

## THIRD SECTOR REPORT

### Board Chairs: The Five Most Important Things

By **JEFFREY WILCOX**  
EXCLUSIVE TO THE BUSINESS JOURNAL

**W**ithout question, our community benefits tremendously from the amount of volunteered time that people put into serving on nonprofit boards. When an individual is privileged to serve as the chair, or the top voluntary position in an organization, it's a position of stature in the community that will create lasting impact and eventually form his or her legacy.

The challenges faced by a board chair, with a gavel firmly in his or her grasp, are overwhelming. Driven by a mission statement to serve, a board chair must take on a statesman-like position with an enthusiasm and a drive that yields community benefit, while tackling those things that can stand in the way. Unfortunately, some of the biggest challenges are found in the boardroom itself.

A board chair quickly learns that he or she is just like any other leader: It doesn't take long for a reputation to develop, and managing that reputation can ultimately determine what gets accomplished while in the position. Even though every organization is different, there are a few basic attributes of great board leaders that can never be overstated.

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The mascot for the Longines Masters Series, the Grand Slam of indoor show jumping, graces the Terrace Theater Plaza following the announcement that the American leg of the championship is coming to the Long Beach Convention & Entertainment Center in late September. Long Beach joins Paris and Hong Kong as event hosts. Pictured from left are: Charlie Beirne, convention center manager; Steve Goodling, president and CEO of the Long Beach Area Convention & Visitors Bureau; and Matthieu Gheysen, events director for the Longines Masters Series' creator, EEM, and vice president of EEM Asia. (Photograph by the Business Journal's Larry Duncan)

## The Hospitality And Tourism Industry

### Downtown Evolution, Investments Set The Stage For More High-Profile Events In Long Beach

By **SAMANTHA MEHLINGER**  
Senior Writer

**T**hirty years ago, Long Beach was "a very tough sell" to event planners, as Iris Himert, a long-time Long Beach

Convention & Visitors Bureau (CVB) salesperson and current executive vice president, tells it. But with the way things are coming together in downtown, both within the convention center and around it, things have changed so much that she called the culmination of a decades-long transition "a dream come true" in her role selling the city.

"What's happening is we're now able to take on groups we could've

never entertained 10 years ago," Steve Goodling, president and CEO of the CVB told the Business Journal in an interview with his staff and Long Beach Convention & Entertainment Center General Manager Charlie Beirne.

Case in point: the Longines Masters Series, known as the "Grand Slam" of equestrian indoor show jumping, just named Long Beach as its new home for the American leg of the series. The

other two events in the series are in Paris and Hong Kong.

"Make no doubt about it – Longines had to discuss coming to Long Beach," Goodling said. Longines, a high-end French luxury watchmaker, is the series sponsor and had to mull over whether holding its prestigious event in a port city was the image it was going for, Goodling explained.

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## West Coast Toyota Opens In Long Beach

Ken Garff Automotive  
Buys Hooman Dealership

By **GEORGE ECONOMIDES**  
Publisher

**T**he long awaited relocation and opening of Hooman Toyota from the Traffic Circle to the new building at the northwest corner of Redondo Avenue and

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## New Parks, Recreation And Marine Director Marie Knight: Ensuring 'A Place For Everyone'

By **SAMANTHA MEHLINGER**  
Senior Writer

**F**or Marie Knight, who stepped into the role of director of the Long Beach Parks, Recreation and Marine (PRM) Department in March, transitioning to Long Beach from a similar position in the City of Orange has been "like drinking through a fire hose." In an interview at her office at El Dorado Park, she told the Business Journal, "It's been fast, busy, exciting and crazy all wrapped into one."

While the City of Orange has a

population of about 140,000 people, Long Beach is closer to the 500,000 mark. In Knight's new role, she oversees 162 parks com-

prising more than 3,000 acres, 26 community centers, three marinas, two historic sites, five golf

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Marie Knight took over as director of the Long Beach Department of Parks, Recreation and Marine in mid-March. She has been meeting one-on-one with staff ever since to listen to their priorities and ideas for the department. (Photograph by the Business Journal's Larry Duncan)

**The Boeing Company**  
Marking Its Centennial  
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(Continued From Page 1)

After the event organizers decided to move the masters series from its previous home in Los Angeles due to planned renovations to the city’s convention center, event organizers and sponsors visited Long Beach unannounced – the CVB had nothing to do with booking their trip, Goodling noted. Once they saw what the convention center had to offer with its \$40 million in renovations and multiple turnkey event spaces, and got to spend some time downtown, they made their decision: that Long Beach was, as Goodling put it, “the perfect location.”

