not specify what will be examined this time around.

"We (will) repackage it with, hopefully, greater clarity," Angsuco said.
"Where contractors might have been reading something as unclear that led to higher bid pricing, we would want to clarify that, and in addition, hit the reset button and give folks a different package to review that's hopefully clear in their minds and reduces risks on both sides."

She added: "Contractors may price things because they see risk or they see lack of clarity or perhaps an uncertain approach for how they might tackle things."

The project, which was originally pitched in 2016 as a \$119 million domed natatorium capable of hosting



Courtesy the city of Long Beach

This rendering shows the latest plans for the Belmont Pool complex

2028 Olympic competitions, has steadily been diminished by rising costs and regulations. Legal challenges from community groups, declining oil revenues and changes mandated by the California Coastal Commission, which has jurisdiction over coastal projects, further ensnared the process and hiked the cost.

At the meeting in June, Angsuco said competition for builders was also a problem: Contractors they spoke to said they had bigger projects to tackle right now.

"Regionally, the Los Angeles construction market is very hot," Angsuco said.

The pool last came before the public in January, when Public Works Director Eric Lopez told the City

Council the project had four or five qualified bidders, but several did not place a bid.

City engineers also filed an application for the project through the California Coastal Commission on March 13.

With about \$22 million already spent on pre-construction work like design and environmental studies, the project has less than \$50 million available for construction. Angsuco said the pool is still not fully funded. Any additional money needed will require the department to either seek outside capital, like a grant, or request additional cash from the City Council.

"We have a majority of the funding; we don't have all of it," Angsuco said.



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#### CSULB president from page 1 \_

permanent new president as soon as August.

The new president will be tasked with navigating a fraught time for higher education as the Trump Administration scrutinizes research grants, aid for students and funding intended to promote diversity and inclusion.

Cal State Long Beach has historically been known as a teaching school, but it still receives \$60 million to \$80 million a year in research funding, about \$7 million of which has already been eliminated.

The reductions won't generally affect faculty, whose salaries are paid by the state. But it may impact up to a dozen staff members who manage grants, Close Conoley said.

"So far we have not had to lay people off," she said — though difficult decisions await the incoming president.

Close Conoley, 78, said she was torn about leaving at such a tenuous time, "not because I'm particularly talented, but because we are looking at some watershed moments ahead of us."

The new administration has said it plans to eliminate the Department of Education, which oversees critical buckets of higher education funding and sets policy and standards for myriad programs.

Ahead of the announcement about a new leader, I asked Close Conoley about her eventful 11-year tenure in Long Beach as she steps into retirement and adjusts (eventually) to a slower pace.

Her time here was stressful almost from the start: A year after her arrival in 2014, design student Nohemi Gonzalez was killed in a terrorist attack while studying in Paris — a tragedy that resulted in international headlines and yearslong legal battles. The ensuing years included a pandemic that shut down in-person instruction for 18 months, scrutiny over the university's treatment of Native land, campus protests and accusations of retaliation against professors who have urged the college to stand up for Palestine.

#### **CHALLENGES**

When Close Conoley first moved to California after accepting a job at UC Santa Barbara, she said she sold her home in Texas for about \$350,000 and searched for what was available at a comparable price. The only home that came up was a double-wide trailer.

The outgoing president said the region's housing affordability crisis has been particularly vexing, with few options to provide relief for students, staff and faculty — an issue she described as an "impending crisis" that has undoubtedly



Courtesy of Cal State Long Beach

Jane Close Conoley

affected enrollment and recruitment.

Not long after her arrival in 2014, student homelessness was already rising across California. CSULB launched a Basic Needs Program to address housing shortages, food insecurity and other emergencies. Close Conoley played a significant role in expanding the program to include the Beach Pantry and Rapid Rehousing, and, by 2018, the program had become one of the most comprehensive in the CSU system.

The university also expanded on-campus housing, breaking ground on a new dorm last year that will add 424 beds. But Close Conoley said about 1,500 students remain on the waiting list for on-campus housing, which has become more appealing with fewer options around the city.

#### **SUCCESSES**

Close Conoley cited the university's improved four-year graduation rate as among the biggest successes of her time. Many factors play a role in how fast students get through school, but her aim was to ensure "we get out of the way" by having enough courses available and support services.

More than 40% of students now graduate in four years, up 15% from a decade ago.

