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Long Beach Locations Brings Hollywood To The International City

By **BRANDON RICHARDSON**
Senior Writer

For decades, Long Beach has been host to directors and world-renowned actors and actresses during the filming of movies, television shows and commercials. From “Abbott and Costello in Hollywood” to “Lethal Weapon” (the movie) to “Batman & Robin,” Long Beach has seen a lot.

For more than 30 years, John Robinson has been at the heart of bringing film crews to Long Beach – first through his work as a city photog-

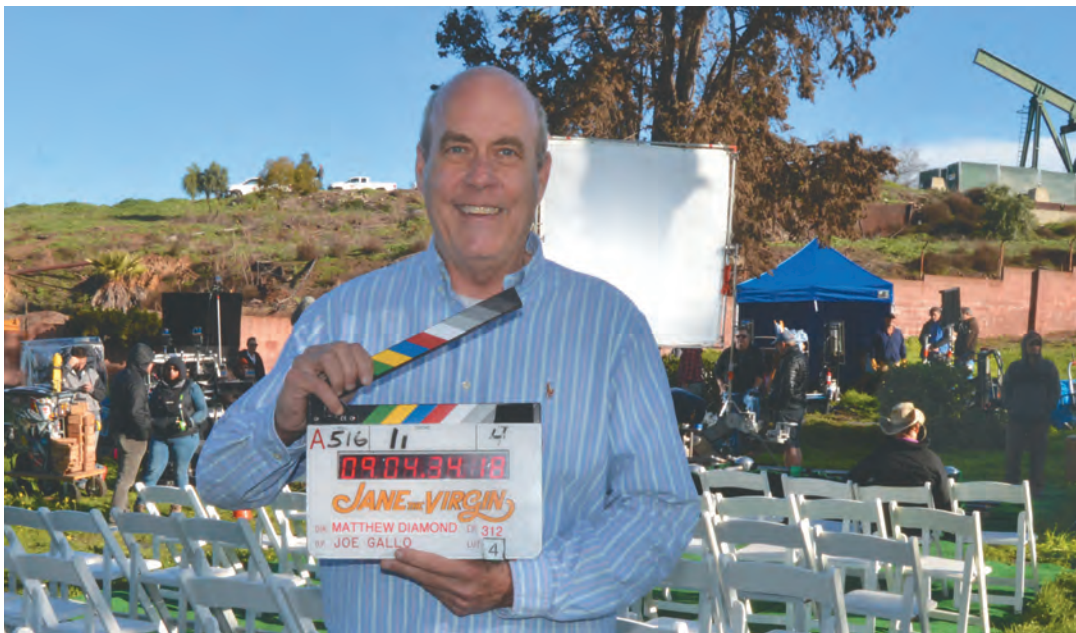
rapher and then as a business owner when he opened Long Beach Locations.

Robinson, a Long Beach native, graduated from the ArtCenter College of Design in Pasadena in 1976. After graduation, he was a freelance photographer, focusing on medical photography.

“From open-heart surgeries to annual reports to doctor portraits to grin-and-grabs. I’d done it all, as far as hospital stuff,” Robinson said. “When managed care came in, stock photography became prevalent because people lost their budgets.”

In 1984, Robinson responded to a job opening

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John Robinson is pictured on the set of The CW’s “Jane the Virgin” on location at Sunnyside Cemetery in Long Beach. Other TV shows that film in Long Beach include HBO’s “Ballers” (starring Dwayne “The Rock” Johnson) and FOX’s “Lethal Weapon” (starring Damon Wayans and Clayne Crawford). (Photograph by the Business Journal’s Larry Duncan)

Do The Arts Belong In STEM Education?

By **SAMANTHA MEHLINGER**
Assistant Editor

After the successful championing of the STEM acronym to promote an emphasis on science, technology, engineering and mathematics in education, a new one has been gaining traction: STEAM. That extra A – which stands for arts – has caused some squabbling among legislators and academics.

One side wants to be sure that the importance of the arts to

STEM fields (and vice versa) is emphasized through integrated curriculum that will ultimately result in a more creative workforce. The other side argues that the arts are already an integral part of STEM fields (and, again, vice versa) and that adding the A distracts from the original purpose behind the STEM movement – getting students interested in growing career fields.

One of the major proponents of STEAM has been the Rhode Island School of Art & Design

(RISD), through which the non-profit STEM to STEAM is operated. RISD has successfully championed STEAM at the government level, according to Babette Allina, the school’s director of government relations. For example, they assisted in the formation of the Congressional STEAM Caucus. That caucus successfully lobbied for the inclusion of language in the reauthorization of the Elementary and Secondary Education Act that

(Please Continue To Page 19)

JetBlue Jilted

City Council Nixes Proposal
To Add International Flights
To Long Beach Airport

By **BRANDON RICHARDSON**
Senior Writer

After more than two hours of public comment, the Long Beach City Council voted 8-1 at its January 24 meeting to shelve a staff recommendation to move forward with the development of a federal inspection station (FIS) at Long Beach Airport (LGB).

Only Councilman Dee Andrews supported the U.S. Customs facility, although, according to several sources, three other councilmembers – Lena Gonzalez, Jeannine Pearce and Rex Richardson – had indicated support prior to the meeting. They switched their vote at the urging of Mayor Robert Garcia, who wanted a unanimous vote.

(Please Continue To Page 8)

Rail At Near-Zero Emissions?

VeRail Technologies
To Demonstrate Green
Locomotive In Long Beach

By **BRANDON RICHARDSON**
Senior Writer

As one of the greenest ports in the world, the Port of Long Beach (POLB) continues to be a leader in green initiatives and projects meant to reduce emissions and protect the environment.

In 2006, in partnership with the Port of Los Angeles, the POLB adopted the Clean Air Action Plan (CAAP), which outlined short-term and long-term emission re-

(Please Continue To Page 14)

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By Assistant Editor Samantha Mehlinger

The term Millennial seems to denote a generation primed for rapid progress. A new millennium moving forward. New ideas, new technologies. Bullet trains. Robots. Fuel cells. Perhaps even a mission to Mars. It seems a pretty sleek and shiny moniker for a generation, especially considering that our pre-

ceding age cohort was given a totally nondescript identifier: Generation X.

But you know what I think of when I ponder my generation? The Great Recession. Student loan debt. 9/11. Living at home well into adulthood. Being la-

(Please Continue To Page 5)

People In The News



Danon

Pediatric Cardiologist **Saar Danon, M.D.** has been named the medical director of pediatric cardiology and congenital cardiac catheterization at Miller Children's & Women's Hospital Long Beach. Prior to joining Memorial, Dr. Danon worked at Cardinal Glennon Children's Hospital in St. Louis. . . . **Lakewood Regional Medical Center**, part of the Tenet Healthcare system, has appointed **John Graf** as its new CEO. He most recently served as CEO of Des Peres Hospital in St. Louis. Graf has



Faulkner

more than 30 years of experience in hospital administration. **Brandon Faulkner** has been promoted to partner, expanding the law office's name to **Garcia, Artigliere, Medby & Faulkner**. The Long Beach-based firm, which specializes in elder care, has offices in Phoenix, Seattle, Lexington and Winter Park, Florida. Faulkner joined the firm in 2013. . . . **Agilon Healthcare**, a services and technology company formed last year and based in Long Beach, announced that **Ronald J.**

Kuerbitz will serve as its CEO, effective February 20. In a press release, the firm spokesperson said Agilon is "dedicated to partnering with physicians to create value-based healthcare delivery systems." Kuerbitz is former CEO of Fresenius Medical Care North America, the \$13 billion renal care specialist. . . . **D.J. "Dong Ju" Park** has been named senior manager of engineering and electrical operations for Long Beach-based **DENSO Products and Services Americas Inc.'s** remanufacturing plant in Murrieta. The plant specializes in rotating electrical products – starters, alternators, fuel injectors – as well as diesel products. . . . **PEAR Strategies**, whose founding partners are **Weston LaBar** and **Henry Rogers**, is the new management team for the **Harbor Association of Industry and Commerce**. PEAR replaces Wegner Associates, whose principal, Monika Wegner, served as executive director of the association for 17 years until her retirement in December. . . . **The**

American Institute of Architects – Long Beach/South Bay Chapter has announced that **Michael Bohn** of **Studio One Eleven** in Long



Bohn

Beach, is its new president. Other Long Beach members of the 2017 board of directors include architects **Ethan Dingwell** and **Carina Mills** of c/a Architects; **Alan Burks** and **Leticia Mimila** of Environ Architecture; **Jonathan Glasgow** of Interstices; **Nader Gassemlou** of OBJEKT Studio; **Ryan Caldera** of Studio One Eleven; and **David Fernandez** of Aptus. Other boardmembers are **Rick D'Amato** and **Keith Hempel** of LPA; and **Carol Beth Cozen** of Cozen Architecture. . . . **Patrick Nye** has been named executive director of small business and entrepreneurship programs at **Long Beach City College** (LBCC). He also heads up the **Los Angeles Regional Small Business**



Nye



Hiatt



Knox

Development Center Network (SBDC), headquartered at LBCC. **Ted Hiatt**, who was serving as director of the Long Beach SBDC Service Center, is now associate director for the Los Angeles Regional SBDC Network. . . . LBCC also announced that **Ramon L. Knox** has been named the new dean of student affairs. He is responsible for the office

of student life, the volunteer resource center, student government, health services and discipline. Knox most recently served as the vice president's chief of staff at Cal State Fullerton. . . . In mid-January, the **Long Beach Police Department (LBPd)** announced that **Lt. Jeffrey Berkenkamp** was promoted to the position of commander, and now oversees the West Patrol Division. Berkenkamp is a 19-year LBPd veteran



Berkenkamp

who has served in a variety of assignments. He replaces **Commander Robert Smith**, who has assumed command of the department's gang and violent crimes division. . . . The LBPd also announced the following employee promotions: **Sergeants James Foster** and **Omar Martinez** to lieutenant; **Asst. Admin. Analyst II Nicole Gross** to administrative analyst III; **Officers Demetrio Alonzo, Jason Lacey, Eduardo De La Torre, Sean Hunt** and **Jonathan Ornelas** to sergeant. . . . **Sunset Designers & Builders** in Los Alamitos earned the "Best Of Customer Service 2017" on Houzz, an online platform for home remodeling and design. The 69-year-old company, owned by John Zahn, was chosen by the more than 40 million monthly visitors to the Houzz site. ■



Zahn



Signal Hill Chamber Of Commerce

The Signal Hill Chamber of Commerce held its 76th Annual Awards and Installation Luncheon last week at the Long Beach Petroleum Club. Some of the people in attendance included, from left: Frank McIlquham of The Rock Club; Diane Dahi of Dahi Wellness; Alexandra Rothwell of Signal Hill Petroleum; Melissa Guy of Asset Media Group; Adalita Silva of Comerica Bank; and Octavio Duran of EDCO Waste & Recycling Services. (Photograph by the Business Journal's Larry Duncan)

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For details, visit
aquariumofpacific.org/latenights

*Aquarium
of the Pacific*

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(Continued From Page 1)

beled “entitled” when all we want to do is be able to afford rent AND student loan payments (the nerve!) And OK, sure, smartphones and selfies and all matter of Apple gear. But those last few things are pretty much staples of developed nations at this point.

Considering all the road bumps we hit as we entered adulthood during one of the worst economic periods in the past century, it seems to me that a more fitting name for our generation would evoke the essence of a hand-me-down family car with incessant, costly problems that keep landing it back in the shop.

So while I don’t particularly identify with the shininess the word Millennial implies, what I have felt like is something more like this: a Recessional.

When the economy collapsed in 2008, I was still in college and was lucky in that I could continue my education. Some of my peers could no longer afford tuition and had to drop out or transfer to schools close to home so they could move back in with their parents and take on part-time jobs – if they could even find one.