Once a potential convention or meeting planner visits the convention center, it’s an easy sell, according to Himert. “When we get people in here for site inspections, ninety percent of the time we turn them definite,” she said.

Goodling, Beirne and Himert agreed: the extensive convention center renovations to create ready-to-use spaces decked out with stage lighting, curtains, modern furniture and amenities are behind increasing business. Not only do these upgrades allow for an “extremely cool and sophisticated” vibe for events, but they also offer event planners a built-in cost savings, as they don’t have to rent their own equipment and furnishings. “I would say the average convention planner is saving anywhere from \$30,000 to \$500,000,” Goodling said.

Beirne, whose venue management firm SMG oversees 270 convention centers, said these upgrades have transformed the Long Beach Convention & Entertainment Center into a venue “unlike any other convention center I know of in the country.”

About three years ago, the creation of the Pacific Room at the Long Beach Arena transformed the space into a \$10 million facility equipped with a steel truss system for lighting and curtains, which enables event planners to adjust ceiling height and the size of the space for events as small as a luncheon and as large as a concert venue.

This year, there are 47 conventions booked for the Pacific Room, generating an estimated 176,373 overnight stays in local hotels and about \$4.8 million in transient occupancy tax. More than 190,000 attendees of these events are expected to have a citywide estimated economic impact of \$146,180,875 through local spending.

The center has a handful of other turnkey event spaces – including the recently outfitted Terrace Theater Plaza, which now features built-in stage lighting; the arena lobby, which is now known as the Pacific Gallery & Patio; and Bogart’s,

### CVB’s Annual Sales Mission To Washington, D.C., Is A Team Effort

The Long Beach Area Convention & Visitors Bureau’s (CVB) annual sales mission to Washington, D.C., featuring nearly two dozen local hotel and attraction executives, has repeatedly proven to result in “high value convention and meeting planners coming to Long Beach,” according to CVB President/CEO Steve Goodling. The week-long marketing effort was held earlier this month and included sales calls and special events, Goodling told the Business Journal, “reaching out to more than 300 professional meeting planners to show why Long Beach is the perfect destination for their meetings.” Among those attending the sales mission were, top row from left: Hector Martinez, sales manager, Long Beach Marriott; Art Scanlon, national sales director, CVB; Jason Parker, as-



sistant general manager, Premier Catering; Caribe Hourigan, national sales director, CVB; and Chris Zappia, national sales director, CVB. Middle row from left: James Robinson, assistant director of sales, Westin Hotel; Silvano Merlo, general manager, Courtyard By Marriott; Pam Ryan, general manager, Renaissance Long Beach; Elaine Gamer, director of sales, Hilton Long Beach; Lindsey Hartman, sales manager, Hyatt Regency Long Beach; and Imran Ahmed, general manager, Long Beach Marriott. Bottom row from left: Mark Becker, area vice president and general manager, Hyatt Regency Long Beach and Hyatt Centric The Pike Long Beach; Ken Pilgrim, general manager, The Westin Long Beach; Bianca Ware, city wide sales executive, Marriott Hotels; Barb Swaiman, account manager, Queen Mary Hotel; Goodling; Charlie Beirne, general manager, Long Beach Convention & Entertainment Center; Brendan March, associate director of sales, Hilton Long Beach; and Alexis Amato, group sales manager, Hotel Maya – A Doubletree By Hilton Hotel. (Photograph provided by the CVB)

“The city is being prepared to take on more high-profile special events and . . . high net worth conventions. Everything [in the city] is continuing to mature in a sophisticated way.”

**Steve Goodling, President/CEO  
Long Beach Area Convention & Visitors Bureau**

a contemporary restaurant setting located just off the gallery.

The latest addition to the convention center’s repertoire of ready-to-go spaces is The Cove – a reimagining of the portion of Seaside Way under the Terrace Theater Plaza, which serves as the entrance to the center’s frequently-used Seaside Ballroom. The new design includes chandeliers outside the ballroom entrance, lighting designed to resemble barnacles and marine-themed décor implemented throughout. The concept is a “street party venue,” according to Goodling, and should be complete in August.

These convention center upgrades are helping the city attract high-profile events like the Longines Masters Series, from Goodling’s perspective. “Longines would have never exposed their clientele to what was there before Bogart’s or to the arena lobby before we invested money in it,” he noted. “It’s helping us to continue to remain competitive to the

point where the building is now running at maximum occupancy.”