She is also proud of the university's academic accomplishments, including the successes of the Trivia Team, Beach Forensics, the Moot Court in which

students compete in mock legal proceedings, and a campus choir that has been recognized internationally. The Carnegie Classification of Institutions of Higher Education also elevated the university to the second highest research status in 2022, and the university now offers five doctoral degrees, the newest of which will be offered in public health this fall.

"Sometimes students feel like this isn't Stanford, but look around," Close Conoley said. "I'm proud of promoting that, and building relationships with the city, creating special events for students, and building fabulous centers and institutes."

#### ADVICE FOR THE NEXT PRESIDENT?

Close Conoley says she will learn who the next president is along with the public. A CSU campus and community search committee has been leading the effort, with a decision expected soon.

Her advice for whoever takes the helm is to trust the team.

"We have some excellent leadership," she said of CSULB. "Take time to learn what's going on, and use the team around you."

Navigating the next chapter of the university will necessitate a strong administration to speak out when called for, and do the work behind the scenes to ensure the safety and success of students, she said.

#### WILL SHE MISS LONG BEACH?

Close Conoley, a native New Yorker who has spent time all over the country in her 50-year academic career, said she found a real home in Long Beach.

She has been involved in a number of civic causes, including chairing the city's Everyone Home initiative around the city's housing shortage, and has been honored by numerous organizations. Mayor Rex Richardson said at an event in May that she could expect to be awarded a key to the city.

It was hard to leave the "smart, funny and creative" people here for the Bay Area, but she plans to return often.

"Long Beach has such a culture of acceptance and tolerance and diversity," she said. "The people here are so welcoming and involved with the campus."

She said she knows from experience, however, that no one is irreplaceable.

"All the places I've left over the years are still doing just fine," she said, adding she'll be watching with excitement to see what the future holds for Long Beach. ■

## Delivery robots from page 12 \_

counter" she had with one of Serve's robots. The resident said the robot blared a siren and emitted flashing red lights when she momentarily blocked its path while she was out walking with a group of friends. While she wasn't opposed to the robots, the resident asked the city to make sure it had a way to ensure they were operating safely.

Since late February, three city departments have been working to craft a program that properly regulates the robots. In that time, the city has "moved from exploration to development" with the goal of launching a "small-scale pilot program later this year," city spokesperson Jen De Prez wrote.

Once that pilot program concludes, city staff will make adjustments before considering a full program, De Prez wrote. The pilot program will help determine how many operators

can be licensed and where they can operate in the city.

Serve Robotics first launched in Los Angeles in 2019. The company inked a deal with Uber Eats in July 2023 and has since expanded to Atlanta, Miami, Houston and Dallas-Fort Worth.

The company said its four-wheeled robots — with names like Otto, Luna or Snack-E — use three cameras, GPS and artificial intelligence to navigate sidewalks. They use crosswalks on their own and brake to avoid collisions with cars coming out of parking lots, but they also have a human operator supervising their movements, Thelwell said.

Most deliveries range between a mile and a mile-and-a-half, according to the company. The robots have a maximum speed between 7 and 11 mph, depending on the model.

# Proposed budget from page 14 \_

on preventing people from losing their homes.

In future years, the county measure, passed last November, is expected to net \$24 million annually for Long Beach.

These include shallow rental subsidies for the seniors and other homelessness prevention programs.

It comes as the city enters a budget season with a \$16.9 million deficit stoked by declining oil revenues, rising pension costs, a slowdown in consumer spending, a city and county sales tax expected to stagnate and uncertainty over the future of grants by the state and federal government. The city has proposed covering this year's gap with one-time funding.

Over the next three months, leaders will deliberate how to shave down the shortfall and handle structural deficits in upcoming years, be

it through cutting one-time investments, capital projects or ending pandemic-era programs that have outlived their use.

"We have to look at some programs that, you know, may be very popular or maybe exciting, but they were designed to be one-time coming out of the pandemic," said City Manager Tom Modica. "They were designed to go away. And so we have to make some of those tough choices and sunset those but try to preserve the ones that we really need to preserve."

But city officials kept an optimistic tone through their unveiling on Thursday morning, saying the city's woes, with some savvy budgeting, are more than manageable. Modica pointed out that the city's general fund deficit is 2.6%. The city of Los Angeles, by comparison, is 12.5% in the red, facing a billion-dollar deficit.



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