When I graduated two years later, the job outlook still seemed pretty bleak. I had not planned on pursuing a master’s degree, but what else was a 21-year-old with a degree in creative writing to do at a time when everyone was proclaiming that the written word was dying and when people with more “employable” or “practical” degrees were seeing their own jobs slashed left and right?

So I went straight to graduate school, putting off entering the job market in the hopes that an advanced degree would make me a more appealing applicant in the future.

Like many people my age, I moved back in with my parents. Most of my friends moved back into their family homes as well, and began lengthy searches for employment. As months dragged on, it became clear that pursuing careers relevant to their majors was not realistic – at least, not yet.

These were my closest friends: A communications major who went back to work as a manager at McDonald’s. An art major who went to work at Disneyland. A political science major who took a job in a real estate office. A history major who interned at museums for years before finally going to graduate school. And an accounting major who ended up housesitting for a guy who was out of the country for months while she looked for employment.

A Pew Research Center study released in May 2016 found that in 2014, for the first time in more than 130 years, adults between the ages of 18 to 34 were more likely to be living in their parents’ homes than with a spouse or partner in their own household.

A September 2016 study by Jaison Abel and Richard Deitz of the Federal Reserve Bank of New York pointed out that the underemployment rate of recent college graduates (a figure measuring the percentage of college-educated workers in jobs that do not require a college degree) continued to increase for several years following the

Great Recession. In 2014, underemployment among recent college graduates reached its highest point at a rate of 46% – and this was well into the recovery.

People who graduated in the aftermath of the recession struggled to find any employment at all, “let alone jobs that utilized their degrees,” the report stated. And when underemployment rates began to decline after 2011, the improvement was less sharp for recent college graduates than it was for college graduates as a whole.

Amber Ballrot, a Long Beach resident and friend of mine since as far back as Hoover Middle School (sorry, no embarrassing childhood photos included), studied marine biology at the University of Santa Cruz. After graduating in 2011, she moved back in with her mom and spent about a year looking for work in her field, but to no avail. Ultimately, she took a job at a Signal Hill-based wholesale jewelry company, handling online sales and shipping.

“Coming out of college, I thought I would be doing something in the field that I wanted,” Amber said. “I was willing to do the dirty work . . . and then start from the ground up.” But that did not pan out. “I had to move on to make things work. And I never went back to it.”

After about a year of working at the jewelry company, she joined the World-wide Organization for Organic Farming (WOOF) program that allows participants to travel to a distant locale and work on an organic farm in return for room and board. She went to Hawaii for five months and learned how to keep bees, among other things. “It wasn’t super positive, but I was still trying to be positive – trying to do something that wasn’t just waiting [tables] at a restaurant or sitting there being a shipping person at a jewelry place,” she reflected.

Upon her return, she moved back home again and worked part time at a law office in Seal Beach for a year before finding full-time employment as a stormwater runoff practitioner. She continued living at home until a few months ago, after she had paid off all \$20,000 of her student loan debt. “I paid it off for my birthday this past year with my own money,” which she accomplished by working and living at home, she noted.

In January 2016, George Washington University’s Global Financial Literacy Excellence Center released a report about Millennial financial habits with data sourced from the 2012 National Financial Capability Study. The report found that 81% of college-educated Millennials had at least one long-term outstanding debt and that 54% of Millennials expressed concern about their ability to repay student loan debt.

A survey by TD Ameritrade found that Millennials have some savvy financial habits, despite being burdened with student debt. About 80% of Millennials have a budget, compared with 61% of Baby Boomers, according to the survey. Millennials were also more likely to be saving for a goal than Baby Boomers, with more than 50% focused on saving for an emergency.

Ultimately, Amber said she deferred milestones like starting a career, buying a car and moving out both to pay off student loans and because it was difficult to find work in her field. She considers her actions financially responsible. In her view, she had done everything society had told her to do by going to college, and she did her best when that strategy proved lacking.

“I went to college because it was what I assumed I was supposed to do,” Amber said. “In retrospect, I might have waited . . . or done something vocational,” she reflected. “I remember we had those advisors at Lakewood [High School]. . . . They would come and line us all up for our day for our advisor meeting, and I had like what, 10 minutes with her? And you know, my family didn’t go to college or anything, so I was pretty much on my own.”

Still, she said: “I would not be in the position I am in if I didn’t go to college. . . . I like where I’m living, and I like what I am doing. But I was very patient for it.”

I spoke with Amber for this piece because she exemplifies what many college graduates around my age went through during the recession – at least, the ones I knew. And the research seems to back that up.

Of course, not everyone had such frustrating experiences. Long Beach resident Jorge Galvan, for example, joined the military in 2007 and exited in 2011. When I asked him if the recession had impacted him in any way, he responded: “To quote my cousin, ‘Thank God I was in the Marine Corps, because the recession had

no impact on my life.’” Plus, when he came home his schooling was paid for – no pesky student loan debt to deal with.

But many Millennials still struggle to escape underemployment. And while many also find it difficult to work in our chosen fields and to pay off loans, we are told – by generations who came of age during more economically advantageous periods, no less – that we are entitled. That we expect to be handed everything. That we’re lazy for living at home and not finding real work.

“Millennials,” they’ll say, perhaps accompanied with a shrug or a look of exasperation, and we know instinctively that the term is meant as a pre-packaged summation of all these insults in one word. And what is there to do but to look back in collective frustration, not knowing how to respond other than to say (if we have the guts): “But we did what you told us to do.”

So the next time you find yourself about to spit out “Millennial” like it’s a dirty word, I have a favor to ask: think of the Recessionals.

(Note: While this edition’s column focuses primarily on Millennial college graduates, future columns will address other aspects of the generation, including those who didn’t attend college or who pursued vocational careers, younger Millennials just now entering adulthood, etc. If you’d like to make suggestions for future Millennial Pulses, e-mail me at samantha_mehlinger@lbbj.com.) ■

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Pacific Visions, a planned expansion of the Aquarium of the Pacific, is slated to break ground on February 2. The expansion features a new 300-seat theater, an art gallery and a live animal exhibit, and will be dedicated to education about the changing environment and the role of humans, and impacts to marine life. (Rendering provided by the Aquarium)

■ By **BRANDON RICHARDSON**
Senior Writer

Development News

Groundbreaking On Aquarium's New Wing

The groundbreaking event for the Aquarium of the Pacific's Pacific Visions wing is scheduled for February 2 at 10 a.m. The \$53 million, 29,000-square-foot wing is the Aquarium's first major expansion since opening in 1998. The expansion will consist of a 300-seat immersive theater, including a 32-foot-tall, 130-foot-long, 180-degree arc digital projection wall and a 30-foot-diameter floor projection disc. A total of 6,000 square feet is to be added to the existing changing exhibit gallery space. These exhibits will rotate "periodically to reflect current scientific issues and discoveries and will be developed in conjunction with the theater experiences," according to

the Aquarium website. The entrance to the wing will be through the Pacific Visions Art Gallery, which will feature changing installations meant to create an emotional connection with the ocean and marine life.

Groundbreaking For Molina Park At Oregon Avenue/Del Amo Boulevard

At its January 24 meeting, the Long Beach City Council voted to name the park located at 4951 Oregon Ave. after C. David Molina, founder of Molina Healthcare. A groundbreaking ceremony held at the 3.5-acre park on January 28 marked the beginning of construction of athletic fields, a playground, a walking path and access to the Dominguez Gap Wetlands. Construction is expected to be completed in the fall

Staybridge Suites Approved Adjacent To Holiday Inn Long Beach Airport

At its January 19 meeting, the Long Beach Planning Commission approved a site plan review, conditional use permit and



Rendering, Holiday Inn Long Beach Airport

zoning change for a six-story hotel at 2640 N. Lakewood Blvd. The property is part of the existing Holiday Inn, and the project calls for the demolition of the two-story, 50-room portion of the hotel, including conference space. The new Staybridge Suites building would consist of 125 rooms, 2,498 square feet of conference space and a fitness center, totaling a combined 94,299 square feet. The project also includes an outdoor pool, landscape improvements, a two-level parking structure and surface parking, totaling 385 parking stalls.

Studio One Eleven Completes Parasol Park Project In Irvine



Long Beach-based architecture firm Studio One Eleven

celebrated the opening of Parasol Park in Irvine on January 21. The firm designed the "Living Room" community building and greenhouse structure at the 2.5-acre park, which is the third of the Great Park Neighborhoods that is connected to the Orange County Great Park.

Real Estate News

Lee & Associates To Submit Offers For Former Redevelopment Properties

City staff will begin reviewing offers for former redevelopment properties located at 2110 W. Cowles St., 2114 W. 14th St., 1680 Santa Fe Ave., 1675 Santa Fe Ave. and 1404-1420 Hayes Ave. Long Beach-based Lee & Associates Commercial Real Estate Services was tasked with marketing and promoting the properties for the city and will submit all offers for review within the first two weeks of February.

CITY OF LONG BEACH

BID OPPORTUNITIES

TITLE	BID NUMBER	DATE
Mercedes 3500 Sprinter Cargo Van	ITB FS17-043	02/07/2017
REBID-Two Ford Interceptors w/safety Equipment	ITB FS17-039	02/07/2017
6th Street Bicycle Boulevard	R-7026	02/08/2017
LB Municipal Urban Stormwater Treatment Facility	RFP PW17-034	02/09/2017
SCADA Improvements Phase I	WD-23-16	02/14/2017
Apparel with Embroidery and Screen Print	ITB LB17-023	02/14/2017
Prefabricated Restroom Building	ITB CM17-035	02/15/2017
Life Coaching & Fundamentals of Fatherhood Proj.	RFP HE17-047	02/15/2017
Job Order Contract	R-7074	02/17/2017
Petroleum Products	ITB FS17-037	02/21/2017
Up-fitting of Ford Police Interceptor Utility Veh.	ITB FS17-046	02/21/2017
REBID - Comm. Rehab Prog. - Anaheim & Cherry	ITB DV17-031	02/23/2017

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

Bidder Registration

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

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Realty Views

'Lots, Labor And Lending:' Challenges For Developers In Meeting Demand For More Housing



By **TERRY ROSS**

The New Year looks to be one of enormous change around the country in many different areas and parts of life, but for the people who build homes for a living, 2017 is predicted to be one of steady growth and increased business opportunities.

At least that was the outlook during the National Association of Home Builders (NAHB) International Builders Show that was held early in January in Orlando. The organization's economists talked of a growing economy, solid employment gains and increased household formations this year — which are sure to drive demand for newly-built homes, an area of the economy that

suffered greatly during the Great Recession.

Perhaps the biggest problem is going to be meeting the demand, according to these economists, since the supply of buildable lots, labor and easily obtainable construction financing are the key challenges.

"While positive developments on the demand side will support solid growth in the single-family housing sector in 2017, builders in many markets continue to face supply-side constraints led by the three 'Ls' — lots, labor and lending," said NAHB Chief Economist Robert Dietz. "The industry needs to recruit more workers and get more land in the pipeline, but it will take time."

It was not that long ago that building lots were being abandoned and the home building industry came to a screeching halt in many markets. But the impact of those years with little comparable building and the pressure of the new demand have created a shortage that the home building industry is now struggling to meet.

The builders group is expecting 1.16 million housing starts in 2017, up almost 5% from last year. Single-family production is expected to rise 10% this year to 855,000 units and increase an additional 12% to 961,000 units in 2018.

Compare this with 2000-2003 and one

of the last "normal" market periods, when there were 1.3 million single-family units being built annually. Economists predict that by the end of 2018 we should be at 75% of normal. Multifamily construction is expected to be up slightly this year to 384,000 units and to enjoy a healthy balance between supply and demand.

While mortgage rates are on the rise — increasing by three quarters of a point since last summer — increased job creation and increased participation by the Millennial generation in housing should keep the demand on the rise and prices going up. This demographic is now responsible for 12% of all new single-family home sales.