Also giving the city more of a competitive edge for attracting events is the downtown area itself, according to Goodling. “The downtown [area] is evolving into a wonderful downtown with over 125 restaurants in an eight-block radius,” he said.

The area surrounding the convention center is in the middle of a facelift thanks to private development. The once-sleepy shopping center at Pine Avenue and Shoreline Drive is now the Pike Outlets, a more open and contemporary center. On Ocean Boulevard, multiple apartment buildings – both conversions of existing office buildings and new structures – are planned in the near vicinity of the center.

At the corner of Ocean Boulevard and Pine Avenue, a new hotel is in the works – one that will be an asset to the convention center thanks to its close proximity, Goodling noted.

Plus, the city just began the undertaking of constructing a pedestrian bridge that will extend from the Pine Avenue promenade of the convention center to its performing arts center. “We’ve had clients for years ask us for better connectivity around the convention center,” Goodling said. “The bridge is going to help us achieve that goal in a significant way, because it’s not just a pedestrian bridge – it’s a functioning piece of art,” he explained, alluding to the bridge’s design resembling a cascading wave.

“The city is being prepared to take on more high-profile special events and . . . high net worth conventions,” Goodling said. “Everything [in the city] is continuing to mature in a sophisticated way.”

But attracting events to Long Beach isn’t just about what the city has to offer in amenities and facilities – it’s also about the people. Goodling and Beirne said they and their teams aim to help their clients in any way they can. “These folks feel that we’re here to help them and want to help them grow their business and be successful,” Goodling said.

Just a few weekends ago, the Long Beach Lesbian & Gay Pride Festival and

(Please Continue To Page 8)



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A photograph of a large indoor event space, likely a ballroom or banquet hall, set up for a formal dinner or reception. The room features numerous round tables covered with white tablecloths, each surrounded by purple chairs. The tables are elegantly set with glassware, plates, and centerpieces. In the background, a tall, cylindrical orange pillar stands prominently. The walls are decorated with blue lighting, and there are trees adorned with lights. A white canopy structure is visible in the distance. The overall atmosphere is sophisticated and festive.

# *Imagination realized*

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This vibrant red horse is a symbol of the Longines Masters Series of Los Angeles, which for the first time is being held at the Long Beach Convention & Entertainment Center at the end of September. The event organizer has contracted with the center for a three-year run, but told the Business Journal that time frame might be extended. (Photograph by the Business Journal's Larry Duncan)

(Continued From Page 4)

the Jehovah's Witnesses' annual convention were happening at the same time in downtown, and Beirne personally jumped in to help keep things moving. "I was directing traffic a few weeks ago because we had a commitment to our clients," he said. "The Jehovah's Witnesses are a great client of ours, and we made that commitment that we would make it work for them."

Matthieu Gheysen, events director for the Longines Masters Series' creator, EEM, and vice president of EEM Asia, told the

Business Journal that both the CVB and convention center staff have been very helpful in planning the series.

"For us, what has been important in the relationship from the very beginning is that they were always trying to find the solutions that we need for the event alongside us," Gheysen said. "They are very helpful in different ways, whether it's promotion, communications, getting into contact with the local companies or for example the fire and police department from Long Beach."

Gheysen reflected, "That's something that, interestingly enough, we don't experience in all cities. It's an extremely positive way for us to work."

In all, there are currently 216 conventions and meetings on the books for this year, according to the CVB. These events are expected to generate an estimated economic impact of \$299,032,450, more than 197,600 room night stays at local hotels, and \$5,379,412 in transient occupancy tax.

"The National Association of Counties is going to be a huge convention here in July

that we got thanks to [Los Angeles County] Supervisor Don Knabe," Himert said. "They're going to sell out the entire city," she noted, referring to hotel rooms. Additional large conventions this year include the 2016 Herbalife North America Extravaganza and an annual meeting of the American Geriatric Society, among others.

There are 82 additional conventions and meetings tentatively planned for 2016 and beyond which stand to generate an estimated economic impact of nearly \$279 million. ■

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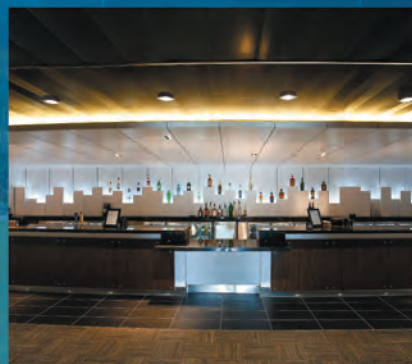


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Kristi Allen, general manager of the Hotel Maya and vice president of operations for Ensemble Hotel Partners, expects the hotel to have the best July in its history this summer. The Maya has a number of outdoor games for guests, including this oversized Jenga game and a giant chess and checkers board. (Photograph by the Business Journal’s Larry Duncan)

# Long Beach Hotel Managers Report Strong And Steady Business

■ By **SAMANTHA MEHLINGER**  
Senior Writer

Long Beach hotel managers report that they are seeing stable to increasing growth in room occupancy and average daily room rates compared to last year. The steady business is attributed to hotel renovations, investments in the downtown area and the efforts of the Long Beach Area Convention & Visitors Bureau (CVB).