"Higher mortgage rates will be offset by stronger wage gains and job growth, which suggests that housing demand will increase this year," Davis Berson, chief economist for Nationwide Mutual Insurance Co., said. "The question is, how much will supply go up?"

He noted that most metro areas across the nation are relatively healthy, marked by solid job growth and mortgage delinquencies down near normal levels. Berson noted that house price gains are strong but not excessive.

A major concern going into 2017, he

added, is that demand will exceed supply, which will put upward pressure on home prices.

"If there aren't enough homes on the market, that will be a problem," Berson said. "Price gains need to moderate. We can't have six, seven or eight percent gains. That is not sustainable." He added such a situation could downgrade many markets from "healthy" to "neutral."

One of the keys to meeting demand — which will keep prices in check to a point — is reigning in the regulatory hurdles that have frustrated builders over the past few years. Currently, 25% of the cost of a new home is due to those constraints, and it is hard to build \$200,000 starter homes when such a high percentage of the cost goes to these kinds of fees.

Reducing fees and loosening the grip on construction lenders are areas that the builders feel optimistic about in getting some help from government with a new administration taking hold, together with demand that looks to show a steady increase.

(Terry Ross, the broker-owner of TR Properties, will answer any questions about today's real estate market. E-mail questions to Realty Views at terryross1@cs.com or call 949/457-4922.) ■

Parking Lot At Trade Center For Sale

The Port of Long Beach is selling the 5.6-acre parking lot located behind One World Trade Center and the Hilton Hotel in downtown. The port has not set a price for the lot, which it acquired in 2011; however, the last sale price before the port bought the property was \$18 million in 2005. Proceeds from the sale would go into the port's general fund, according to a press release.

ValueRock Realty Partners Acquires Office Building

Irvine-based ValueRock Realty Partners acquired a two-story office building located at 6700 E. Pacific Coast Highway from the Colton Companies for \$24 million. The 76,939-square-foot property — originally known as Congressional Place — is currently 100% occupied, including tenants such as Morgan Stanley and Wells Fargo Advisors.

Stepp Commercial Completes \$3.5 Million Sale

Stepp Commercial, a Long Beach-based real estate agency, completed a \$3.5 million sale of the Atlantic Avenue Apartments, a 20-unit property located at 5075 Atlantic Ave. Los Angeles-based Realty Holdings

PSBJ purchased the property from June Quest One LLC. Stepp represented both companies during the transaction.

Retail News

Smog City Off-Site Consumption Beer Sales Approved

Smog City Brewing Co., located at the new SteelCraft complex at 3768 Long Beach Blvd., was approved to sell beer for off-site consumption at the planning commission's January 19 meeting. The brewing company already serves its beers for consumption on-site, but it will now be able to sell bottles or growlers of beer to be consumed at a later time.

Lasher's Kitchen To Open In February

Long-time Long Beach restaurateur Ray Lasher is scheduled to open Lasher's Kitchen in mid-to-late February at 5292 E. 2nd St., the former site of Pho-nomenon. Lasher has been in the restaurant business for 42 years and owned Lasher's on Broadway for 16 years before selling in 2012. Lasher said the new restaurant will serve up comfort foods, some seafood and new-world cuisine with an eclectic menu and shared-plate experience. Lasher's classics, such as fried-green tomatoes with Andouille sausage and a Cajun cream sauce,

will share the menu with new items, such as a waffle cone with mashed potatoes, fried chicken and maple gravy. The location will also have vegetarian and vegan options and will serve beer and wine.

AhiPoki Opens Eighth Location

Located at 1938 N. Lakewood Blvd. at Stearns Street, AhiPoki, which opened on

January 20, is a fast casual restaurant that serves up build-your-own Hawaiian poke bowls. Guests can choose from a variety of seafood, unlimited toppings and flavor sauce over rice or salad. The Long Beach location is one of 10 that AhiPoki is planning to open throughout California and Arizona this year. ■

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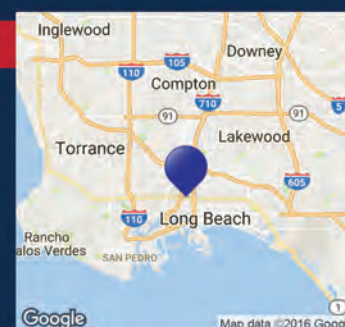
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Customs Facility Vote

(Continued From Page 1)

The decision comes nearly two years after a formal request for a FIS by JetBlue Airways. Had the proposal been approved, customs and immigration services would have been allowed at LGB, enabling operators to offer international flights by shifting one or more of their current daily allotment of flights.

A statement issued by JetBlue said the company was “extremely disappointed” that the council rejected the proposal after years of delays and a study that validated the safety, security and positive economic nature of the project. “We will evaluate our future plans for Long Beach, as well as the greater Los Angeles area and California.”

In July of 2015, five months after JetBlue’s initial request, the city council determined that a feasibility study would be the best course of action in helping to decide whether or not to approve a FIS. In January of 2016, the council awarded a contract to Pasadena-based Jacobs Engineering Group Inc. to conduct the study.

The study showed the demand for international flights in Southern California had increased 30% from 2010 to 2015 and forecast millions of dollars in economic benefits to the region. The project would have created temporary construction jobs in the development of the facility, as well as permanent jobs once it opened. These jobs were the primary reason for Councilman Andrews to favor the proposal.

The Jacobs report addressed the economic impacts as follows: “The potential

annual economic contribution of a FIS Facility is approximately 350 jobs and \$36.4 million of additional output. The potential additional economic expenditures from international travelers is estimated to range between \$57 million to \$104 million during the five-year establishment period following initiation of international service. The international business and tourist travel impacts are estimated to generate approximately 1,400 jobs and \$185.6 million annually following the establishment period.”

Fifth District Councilmember Stacy Mungo, whose district is home to the airport and who claimed she was undecided on her vote until the very end (she did say publicly that she met with Mayor Garcia and Councilwoman Suzie Price late Monday, the day before the city council meeting), stated that the facility would cost approximately \$10 million, according to airport staff, up to \$3 million of which would come from passenger facility charges (PFC), with JetBlue paying the remaining balance. Before making a motion to receive and file the recommendation, Mungo argued that \$3 million in PFCs would be better spent on existing terminal improvements, including the renovation of ticketing and baggage claim areas, especially considering the airport’s \$110 million in outstanding debt.

In a statement following the vote, Mungo said the financial investment of the city outweighed the potential benefits. “The potential economic impacts to the region and, more importantly, to the airport itself do not justify the investment,” she said. That was contrary to city staff’s

recommendation, including Airport Director Jess Romo, who supported moving forward with the project.

Members of the business community, aviation operators in particular, think this was a missed opportunity to help the city reach its full potential. Many businesspeople were puzzled by what they expected to be a common-sense decision to enhance Long Beach’s image as an international city.

“I think it’s a mistake. We have customs in the harbor. We have customs at Carnival Cruises. And we had the potential to have customs at the airport,” Kevin McAchren, president of Airserv at LGB, said. “It seems like there was a synergy between the facilities that are available on the oceanfront, and having one at the airport – it just made sense. Long Beach has called itself since the early 1960s ‘The International City.’”

McAchren explained that international flights would have been beneficial to trade, travel and tourism for the city. He said that with the ethnic diversity of Long Beach – where Hispanics and Latinos account for more than 40% of the city’s population – flights to Central and South America would have been well received and good for businesses in all sectors.

Imran Ahmed, general manager of Long Beach Marriott adjacent to the airport, said he cannot predict all the ramifications of the decision, but felt it will stunt the growth of the city.

“Businesswise, economically, it will hurt our businesses, especially in the 5th District,” Ahmed said. “But it is their decision, and we do respect it. I was hoping the outcome would be different so we

could elevate the stature of the city with an international airport.”

Long Beach Area Chamber of Commerce President and CEO Randy Gordon was also disappointed in the council’s decision, according to a statement.

“Last night, the city council supported emotions and misinformation over facts and economics,” Gordon said. “The chamber has always been a staunch supporter of the noise ordinance and the maintaining of that ordinance at the Long Beach Airport. It does not matter where planes take off to or where the planes arrive from, the noise ordinance dictates the amount of flights. Period.”

“Once again we see politics getting in the way of progress,” said Business Journal Publisher George Economides. “Anyone who thinks politics wasn’t at play is naïve.” He said this was a “destinations” issue – which cities airlines choose to serve with their allocated slots – “not a noise or pollution issue as those against international flights smartly positioned it to be. It was clearly articulated by the Jacobs’ study, city staff, the city attorney’s office and the FAA that flights are determined by the city’s noise ordinance.”

The noise ordinance in question was established in 1995 and is one of the strictest of any airport in the United States. It dictates hours of operation and numbers of flights per day based on the amount of noise pollution produced by aircraft. Many public commenters who spoke out against the facility voiced concerns about the impacts on the quality of life for those living under flight paths.

Many cited additional noise, public health

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concerns due to what they claimed would be increased air pollution, and a concern that by adding a FIS the noise ordinance in its entirety could be subject to question and potentially removed completely.

With regards to noise pollution and an increased number of flights, LGB Director Romo and JetBlue went on record saying any international flights would not increase the total number of flights allowed at the airport but would rather replace a domestic flight within the allotted flight slots.

But this only raised other public concerns, such as having fewer domestic flights available to frequent travelers, to which Economides said, "That's baloney. Sounds like an effort to help those seeking reelection in 2018. JetBlue – no airline – would shift flights if those flights are financially successful and running at capacity. Approval would have allowed JetBlue to take lower-performing domestic destinations and try international destinations – all within the confines of the noise ordinance."

"There are folks, which I understand, that are passionate about their communities and potential impacts the airport has on their qualities of life," Romo said. "I respect that. I don't blame them for taking the positions that they took."

When asked if he thought the council's decision would have a negative impact on the airport, Romo said he would not speculate as to what operators such as JetBlue will do as a result. However, he did say that he hopes JetBlue will continue to be a strong partner in Long Beach because they provide a great product and service.

Romo added that LGB is still number

one in an online USA Today poll for airport beverages and concessions, which shows that with or without international flights, LGB is a great airport that is good for the community. With regards to the decision, Romo said staff worked hard and did its job well in presenting the Jacobs study and additional information to the councilmembers to make a well-informed decision.

"It is their job to be the policymakers. We will always respect and take direction based on what they decide to do," Romo said. "That's our job, to carry out that mission. We will always look for new opportunities. We have plenty of projects that we can focus on as we move ahead."

"It's important to remember," Economides said, "that JetBlue came here in 2001 when no other airline wanted to touch Long Beach because of the city's anti-airport reputation. They took a chance on us, thanks in a big way to former Mayor Beverly O'Neill. JetBlue has been a great corporate citizen and this is how our mayor and councilmembers treat them? Not our best day as a city."

Several individuals with whom the Business Journal spoke believe elected officials are mistaken if they think another airline, like Southwest Airlines, would automatically pick up the 30-plus daily flights if JetBlue leaves. For example, they noted that Southwest already offers about 175 flights combined from LAX, John Wayne and Ontario.

Economides noted that in a city of nearly half a million residents, a small percentage of people objected. "I believe – and many, many people feel the same way – that if all residents had a vote, we would have international flights." ■

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Biological Survey Reveals Abundance Of Marine Life At San Pedro Bay Ports

■ By **SAMANTHA MEHLINGER**
Assistant Editor

In the 1970s, the inner harbor of the San Pedro Bay port complex was so inhospitable to life forms that, upon entering these waters, fishermen would find that the barnacles clinging to their boats had fallen off.

That's how Dan Salas, who has been working in the harbor since he was a boy in the 1970s, recalls it. But by 2000, things had improved enough that Salas started Harbor Breeze Cruises, a company offering cruises for watching sea life within and outside of the breakwater. Now – thanks to the efforts of the ports of Long Beach and Los Angeles, cities up the Los Angeles River and other entities – waters in the San Pedro Bay are clean and full of life, and as a result, Salas's business is reaping the benefits.

"Now it is fantastic," Salas said of the water quality and marine life in the San Pedro Bay harbor. "We see bottlenose dol-



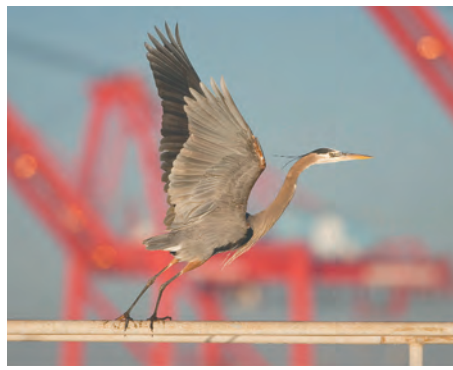
The ports' most recent biological diversity survey revealed a 60% increase of plants and animals, like this sea star, living on rocks and pilings with the harbor complex. (Port of Long Beach photograph)

phins occasionally coming inside of Rainbow Harbor now. We see sea lions all the time and even a grey whale occasionally coming in the harbor and feeding."

The recently released results of the ports' joint Biological Harbor Survey, which measures the quantity and types of marine life in and around harbor waters, support Salas's conclusions. The survey, which requires meticulous field observations of marine life in the harbor, was conducted from 2013 to 2014, and port staff and contractors have spent the past few years analyzing the results and preparing a written report.

Measurements of dissolved oxygen, which is necessary for all marine life to thrive, and phytoplankton, an indicator of water quality and source of food for many marine animals, were higher than ever before, according to an announcement from the Port of Long Beach.

The survey identified 558 species of plants and animals living on rocks and pilings within the harbor complex – a 60% in-



A heron flies through the ports of Los Angeles and Long Beach. (Port of Long Beach photograph) crease from the last survey conducted in 2008 and close to two times as many species catalogued in 2000. According to the survey report, on average there are more than 46,000 plants and animals on a square meter of rocky shoreline within the harbor.

Giant kelp is also thriving. In 2014, giant kelp beds spanned 132 acres of outer harbor waters. In 2008, they only encompassed 80 acres, according to the Port of Long Beach. Kelp beds shrink when water warms in the summer. Unusually warm water temperatures in the summer of 2014 likely caused kelp beds to shrink to 46 acres, less than the 52 acres observed in 2008.

Other findings from the study:

- Nearly 750,000 pelagic (open water) fish belonging to 35 different species were collected (and released) during the survey.
- 90% of these fish were anchovies.
- Nearly 20,000 bottom-dwelling fish representing 58 species were collected, with white croaker and queenfish among the most abundant species.
- More than 76,000 birds belonging to 96 species were observed in the harbor.



California sea lions are the most abundant type of marine mammal living in the ports' harbor. (Port of Long Beach photograph)

• California sea lions were noted as the most abundant type of marine mammal in the harbor.

• Less than 10% of all species catalogued were non-native, or introduced, species and do not appear to be taking over their habitats.

The ports attribute the positive findings to continued reduction of environmental impacts of port operations due to policies like the Clean Water Act of 1972 and the ports' joint Water Resources Action Plan (WRAP), a document outlining programs and procedures for maintaining good water quality in the harbor.

These policies require controls to reduce litter and stormwater runoff, as well as water quality monitoring both for general maintenance and during construction projects, according to Justin Luedy, an environmental specialist for the Port of Long Beach who serves as POLB's project manager for the biological diversity survey.

Prior to the Clean Water Act, there was little to no regulation of water quality, Luedy said. The port is more than 100

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years old, and for about half a century, it operated without water quality standards in place, he noted. "I would say our worst water quality occurred in the '70s and into the '80s. And even before that, certainly," Luedy said.

In the 1960s, the amount of dissolved oxygen in the inner harbor was very low, according to Kathryn Curtis, who oversees the water resources group of the Port of Los Angeles's environmental division. "Now the dissolved oxygen is at optimum levels throughout the entire harbor," she said. "We have a thriving biological community, and that wouldn't exist with poor water quality."

When Salas was a 12-year-old working on commercial sport-fishing boats in the harbor, the situation was very different. "Back when I was first starting out in the harbor, we would fish all day long, and we would never catch anything," he recalled. "We'd never see a dolphin in the harbor. Occasionally, we might see a sea lion, but it was rare. . . . There wasn't much kelp back then. There wasn't a lot of stuff growing on the rocks."

In the 1970s, water quality in the harbor was clearly poor, according to Salas. "Back then, I would watch fisherman pump oil into the water," he recalled. "There weren't a lot of regulations. You could come down to the docks in the morning and smell diesel." Now there are strict regulations in place preventing ships and boats from releasing chemicals and waste into the water, he pointed out.

Stormwater management has been key in improving water quality at the ports, according to Luedy. This program requires tenants

to prevent pollutants from entering any stormwater runoff from their sites and to monitor that runoff. Stormwater runoff management also applies to the ports' construction projects, such as the Gerald Desmond Bridge Replacement Project and the Middle Harbor Redevelopment Project, he noted.

"We assist and inform our tenants of the appropriate best management practices they should be using," Curtis said. "We are very proud of the fact that it has made a significant and noticeable change in the water quality over the years."

Because the harbor is at the mouth of the Los Angeles River, stormwater runoff that flows downstream from other cities remains a problem, Luedy explained. "It's always going to be an issue, but even those cities and communities are so much better now than they used to be. And there is so much more regulation in place," Luedy said.

The sediment at the bottom of the harbor waters still holds legacy contaminants from the ports' historical operations, according to Luedy. However, these contaminants are not considered a major threat or hazardous. Survey results indicated healthy conditions of water and sediment quality throughout the harbor.

While Curtis said there "is always room for improvement," it is her opinion that the water quality within the harbor is among the best in the world, considering the industrial operations of the ports.

"We're environmental stewards," Luedy said. "We have a responsibility to maintain and better our water quality while we grow." ■

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Proposed Expansion For Local Recycling Program Amidst Nationwide Environmental Uncertainty

■ By **BRANDON RICHARDSON**
Senior Writer

In recent months, climate change and environmental concerns appear to be coming under attack at the national level. Several media outlets reported the webpage regarding climate change was removed from the official White House website hours after President Donald Trump's inauguration.

In the days since, a review of the Environmental Protection Agency's (EPA) website was begun to ensure its contents reflect the new administration's policies, and employees were instructed to refrain from sending out press releases, publishing blogs or posting on social media. The agency was also instructed to freeze grants and contracts, which may affect state-led climate research and local efforts to improve air and water quality, as the EPA awards more than \$4 billion in grants and assistance annually, according to its website.

Despite the uncertain future of nationwide environmental programs and funding, Long Beach continues toward its goal of being a leader in reaching the ambitious goals set by Gov. Jerry Brown to create a greener state. The latest effort is a proposal for the expansion of a program designed to allow local residents to dispose of household hazardous waste (HHW) safely and responsibly.

"Household hazardous waste refers to

any chemical or product that can be found in the home that, if used correctly, used to the label, it doesn't cause any harm. But if it's improperly stored or improperly disposed of, it can cause a serious health hazard or environmental threat," Leigh Behrens, recycling specialist for Long Beach Environmental Services Bureau, said. "This includes items such as paint, cleaners, automotive fluids and things like that."

The program began in March 2013 and is a terrific example of a multi-agency, public-private partnership, according to Diko Melkonian, manager of the Environmental Services Bureau. Long Beach partnered with the Los Angeles County Department of Public Works, the L.A. County Sanitation Districts, the City of Signal Hill and EDCO Recycling & Transfer, which has a facility located at 2755 California Ave. in Signal Hill.

Prior to the current program, Long Beach held two HHW roundups per year at Veterans Stadium at Long Beach City College. Now with 12 collections per year, the program is averaging around 600 people per event and has seen about a 15% increase of use each year.

Since opening, the program has also expanded to accept electronics, medications, batteries and tires – basically anything that cannot go in with regular trash and recyclables – averaging a total of

59,000 pounds of items collected at each event. Latex paint is one of the most collected materials, according to Behrens. In good condition, paint can be reused as is; otherwise, it is batched by color for industrial use, and oil-based paints are mostly converted into fuel.

Every second Saturday of the month from 9 a.m. to 2 p.m., EDCO has a long line of residents waiting for their HHW materials to be unloaded from their cars free of charge; hence, the proposed expansion to a second event every month, for a total of 24 events per year. Behrens said each event costs approximately \$32,000, funded by L.A. County Public Works.

"I would say that at present, with the number of cars and the amount of materials coming in, that our second Saturday event is pretty close to capacity, especially during the summer months and in the fall when we see the highest usage," Behrens said. "So expanding the site to a second day per month is meant to even out the capacity so that everyone who wants to use this site is able to do so."

When talking about the proposed expansion, Melkonian added, "We don't anticipate an immediate doubling of the usage. We anticipate a smoothing of the Saturday and an increase to go with it. The number of people who are using the facility is a clear indicator of the need that was in the area."

Total Pounds Of Household Hazardous Waste/Electronic Waste Collected During 2nd Saturday Collection Events

Year	Pounds Collected	% Increase From Previous Year
2016	705,302 lbs	14%
2015	617,805 lbs	14%
2014	539,696 lbs	17%
2013	381,836 lbs	

Latex Paint Collected During 2nd Saturday Collection Events

Year	Pounds Collected	Gallons Collected
2016	206,900 lbs	18,310 gal
2015	204,350 lbs	18,084 gal
2014	187,250 lbs	16,570 gal
2013	119,700 lbs	10,600 gal

Participation

2016: 7,233 cars
2015: 6,584 cars

Source: City of Long Beach Public Works Department, Environmental Services Bureau

Around 30 people work the event, including employees from EDCO, Long Beach, Los Angeles and a third party vendor, which handles the actual removal of items from resident's vehicles and the packaging and transportation of the hazardous materials.

Prior to the partnership, Long Beach was awarded around \$400,000 by the California Department of Resources Recycling and Recovery (CalRecycles) for the develop-

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Commercial Organics Recycling

Starting January 1, 2017 State law (AB 1826) requires businesses that generate 4 cubic yards of organic waste per week to arrange for organic waste recycling services. Organics include food, yard trimmings, nonhazardous wood, and food soiled paper.



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Visit www.longbeach-recycles.org to learn more about commercial recycling options.



Every second Saturday, EDCO Recycling & Transfer hosts a household hazardous waste collection event at its facility in Signal Hill. The program is a partnership between the cities of Long Beach, Signal Hill and Los Angeles. The groups plan to expand the program to include a second event every month. Pictured from left: Leigh Behrens, recycling specialist for Long Beach Environmental Services Bureau (ESB); Diko Melkonian, manager of ESB; Elisa Calderon, recycling specialist for ESB; and Efrain Ramirez, vice president and general manager of EDCO, which is located at 2755 California Ave. (Photograph above by the Business Journal's Larry Duncan; at right by EDCO)

"When we heard that EDCO already had this going, we went back to CalRecycles and said we'd like to redirect this

end of the day, it is the same solution," Melkonian said.

Aside from the HHW collections, EDCO's Signal Hill facility offers residents the ability to dispose of their regular trash and operates as a recycling buyback center for standard recyclables, making it a three-stop shop, according to Efrain Ramirez, vice president and general manager of EDCO.

"It's beneficial to the environment. We

generate these materials that need safe disposal, and having the outlet has removed all of these materials from the trash stream," Ramirez said. "Years before this facility was in place and before the county had this program, all of these materials ended up in the trash and then in a landfill. In order to help the environment, we have to provide residents the outlet to safely dispose of these materials." ■

ment of an HHW collections facility — a venture with a price tag around \$3 million. Shortly thereafter, the city learned of EDCO's plan to build its facility in Signal Hill and approached the company about combining efforts.

money to do a little redesign on the original plans on how this was set up and all the equipment and materials needed to actually run the center. And they agreed to let us change the purpose because, at the

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Sherwin Williams on Harbor Ave.
Vista Paint on Artesia Blvd.



We partnered with CalRecycle, EDCO Disposal, the City of Signal Hill, L.A. County Sanitation District, and the L.A. County Department of Public Works to provide a free, local and permanent Household Hazardous Waste drop-off facility — open every second Saturday of the month from 9 a.m. to 2 p.m.



Ohio-based VeRail Technologies, Inc. will develop and give a demonstration of a near-zero emissions compressed natural gas locomotive in Southern California. To fund the project, the company partnered with the ports of Long Beach and Los Angeles, as well as the U.S. Environmental Protection Agency, Southern California Gas Company and Pacific Harbor Line, which will operate the locomotive during the 2018 demonstration. Pictured at a Pacific Harbor Line facility in Long Beach is Heather Tomley, director of environmental planning at the Port of Long Beach. (Photograph by the Business Journal's Larry Duncan)

Rail At Near-Zero Emissions?

(Continued From Page 1)

duction goals. These goals were meant to help reach ambitious targets of emission reductions statewide. Shortly after the ports adopted CAAP, the Technology Advancement Program (TAP) was introduced.

"We recognized at the time that to meet the long-term air emission reduction that we wanted to be able to achieve, we needed to have new cleaner technologies available to do the work using cleaner equipment," Heather Tomley, director of environmental planning at the Port of Long Beach, said. "We didn't have all the tools in the toolbox, and we wanted to have a role making sure that those tools got developed."

Every year, the ports invest \$1.5 million each to help fund demonstrations of promising new green technologies that have been developed but require a testing ground to prove their worth. Past TAP investments include truck, terminal equipment, ship and harbor craft projects, many focused on moving away from diesel fuel dependency toward electric or natural gas energy sources.

An advisory committee made up of technical staff from the South Coast Air Quality Management District, the California Air

Resources Board (CARB) and the Environmental Protection Agency (EPA) works with the ports to determine which projects should be invested in. Often times, one or more of these agencies will also provide funding for projects, as is the case with one of the latest TAP efforts with locomotives.

Ohio-based VeRail Technologies Inc. submitted a proposal for the development and demonstration of a near-zero emissions locomotive. Each port contributed \$300,000 to the project, with the EPA and Southern California Gas Company each giving \$500,000. VeRail is picking up the bulk of the cost at \$3.1 million, and Pacific Harbor Line, the railroad that will operate the locomotive during the demonstration, contributed \$400,000.

"The locomotive we are proposing basically is of the same horsepower and configuration of the current locomotives used for switching in the ports, which are six-axle, 2,000-horsepower locomotives," Tom Mack, president and chief technology officer of VeRail, said. "Rather than being powered by a single or multiple diesel engines, it's actually powered by multiple near-zero emissions natural gas engines. It also makes us capable of running on renewable natural gas, which has an 80% plus carbon reduction."

The model to be used during the one-year demonstration on the Pacific Harbor Line will have the capability of running as a dual

natural gas-diesel locomotive or strictly on compressed natural gas (CNG), according to Mack. He explained that his company wants to show that every multi-engine diesel locomotive that is active in the United States can become more environmentally friendly by replacing one of the three diesel engines onboard with a CNG engine.

According to Mack, the railroad industry has become so comfortable and complacent with diesel fuel that many would still want the comfort of being able to fall back on it while utilizing some CNG. However, with his locomotive's capability of being able to run solely on CNG, he hopes to demonstrate an opportunity for the industry to move away from diesel fuel indefinitely.

"For rail specifically, it's been a challenge to find cleaner technologies that work well in the operations, Tomley said. "We see this project as a really good opportunity to test out something that goes much further than anything we've seen at this point. It's been a good process for us to help spur innovation and technologies in this area and also to validate them."

VeRail's demonstration is scheduled to begin in 2018, during which it will undergo rigorous emissions testing. The locomotive will be tested before entering service, after 1,500 hours of operation and after 3,000 hours of operation to ensure emission levels remain constant throughout use.

One of the biggest hurdles in developing the green locomotive was putting enough CNG storage onboard, Mack said. He explained that locomotives that are currently in use are refueled every one to two weeks, depending on usage, and it was difficult to get the same longevity from CNG. However, VeRail developed two designs of CNG storage tanks that allow their locomotive to be refueled every seven to 10 days – two weeks under some circumstances – keeping it on the same schedule as standard locomotives. The designs allow for the storage of 900 to 1,200 diesel gallon equivalents of CNG onboard.

Currently, the greenest locomotive on the market is classified as Tier 4 under CARB standards. VeRail's goal is to set a new standard as a Tier 4 plus locomotive by reducing mono-nitrogen oxides and particulate matter by 70%. This reduction would be 1/65th of the emissions of a Tier 4 locomotive, according to Mack.

"The one problem with some technologies that have been proposed is that they'll talk about a zero-emissions technology, but you're talking about a piece of equipment that would cost literally three or four times more than a current project," Mack said. "We expect it to be no more than 10% more in cost. And we're looking back at the cost of the Tier 2 or Tier 3 locomotive."

Mack explained that sometimes near-zero technologies could reduce more emissions than zero-emissions technologies based on the number of units being operated. If a company can replace one diesel locomotive with a zero-emissions model or three diesel locomotives with three near-zero emissions models for the same cost, the greater emission reduction will be with the near-zero option.

"Being good port partners and good, clean citizens that we are, we're always looking to get as close to zero emissions as possible," Otis Cliatt, president of Pacific Harbor Line (PHL), said. "Tom Mack has done quite a bit of work. They've done their homework. Pacific Harbor Line is very excited to be part of that cutting edge technology once again."

Cliatt said PHL is optimistic about the outcome of the forthcoming demonstration on its rail line. He explained that PHL has one of the cleanest fleets in North America and looks forward to the continued relationship between PHL, VeRail and the port.

"We think it's great that the ports are being so proactive," Mack said. "We applaud the ports for really thinking ahead." ■

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After working for the City of Long Beach as a photographer and film coordinator for 14 years, John Robinson started Long Beach Locations in 1998. His business represents locations throughout the city, such as Veterans Stadium, Blair Field and numerous homes and buildings, which he promotes to be used in films, TV shows and commercials. (Photograph by the Business Journal's Larry Duncan)

Long Beach Locations

(Continued From Page 1)

as a City of Long Beach photographer. He quickly discovered that his new position also including playing the role of a film coordinator. However, he explained that the movie business was much slower at the time, so his job still consisted of 90% photography work.

During his tenure with the city, Robinson helped facilitate "Last Action Hero" (starring Arnold Schwarzenegger) in 1993; "Speed" (starring Keanu Reeves, Dennis Hopper and Sandra Bullock) in 1994; and "Tin Cup" (starring Kevin Costner and Rene Russo) in 1996, among other films, TV shows and commercials.

"Long Beach is film friendly and other communities aren't, so you can spend all this money in Los Angeles or save a little money and come to Long Beach."

During the filming of "Man Trouble" in 1992, Robinson recalled taking Jack Nicholson to play Lite-A-Line, a combination of tic-tac-toe and pinball. He described the game as a form of gambling that was grandfathered in and remains in the city to this day because it is described as a game of skill rather than luck. In any case, when Robinson took the actor to play at the Pike, Nicholson won.

Robinson said he and the city came to an impasse in 1998 and parted ways. Shortly thereafter, with the knowledge he acquired and relationships he built within the film industry, Robinson opened Long Beach Locations.

"I worked as a location manager for a couple independent movies in between the city and Long Beach Locations, but it was enough to make me be convinced of Long Beach Locations," Robinson said. "I live in Huntington [Beach], and to drive every-

where at four in the morning is not my cup of tea. So I wanted to stay local. I know Long Beach like the back of my hand, so it was a natural marriage."

For a long time, Robinson said feature films left the area and were shot in other states to save money. However, in recent years, California has begun incentivizing filmmakers to bring operations back to the state. This had a big impact in bringing TV shows to the area. Between movies, TV shows and commercials, Robinson said the city has some type of filming up to three or four days per week.

"We had 80% of the locations in 'Dexter,' and that was a lot of fun. It was exciting to see how every episode led in. I only saw them filming bits and pieces, and I never knew what was going on until the episode came out," Robinson said. "'True Blood' was at Alex's Bar forever. Alex and Vivian became spoiled by 'True Blood.' It was just so recurring."

Currently, "NCIS," "Scorpion," "Bosch," "Jane the Virgin" and "Lethal Weapon" film scenes in Long Beach. Two Florida-based shows, "Ballers" (starring Dwayne "The Rock" Johnson) and "Rosewood" also film many scenes in Long Beach after leaving Florida to take advantage of California incentives.

Local bar Joe Jost's is a very well-used location, according to Robinson. He said movies such as "Gone in 60 Seconds" (starring Nicolas Cage and Angelina Jolie) and "License to Wed" (starring Robin Williams) utilized the space, among others. Robinson said the bar has also been featured in commercials for every beer imaginable.

Robinson said he will be watching TV and pause a commercial to call his girlfriend into the room and point out where in Long Beach it was shot. About 90% of Long Beach Location's business is commercials, according to Robinson. He explained this is due largely in part to the relative ease of obtaining a permit from the city.

"Long Beach is incredibly easy to film in. The City of Long Beach Film Office is the best. Tasha Day is awesome. They have a three-day film permit. They make it easy. The filmmaker loves it," Robinson said.

"Long Beach is film friendly and other communities aren't, so you can spend all this money in Los Angeles or save a little money and come to Long Beach."

May and June are slow months for Robinson's business, so he said he uses the time to go fly-fishing – one of his favorite pastimes along with golf. He said nothing beats fly-fishing in Montana, but he will head up to the Sierra Mountains for shorter trips. Robinson explained that he prefers fly-fishing in rivers to fishing on boats because it is more tranquil and Zen.

The best part about being in the business is that no two days are the same, Robinson said. Every day he gets to work with different and creative people who describe scenes that need a location, which he said really gets his creative juices flowing.

"I enjoy what I do. Period. The negotiation part is fun. The creative part is fun. And the people I deal with are truly fun and creative people," Robinson said. "Because I've been doing it so long, I've developed a lot of great relationships in the film business. I'm happy as a clam in the city." ■

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Long Beach Business Journal

The Current Wealth Management Landscape: The Fiduciary Rule, Tech And Millennials

■ By **SAMANTHA MEHLINGER**
Assistant Editor

In the near future, the impending rollout of the U.S. Department of Labor's (DOL) fiduciary rule is likely to have a significant impact on the wealth management industry, according to local financial advisors. Other factors impacting the wealth management landscape in the near-term include President Donald Trump's likely rollback of corporate taxes and the increasing use of robo-advisors. As Millennials amass more wealth, their preferences are also likely to shake up the industry.

The new fiduciary rule requires all financial advisors who provide retirement planning advice to act at the level of a fiduciary.

Unlike general advisors, fiduciaries are required to act in the best interest of clients and put their clients' interests ahead of their own.

"Historically, advisors have not had to act as a fiduciary, meaning they don't have to act in the best interest of their clients, which is kind of shocking," Conor Weir, managing director and financial consultant for Retirement Benefits Group, told the Business Journal.

"The industry is definitely being rocked by the DOL rule," John C. Abusaid, president and COO of Long Beach-based Halbert Hargrove, said. "We have been operating as fiduciaries, so for once we have the advantage," he noted, explaining that other financial businesses might not be able to continue operating under the new ruling.

As Abusaid explained it, if a client were to approach a financial firm and ask that they take over management of a retirement account, that firm would have to compare costs and document whether or not it is in the client's best interest to do so. "If our expenses are higher, or if we can't [prove] that what we're going to do with those funds is going to be in the best interests of the client if they move the account to us, then theoretically we wouldn't be able to take over the account," he said.

The fiduciary rule requires a shift to a fee-based compensation for financial advisors, which is often more expensive than other compensation models, such as commission-based accounts. Karen Codman, a Long Beach-based investment advisor,

pointed out that this could make retirement planning services too expensive for investors with smaller holdings.

If corporate tax rates are cut this year – as President Trump has indicated – the impact would be positive both for the wealth management industry and its clients, according to Elizabeth Jensen, vice president and wealth planning strategist for Wells Fargo's The Private Bank. "If the corporate tax rates are lowered, that certainly frees up capital for any company, which is nice," she said. It does the same for the consumer client base that wealth management firms rely upon, she noted.

The industry is collectively hoping the new presidential administration will roll back regulations, Jensen observed. "There are a lot of people who are hoping that regulations will relax because the pendulum really swung to very intense regulation – to the point where it went probably past the point of effectiveness and sort of hindered the industry," she said. "I don't know that a new administration is really going to change that, because regulation in itself is an entire industry," she added.

"If Trump is able to achieve a lot of what he has said he would like to in terms of [cutting] corporate tax rates, reduced regulation and improving the environment for business, we are likely to see faster growth in the economy that will be favorable to stocks," Weir said.

The stock market has been soaring since Trump's election, with the Dow Jones Industrial Average breaking a record, climbing to more than 20,000 points on January 25. Abusaid and Jensen both pointed out that it is impossible to predict whether this trend will continue.

"I do hope that this president has a positive impact on the market, but we have no idea," Abusaid said.

Bonds are a muted part of the wealth management industry at the moment because current interest rates are low and are expected to increase, Weir noted. So, he explained, a bond bought today will not be as valuable as a bond bought after the next rate hike. "There is more risk now in bonds than there has been in a generation," he said.

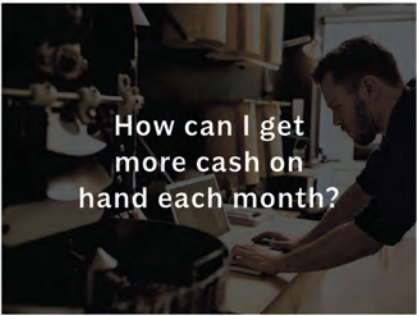
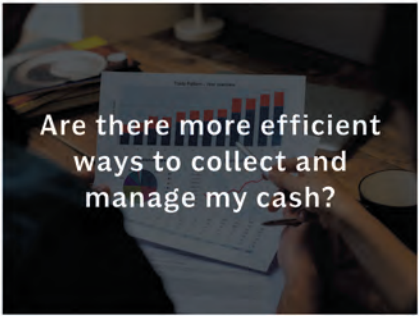
Lately, investments seem to be trending toward exchange-traded funds (ETFs), Jensen said. ETFs track an index of commodities, bonds or groups of assets. Ownership of those assets is divided up into shares. ETFs differ from mutual funds in that they trade like common stocks via the stock exchange. "Investors today are looking a lot more at total return. So they are not as concerned with dividend-paying stocks necessarily, as long as they are getting overall value and growth," Jensen explained.

Trends among clients are centered on an increased weariness of costs, according to Abusaid. Jensen pointed out that increasing use of technology to provide financial planning and investment services is partially a result of this trend. "The wealth management industry isn't too different from other industries in that technology certainly plays a role in trying to reduce costs of doing business – if we can do it in a way without sacrificing service," she said.

Some firms have rolled out robo-advisors, which are exactly what they sound like – computer programs that provide wealth management advice and develop



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Conor Weir is managing director and a financial consultant for Retirement Benefits Group in Long Beach. He believes the Millennial generation may drive increased use of financial robo advisors. (Photograph by the Business Journal's Larry Duncan)

strategies for clients. "They tend to be used for less affluent clients, who are folks with under \$250,000 to invest," Weir said. "They do a decent job for somebody who otherwise might not have access to good financial planning."

Jensen argued that having a financial advisor is likely a better option than a robo-advisor. "When you're . . . doing your investing online and the market starts to tank, and fear takes over and you pull out and don't get back in at the right time, most of the time the returns are terrible," she said. "So having a financial advisor to talk you off the ledge and keep you in the game to get the returns that are there over the long term isn't going to be found at those robo-advisor companies."

Still, as Codman pointed out, "Millennials

are very comfortable with technology," so increased use of technology to provide wealth management services in the future is likely.

Millennials will also challenge the industry to be more transparent, according to Abusaid. "I think they will scrutinize way more than their parents did or the prior generation," he said. "They are definitely going to be making sure they understand what a firm like ours stands for. It is not about how good it is and how many accreditations we have. It's going to be more about who we really are, what our culture is, how we benefit in society, and for sure they will scrutinize the expense."

"We are definitely very focused on making sure that we survive for several generations. So we have to start worrying about that next generation," Abusaid reflected. ■

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Does Your Business Have The Right Types Of Insurance?

General Liability, Workers' Comp, Property, Business Interruption

■ By **SAMANTHA MEHLINGER**
Assistant Editor

Local insurance professionals agree that all business owners – whether they operate a restaurant, an office, a boutique or even a home-based business – should have liability, property and business interruption insurance coverage.

Entrepreneurs should consult with an insurance agent about what types of coverage they need as soon as they have identified a model for their new business, Derek Twells, a Farmers Insurance agent in Long Beach, told the Business Journal. “It will help them start to plan for that line-item expense, which every business needs to properly protect themselves,” he said.

April Showers, a State Farm insurance agent, also recommended consulting about insurance as soon as possible. “The reason is it’s something you need to include in your budget,” she said. Plus, she noted, it is more difficult for certain types of businesses to obtain insurance – so the earlier those businesses start looking into coverage, the better.

“For example, State Farm won’t insure if you are manufacturing your own product,” Showers said. “I have a family friend . . . and I can’t insure her business because she makes her own soap. It’s a huge liability if someone has an allergic reaction, and that reaction can lead to death.”

All businesses, regardless of type, should obtain general liability insurance, according to Kelly Williams, owner of Kelly Williams



The sooner a businessperson consults an insurance agent about what types of coverage are needed for their business the better, says local State Farm Agent April Showers. (Photograph by the Business Journal’s Larry Duncan)

Insurance, established in Long Beach in 1895. “Usually to move into a space, somebody needs the general liability coverage,” he said. General liability provides coverage for accidents that occur on business premises, as well as certain types of business losses.

Liability insurance covers costs associated with litigation, Twells explained. “Typically, the liability component is the least expensive part of a policy, so you should buy as much liability coverage as you can – especially in California, because we’re a very litigious state,” he said. “That’s why liability coverage in my opinion is truly one of the most valuable components in a business policy.”

Twells said he is increasingly seeing business owners have to rely on liability insurance because people are becoming quicker to file lawsuits. Some lawyers even specialize in pursuing litigation against businesses, he noted.

For owners of businesses that provide advice – for example, doctors or financial advisors – professional liability insurance is key, according to Williams. “For example, if you’re in the real estate business, you have to have a license for that,” he said. “Someone is paying for your expertise. If they think

you gave them poor advice and it caused them some sort of financial damage, that’s professional liability.” This type of insurance is also commonly referred to as errors and omissions coverage.

After liability coverage, the second most important type is property insurance, according to Twells. “Whether it’s just an office environment or if it is a wholesale distributor of some kind of product, they want to insure property that they could lose or that could be damaged,” he said.

Business interruption insurance, which covers loss of income in the event that business operations are halted, is also important for all types of businesses, insurance professionals agreed. “If your business is destroyed or burned down and you no longer can conduct business, you want to make sure a solid policy has loss of income [coverage],” Twells said. “Most policies will [cover] loss of income up to 18 months.”

In addition to these key types of coverage, all businesses with employees are required to retain workers’ compensation insurance, which covers wages and medical benefits for employees injured on the job. Williams recommends any businesses with employees also obtain employment practices insurance, which protects against litigation related to claims of harassment, wrongful termination and similar issues. “If they sue you, you have defense costs and indemnity for any sort of charges, minus the deductible,” he explained.

Businesses may also want to look into liability insurance for cyber exposure, Williams said. In recent years, cyber hackers who are able to lock down computer sys-

tems or hold sensitive private information hostage have targeted businesses and organizations. The hackers then demand delivery of a ransom to return the information or repair system functionality. Cyber exposure liability insurance protects business owners from bearing the full brunt of such a cost.

While specific types of businesses require different areas of coverage – businesses with a fleet of vehicles need commercial auto insurance, for example – most insurance companies have pre-packaged policies for different business types, according to Twells. “They cover the crucial core bases that any business would need in a specific industry,” he said.

Businesses that contract with individuals or businesses for services and require a state license are typically required to have certain types of insurance, Showers pointed out.

Owners of home-based businesses often do not think about insurance, but they should, Showers said. “Home-based business insurance is pretty cheap. I think our minimum premium at State Farm is \$320 for the year,” she said. “A lot of times home-based businesses do events, like they go out to different farmers markets or festivals, so [the policy] will cover them away from the home,” she noted. “It will cover if they have equipment that they use in homes. And it covers their liability in the business.”

Showers recommends reviewing insurance policies annually because some are rated based on annual receipts. “Depending on if you made more or less, you want to relook at it because you could save a little bit more on insurance or it can cost you a little bit, or you need to get more insurance,” she explained.

Twells also recommended reviewing insurance policies each year. “Any business owner needs to make sure that the person representing their business for insurance is proactively sitting down with them at least once a year to talk about what changes should be made in order to protect them,” he said. ■

Professional Tips On How To Use Tax Refunds Wisely

■ By **BRANDON RICHARDSON**
Senior Writer

January marks the beginning of tax season, with W-2, 1099 and 1098 forms being sent out or printed at home by millions. Many Americans see tax refunds as extra cash once a year to be used for vacations or new toys or maybe to be put in savings.

However, certified public accountants such as Paul P. Scholz, managing partner at Onisko & Scholz LLP, point out that this is not the case. Monies given as tax refunds were free loans to the federal and state governments that earned interest which taxpayers will never see – essentially, free money for the government.

“We don’t like to see people get huge refunds, simply because of all the forgone opportunities there,” Scholz said. “So the better solution is to plan for no tax refund and just break even.”

The basic idea is to adjust withholdings to the point where no money is owed to the government and tax refunds are minimal or nonexistent. It is like a game on “The Price Is Right,” and you want to get as close to zero as possible without going over.

Scholz recommends doing this and then using the extra money for savings, IRAs, 401(k)s or any other system of money management that will earn interest for the individual, rather than the government. This strategy allows tax-



Paul P. Scholz, managing partner at Onisko & Scholz LLP, said he advises clients to adjust their tax withholdings to the point where their tax returns are minimal. (Photograph by the Business Journal’s Larry Duncan)

payers to not only put more money in their pockets but also keep from being dependent on tax refunds, especially considering past scares of California withholding refunds.

Despite these recommendations, many CPAs acknowledge that tax withholdings are the easiest and most sure way for taxpayers to save money. Because of this, many CPAs suggest a hierarchy of uses for tax refunds.

Unlike Scholz, who said savings and retirement should be the first priority, Blake Christian, a partner at Holthouse Carlin & Van Trigt, said he advocates for paying off high-interest debt, such as credit cards and student loans, first. After this, Christian advises saving for the future.

“Things like car loans and mortgages, the interest rate is usually pretty low on those, unless somebody has bad

credit,” Christian said. “So my advice these days is to kind of keep that debt outstanding because it’s pretty cheap money and maybe utilize the cash for something else. If you don’t have a whole lot of debt, then start looking at investment alternatives or retirement funding.”

Rick Pielago, president of Vuoso, Pielago, Spranza & Associates Inc., pointed out that everyone’s tax situation is different, requiring various strategies for filing and options once refunds are received. Aside from retirement funds, Pielago recommends many clients roll their refunds over to the following year’s taxes, ensuring no penalties and eliminating any risk of not using the money wisely.

“A lot of our clients are self-employed. So they really don’t end up getting refunds, because if they’re overpaid, they end up applying it as credit to the subsequent year’s tax,” Pielago said. “That happens with quite a few of our clients.”

Scholz said this tax rollover is what happens with many of his clients as well. He explained that it is a painless way to ensure proper tax management and security.

Christian said a major problem in preparing taxes is that people do not keep good records. He explained that official forms such as W-2s and 1099s are simple and straightforward, but ferreting out tax-deductible items is much more difficult. He encourages people to always ask their tax preparers a lot of questions to maximize returns. Scholz encourages people to have a plan for when their refunds come in.

“If [people] don’t have it specifically earmarked to invest or pay debts or something like that, then all of a sudden it becomes a windfall, and they’re likely just to blow it,” Scholz said.

This sentiment pairs nicely with Christian’s last bit of advice: “Don’t go to Vegas.” ■



In a classroom lesson designed to teach mathematic principles as well as artistic design, Sandra Katz's (left) 2nd Grade class at Burcham Elementary uses colored, shaped tiles to create mosaics in different geometric forms. Pictured at right is Principal Christopher Eckert. (Photograph by the Business Journal's Larry Duncan)

Do The Arts Belong In STEM Education?

(Continued From Page 1)

opened up federal funding originally dedicated to STEM programs for other academic areas of focus, including the arts.

"We see tremendous shared competencies across STEM and arts and design disciplines," Allina said. Case in point, RISD has a partnership with Brown University in which Brown students take industrial design courses at RISD and RISD students take engineering courses at Brown.

Allina argued that sometime mid-last century, the arts were separated from STEM education in an unnatural bifurcation. "In the past, artists and scientists have typically worked together, and we do share many of the same skillsets: observation, iterative thinking," she said. "We develop hypotheses and have to come up with solutions as well."

Gary May, dean of the Georgia Institute of Technology College of Engineering, penned a piece for Inside Higher Ed in 2015 arguing to retain the STEM acronym, and he still maintains that position. "I think arts are already incorporated into STEM education," May told the Business Journal. "What they are not incorporated into is the acronym."

May said he does not in any way mean to suggest that STEM majors should not study the arts. But he is against "acronym creep." "Let's just stop diluting what we're trying to focus on, which is getting more students interested in primarily math, science and engineering. That's what my objection is," May said.

"The best analogy I can give you is the Black Lives Matter versus All Lives Matter issue," May said. "You know, when you say, 'Black Lives Matter,' you're not saying other people should die. When someone says, 'Save the whales,' they are not saying, 'Kill all the other fish.'" He added, "So when you say STEM instead of STEAM, you're not saying the arts don't matter. What

you're trying to do is focus on a particular set of disciplines and not dilute the movement by adding every single thing you think students need to know into the acronym, which I think is kind of ridiculous."

Forouzan Golshani, dean of the California State University, Long Beach College of Engineering, also pointed out that STEM fields and the arts are naturally linked. "Engineering and the arts have almost parallel development processes," Golshani said. "Some aspects of art, for example, include architecture. That is really the same as software engineering. The process is identical."

Engineers' education should include the arts, whether it is music, photography, design or another area of interest, according to Golshani. "That is an absolute necessity," he said.

In the past, the interaction between artists and those in STEM fields has resulted in major discoveries, Golshani noted. For example, in 18th century Germany, it became common for communities to hold social events in schools and churches, which enabled people from different trades to interact, he said. It was then that toolmakers and musicians came into contact. Discussion about the need for keyboards with dynamic variations of notes led the two parties to develop the pianoforte, according to Golshani.

"Whenever arts and technology and engineering came together, it resulted in phenomenal things, absolutely astounding innovations," Golshani said.

One way Cal State Long Beach has brought STEM fields and the arts together is through the Innovation Challenge, a competition to create a business plan for a product, service or application in which winners receive seed funding for their idea. "We encourage students to form teams that are interdisciplinary," Golshani said. "This year, we have 48 teams entering the process, and the majority of them have design students, engineering students, arts and business students."

"It's a two-way street – artists need to know technology," Golshani said. "Arts pro-

grams really need to embrace engineering and technology the way that we embrace it."

While Golshani would advocate for more arts integration in STEM programs, he is limited within his own college due to accreditation requirements and state funding.

"The reality of what we are dealing with is that the funding of state universities is such that they want us to deal with a minimum number of units that qualify students for a profession. So that doesn't leave me a whole lot of leeway," he explained.

The Boeing Company is both behind the concept of STEM and of STEAM. "While most may not associate Boeing with the arts, we know that a quality arts education helps develop creativity, communication, collaboration and other 21st century skills that are critical to our current and future workforce," Bill Cusato, director of the Boeing Commercial Airplanes Service Engineering and Operations Center, said in an e-mailed statement to the Business Journal.

Cusato concluded, "To continue to be an aerospace leader, it is not enough to possess strong technical skills alone. That's why we invest in programs and organization like the Long Beach Symphony and provide funding to LBUSD [Long Beach Unified School District] to help education leaders integrate STEM and STEAM concepts in their classrooms."

In the Long Beach Unified School District, some schools are embracing STEAM as their defining educational focus. Burcham Elementary is in the first of a three-year process to become a STEAM-based academy, according to Principal Christopher Eckert.

"Along with common core and the regular curriculum, we wanted to make a conscious effort to do something different at Burcham," Eckert said. The reason for the shift was twofold: to benefit the students and to combat declining enrollment.

(Please Continue To Page 20)

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Do The Arts Belong In STEM Education?

(Continued From Page 19)

“So as we started looking into different programming, the STEAM movement jumped right out at us,” he said, noting that the initiative has the support of the school’s Parent-Teacher Association. “By adding art into it, we are focusing on . . . the creativity that goes into the technical arts and into design and engineering.”

This year, the school opened a new science lab and a design studio. In the design studio, STEM fields will be integrated into arts curriculum. When students are being taught about drawing shapes and lines, they learn about corresponding mathematical principles like area and perimeter, Eckert explained.

Focusing on STEAM enabled the school to secure extra funding for science and engineering materials, Eckert noted. Kits to build robots with Legos are currently on order. “When they come in, the kids will be constructing with Legos and then using Chromebooks for coding to have the robots move,” he explained.

Prisk Elementary has identified as a STEAM academy for the past four years, according to Principal Damon Jespersen. “We have two engineering labs, two science labs, two art studios and two computer science labs where students participate in various activities and instruction related to each one of those curricular areas,” he said.

For the first time this year, Prisk is holding a STEAM fair instead of a science fair.



A second grade student at Burcham Elementary uses colored tiles to create mosaics in the form of geometric shapes. The lesson fuses mathematical instruction with artistic design. (Photograph by the Business Journal’s Larry Duncan)

“The key factor – no matter if a student chooses a science, technology, engineering, math or an art project in which to participate in the STEAM fair – is that they have to identify the integration of the other elements or components within that project,” Jespersen noted.

“Part of the art incorporation involves partnerships. We have a partnership with the Cal State Long Beach art department,” Jespersen said. “We are in the process of developing an educational program with the Queen Mary that includes using the Queen Mary as a resource to make STEAM education come alive.”

Regardless of the debate over whether STEM should get an extra A or not, all agreed that the arts are already an integral part of STEM fields – and that those fields are of equal importance to the arts.

As Jespersen put it, “There is a true integration of all those disciplines regardless of whether you deem it a focus or not.” ■



Larry Nye (left) and Ashebir Jacob are project managers at the San Pedro Bay ports for Moffatt & Nichol, an engineering company based in Long Beach. The company is involved in the Middle Harbor Redevelopment Project at the Port of Long Beach. (Photograph by the Business Journal’s Larry Duncan)

Infrastructure Investment Impossible Without Engineers

■ By **BRANDON RICHARDSON**
Senior Writer

Infrastructure investment has been a hot topic in recent months, with talks of an enormous \$1 trillion outlay at the federal level. Here in Long Beach, the city is gearing up for infrastructure improvements city-wide, with numerous street, park and transportation projects on the horizon. Some projects, such as the construction of the new Gerald Desmond Bridge, are already well underway.

When discussing the role of engineers in infrastructure, people tend to imagine structural engineers designing projects such as bridges or buildings; however, engineers are involved in every aspect, all the way down to determining how to best reroute traffic when repaving a street.

“There are going to be engineers involved throughout the whole process,” Eric Nichol, president and CEO of Moffatt & Nichol, a global infrastructure advisory firm based in Long Beach, said. “A lot of people don’t understand that contractors have a lot of engineers on staff. There are engineers throughout our lives daily and throughout projects as well.”

Nichol said infrastructure investment improves commerce and quality of life, creates jobs and sometimes is needed simply

for compliance of new regulations. He explained that the importance of infrastructure cannot and should not be understated, and he used a comparison of Japan and Brazil to illustrate his point. Considering the size difference, Brazil has vastly more natural resources than Japan. However, Nichol said Japan has three times the gross domestic product, and the main reason is its terrific infrastructure.

When discussing what type of infrastructure is the most important to maintain, Nichol pointed out that often whatever is talked about the most is fixed first – unless something is in danger of imminent failure. He said sometimes this can just be potholes because they affect commuters daily.

“It just depends on what the priorities are. Are those priorities going to be jobs? Are they going to be improving the business? Improving the quality of life?” Nichol said. “They are adding four lanes to the 405 [Freeway] so people don’t have to sit in traffic all the time, and they are patching potholes in the city now with the new Measure A funding. Sometimes that flat tire is going to be more important to an individual than a beautiful bridge on the skyline.”

Prior to Measure A and Measure M being passed last year, Nichol said he was concerned certain infrastructure needs were not being met in Long Beach, which would re-

sult in much more costly repairs in the future. However, with those funds going to infrastructure improvements, Nichol said he does not perceive any of Long Beach’s infrastructures as being neglected.

When talking about working on infrastructure projects, Mike Brascia, owner of Brascia Builders Inc., said engineers’ designs are vital to ensure his company avoids delays by having all the information and direction required.

“Without design, you really don’t have a project. We aren’t engineers as builders. We get paid to be the installers,” Brascia said. “With their expertise, engineers and their training and their work experience, that’s how projects are designed and made to be successful.”

Jim Walsh, president and CEO of SCS Engineers, also based in Long Beach, said his company plays the role of an environmental consultant on infrastructure projects to ensure they meet environmental needs, as well as economic ones.

“Compatibility and sustainability are the aspects that our firm contributes to an infrastructure project in any one of the areas, including roads, highways, bridges and ports,” Walsh said. “We’ve built a fairly strong infrastructure system in this country. But it’s been poorly maintained, and it needs a major investment coming up.

P2S Engineering Celebrates 25th Anniversary With Debut Of Expanded Headquarters

P2S Engineering, a Long Beach-based engineering firm with more than 150 employees, celebrated its 25th anniversary January 19 with an open house event at its recently expanded headquarters at 5000 E. Spring St. The event served as an unveiling for the expansion– the firm now occupies both the 7th and 8th floors of the building. Colleagues and guests enjoyed activities, guided tours and refreshments. The offices, which are LEED Platinum certified, feature lighting with energy consumption levels 50% below the state’s Title 24 standards. The headquarters also has a recreational area with a ping pong table and a small putting green, as well as a gym for employees. In a recent interview with the Business Journal, P2S founders Kevin and Kent Peterson (president/CEO and vice president/chief engineer, respectively) told the Business Journal that the firm has grown 25% in the past year. (Photos by the Business Journal’s Larry Duncan)



Whether it will get it or not, if they can find the money for it, who knows.”

Walsh said the American Society of Civil Engineers releases report cards to grade infrastructure nationwide, as well as by state or region. According to the 2012 infrastructure report card for California, aviation went from a C- in 2006 to a C+ in 2012, levees and flood control from an F to a D, ports from a C+ to a B-, solid waste remained a solid B, transportation from a D+ to a C-, urban runoff remained a D+, wastewater remained a C+, and water decreased from a C+ to a C. The report card showed California's overall infrastructure grade-point average increased from a C- to a C and annual investment needs increased from \$37 billion to \$65 billion.

When talking about Long Beach's infrastructure, Walsh said, “I think roads, highways and storm water management are areas of vital importance. I think that infrastructure needs continued and expanded investment.

“I think roads and highways and bridges have been kind of starved of funding because it's expensive to maintain and expand those kinds of facilities,” Walsh continued. “But I think you're seeing, with congestion and deterioration of those facilities, renewed public interest in that.”

Walsh explained that it is “neat” that every bond measure or tax increase related to infrastructure improvements that comes to a citywide vote passes. He said the public is clearly impacted by failures or falling behind on infrastructure upkeep, which keeps them motivated to invest in it.

As technology advances, infrastructure is being changed and upgraded to keep up, according to Kent Peterson, vice president

and chief engineer of P2S Engineering Inc. He explained that incorporating smart technology in infrastructure has pros and cons. The clear benefit is being able to monitor, and sometimes control, infrastructure remotely without being on-site, through smart and wireless technologies.

“The bad part of it is, like with everything today, the more we use technology, the more it's out there for someone to hack,” Peterson said. “We have kind of the Achilles' heel of infrastructure, and I think that it's something we have to live with. It's a real-life situation.”

With regards to Long Beach infrastructure needs, Peterson said he often thinks about past failures in the electrical grid downtown. July 2015 saw more than one underground explosion and fire wreak havoc on the electrical grid and leave thousands without power for days. With countless businesses and residents, a city cannot afford those types of failures, as they can put hundreds of thousands of people in danger and cost millions of dollars in repairs and losses.

Peterson explained that most projects are done with a citywide infrastructure master plan. Engineers play a key role in creating these master plans and prioritizing what is most critical. In this way, a timeline can be formed for when certain aspects of infrastructure will need maintenance or replacement, barring a malfunction or other unforeseen complication.

“They're going to look at where is the best benefit for the cost you're putting in there,” Nichol said. “The role of the engineer is going to take the politics out of it and look at the real need of the community.” ■

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Small Business Showcase – North Long Beach



LB Swamp BBQ

About a year after retiring from the refuse division of the City of Long Beach Public Works Department, Jason Hunter opened LB Swamp BBQ, a take-out barbecue joint at 5204 Orange Ave. where he serves up his own recipes.

As the youngest of seven children growing up in New Orleans, Hunter was always by his mother's side when she was cooking. "My mother started me cooking when I was five years old," he said. "I always helped prepare the food for the rest of the family."

Hunter selected LB Swamp BBQ's North Long Beach location because of its proximity to the Carmelitos Housing Project. He already works with this community through his nonprofit organization, We Care Long Beach, which aims to divert children from entering gangs through extracurricular programs.

You can't miss LB Swamp BBQ – there is a 10,000-pound grill out front. "It's like an attraction because it's so huge," Hunter said. The eatery serves ribs, brisket (popular with the police department, he noted), turkey necks and other barbecue, as well as sides like candied yams, black-eyed peas, collard greens and more.

Hunter will soon open a second, smaller LB Swamp BBQ location at 3636 Santa Fe Ave. in West Long Beach, and he hopes to eventually make his business into a chain.

Reptile Factory

Since 2014, Giovanni, 26, and Daniel Solis, 29, have been providing North Long Beach residents with everything they need to keep and raise reptiles, including the animals themselves.

Located at 1095 E. Artesia Blvd., Reptile Factory sells a variety of reptiles, including snakes, lizards and turtles. The shop also sells some amphibians, namely frogs, along with all the supplies needed to care for the animals – from tanks to live food, such as mice and crickets.

Growing up in Los Angeles, Giovanni said the brothers always had animals at home, encouraged by their mother. Dogs, snakes, rabbits and armadillos – the Solis brothers had it all at one time or another. As they got older, they continued collecting animals and turned to selling them on the Internet when they exceeded their space.

Eventually, they built a following online with people keeping up with the animals they had for sale. "So it really made sense to open a store where people could come in and check out the animals, and that's when we decided to open the shop," Giovanni said. "We're very open to educating people. If they ever have questions or want to come in and check out the animals and interact with them, we're always very open to that."

(Pictured: Giovanni, left, with a Black-throated monitor, and Daniel, with a woma python.)



Gage Pharmacy

Gage Pharmacy, an independent drug store in North Long Beach, has been in the same location at 5735 Atlantic Ave. since it opened in 1926. Current owner Attef Girgis, Pharm.D., is the third pharmacist to operate the store.

Girgis was previously a pharmacy manager in Compton for about 22 years. Every day on his way to work, he drove by Gage Pharmacy. "I felt like it was a really nice location," he said. He eventually put in a call to the pharmacy's owner expressing interest in buying it. "When he was ready to sell, he contacted me, and I got a deal," Girgis said.

Owning the pharmacy has given Girgis the opportunity to spend more time with patients. "I have a long experience with chain pharmacies, and I feel independent pharmacies have more benefits for health care professionals," he said. "You build up good relationships." Being able to spend more time with patients is helpful in building trust, he noted.

In addition to its pharmacy and store, Gage also has mail and utility payment services and, in the future, will offer L.A. Metro fare.

Girgis hopes to keep Gage Pharmacy in the family. "My daughter is in pharmacy school, so I am hoping that she takes over," he said.



Aguas Way

Long Beach-native Leoh Sandoval was tired of his neighborhood on the north side not having eateries with a nice atmosphere where locals could eat, hang out and become more of a community. He acknowledged that the area already had good food spots but that many of the buildings are old and in need of renovations, which causes many to order takeout.

This, along with wanting to keep his family closer together, led Sandoval to open Aguas Way, a cafe specializing in aguas frescas, a popular Mexican fruit drink, located at 5248 Long Beach Blvd.

His cafe also serves food items, including its best-selling carne asada fries. The aguas frescas are made by Sandoval's mother, who he said has made them as long as he can remember, and his brother-in-law handles the cooking, which he has always had a passion for but has never done for a living.

Being his first business, Sandoval said the hardest part is anticipating the needs for each week but that reception has been positive.

"Everybody loves it, and everyone is excited that we brought something nice to the neighborhood," Sandoval said. "We have regulars already that come two or three times a week. It's just been a great response from the neighborhood."

Articles by Assistant Editor Samantha Mehlinger
and Senior Writer Brandon Richardson.
Photographs by the Business Journal's Larry Duncan

Support Local Small Businesses

Keo Neighborhood Market

When brothers Ben and Patrick Keo, immigrants from Cambodia, purchased a North Long Beach market in May, it was the realization of a family dream.

"It has always been my dad's dream to have a market and sell produce and goods because that is what he was raised to do back in Cambodia," Ben Keo said, explaining that his family worked in agriculture in Cambodia. "When the opportunity came to us, me and my brother got together and said, hey, this might be a good opportunity for us not only to form a family business but to achieve dad's dream."

Ben continues to work as a territory sales manager for a manufacturing company, while Patrick works as a helicopter technician. Their sister, Melanie, runs the store as manager. Ben's wife, Molica, and Patrick's wife, Annie, pitch in as well.

Keo Neighborhood Market is focused on Southeast Asian foods. "We are targeted towards the Asian community, but we do have a little bit of everything," Keo said.

He added, "We have organic produce that we buy from local Cambodian people – regular folks who have gardens and have surplus of vegetables. . . . So not only are we getting organic [foods] but we are also helping the community."

(Pictured from left: Patrick, Molica, Melanie, Annie and Ben Keo.)



Cherry Blossom Hair Studio

The Cherry Blossom Hair Studio has been located at 1069 E. Market St. for 10 years. Owner Janet Salmeron, a Norwalk resident, began studying cosmetology while still in high school when her mother signed her up through a regional occupational program to keep her busy. Salmeron said it made sense because she always liked playing with hair.

Since she was dropping her off anyway, Salmeron's mother, Rosa, also began taking classes, and eventually they both graduated. Janet explained that her father always wanted to be an entrepreneur, so when the opportunity arose to purchase the Market Street property, he jumped on it and offered it to his family to open a salon.

"He invested in us, . . . so we just built it from scratch. And we've been here since," Salmeron said.

The studio does women's, men's and children's hair, including cuts, color corrections, highlights, perms and deep conditionings. Salmeron said she loves Long Beach – she participates in the marathon and Yoga on the Bluff – and spends most of her time here. She explained that she hopes to add more services, including manicures, waxing and facials, to the location and perhaps some wellness aspects such as yoga as well. "But for now, we do hair – everything with hair," she said.

(Pictured from left: Rosa and Janet Salmeron.)



Small Business Dollars & Sense

Resolving To Improve Your Credit In 2017? Don't Give Up!

Tips to help you stick to your resolutions because small changes can add up to big improvements for gaining credit to grow your small business



By BEN
ALVARADO

Have you ever made a New Year's resolution that you did not achieve? If you answered yes, you're not alone. Nearly half of Americans make New Year's resolutions, yet only eight percent achieve them.

While resolutions can be an exciting opportunity to start and accomplish new goals, they can also be overwhelming to implement. According to research by Wells Fargo, a quarter of Americans make resolutions to improve their credit or reduce debt. Achievable financial goals are important but they can take time. Personal credit can help small business owners access credit, so be mindful to take steps to establish and maintain your personal credit. Keep in mind these tips:

Set A Foundation – Even activities that don't directly impact your credit report can still demonstrate your financial responsibility and help you qualify for new credit. Including:

1. Pay utility, cell phone, or other bills that are in your name or your business' name.
2. Open and use a business checking account, build a savings account and use your company credit card.
3. Keep your personal and business finances separate.

4. Live within your means so you avoid using credit to overextend yourself.

Get Credit – There are a lot of benefits to having good credit. Lenders look at your personal credit and may reference your credit history when they make decisions about you and your small business. Here are some key steps to help you start building your credit:

5. Become an authorized user on a credit card, use it and pay it off regularly.
6. Consider applying for a secured loan.

Remember, paying more than what's due on your credit cards helps you pay down debt faster and can improve your credit score.

Build Credit – Building good credit depends on several factors, including your ability to pay back what you borrow. Start small with what you can comfortably pay each month along with your other obligations. Other ways to build your credit:

7. Regularly review your credit report for accuracy at www.annualcreditreport.com.
8. Keep your debt-to-income (DTI) at 35 percent or less. Keep track of your DTI.
9. Have a mix of credit such as auto loans, credit cards, student loans, and so on.

This New Year offers an opportunity to reach new goals, improve and learn new things. As 2017 begins, take time to learn more about credit and the important role it plays in your financial health. Your bank should have credit tips and you don't need to be a customer to visit Wells Fargo's Credit Center at www.wellsfargo.com/credit_center

Just like getting in shape doesn't happen overnight, obtaining, building and maintaining credit personally and for your business doesn't happen overnight. By taking one small step at a time, you can begin to see small changes and improvements to your credit. As you get ready to kick-start your New Year's resolution, keep this famous quote by Lao Tzu in mind: "The journey of a thousand miles begins with a single step."

(Ben Alvarado, a 26-year veteran of Wells Fargo, is the president of the bank's So. Calif. Region, which stretches from Long Beach to Orange, Imperial and San Diego counties.)



Downtown Long Beach Development Opportunity

Located near vibrant waterfront and future site of mixed-use Long Beach Civic Center
Southeast Corner of Broadway & Golden Avenue, Long Beach, CA 90801

- 5.6 acre redevelopment site in Long Beach's Central Business District
- Within ½ mile of the Pacific Ocean
- Zoning permits various commercial and multi-family uses
- Favorable zoning — maximum building height 500 feet
- Currently used as surface parking for One World Trade Center and Hilton



Port of **LONG BEACH**
The Green Port

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