Bruce Baltin, managing director of the Los Angeles office of CBRE Hotels, said that occupancy rates of Long Beach hotels through the end of April were pacing about two percent ahead compared to the same period last year. Meanwhile, “The average daily room rate is roughly \$171, up from \$155 last year,” he said.

Revenue per available room – a metric that takes into account occupancy and av-

erage daily rate (ADR) – increased by 12.5% through the end of April, Baltin said. Nationally, hotels are averaging about a 4% increase this year, so Long Beach’s growth is quite healthy, he noted.

The average occupancy rate of Long Beach hotels so far this year is 78%, the same percentage the city’s hotels ended on last year. Baltin called this rate “very strong for Long Beach,” adding that it’s the highest he has ever seen in the city.

So far this year, the Hotel Maya, a DoubleTree by Hilton hotel located on Queensway Bay, is pacing well ahead of last year, according to Kristi Allen, the hotel’s general manager and the vice president of hotel operations for Ensemble Hotel Partners. The hotel is experiencing a 26% occupancy increase compared to last year, but that’s somewhat skewed because about a quarter of the hotel’s rooms were out of commission last year for renovations, she explained.

“We thought this year that we would show large occupancy gains and maybe flatten out a little bit in the average rate, but we have actually seen significant growth in both areas,” Allen said. This trend is true of the Long Beach hotel market as a whole, she noted. ADR at the

Hotel Maya is up about 10% year over year, she said.

Allen said she expects this July to be the best ever for her hotel. “We’re really excited, because this July will probably be the best month we’ve ever had in the history of the hotel as the rate and occupancy growth will continue,” she said. “The Maya is a summer hotel. A lot of the other hotels in our market are convention-based hotels, so they slow down a little bit during the summer. But as Long Beach continues to grow as a leisure destination, the summers will be strong.”

The Hilton Long Beach, located on Ocean Boulevard in downtown, is also experiencing an increased occupancy rate, according to General Manager Greg Keebler. As with the Maya, this is partially because much of the Hilton was under renovation last year. Upgrades to all guest rooms, meeting spaces and common areas were completed on January 10, Keebler said. Overall, the hotel’s occupancy rate is currently about a percentage point higher than he anticipated it would be so far this year.

The Hilton’s renovations, which incorporated “a very timeless modern palette of colors and finishes,” brought the hotel up to par in the Long Beach market, Keebler said.

“We spent tens of millions [of dollars] on this renovation,” he noted. As a result, average daily room rates are increasing, he said.

Although summer bookings at the Hilton so far are softer than what they would have been last summer had the hotel not been under renovation, Keebler suspected this might be due to changing trends in travel habits. “It is probably a very short-term booking market and booking window right now just due to airline travel being a little bit of a disconnect for some folks,” he said.

The Holiday Inn Long Beach Airport Hotel and Conference Center on Lakewood Boulevard and Willow Street was also under extensive renovations last year, with the guest rooms and public spaces in the hotel’s main tower receiving upgrades. The top-floor restaurant is undergoing construction in September to complete the final phase of renovations. “The new restaurant will be called View Bar And Restaurant. It’ll be a mid-century modern themed restaurant, much like the rest of the building,” Robert Smit, vice president of operations for YHB Hospitality Group and manager of the hotel, told the Business Journal.

There are also plans to tear down the



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(Continued From Page 10)

tower-adjacent two-story guest room building and replace it with a five-story Staybridge Suites hotel. “We should be able to begin demo of that building at the beginning of next year,” Smit said.

“We’re looking at double-digit increases in occupancy as well as average [daily room] rate,” Smit said of his projections for the year. “We’re projecting about 80% [occupancy] for the year, which is significantly more than the prior year.” ADR is expected to increase by 20%, he said.

Smit said he expects the summer, which is the hotel’s peak season, to be “outstanding,” adding that business might slow down a bit in the fall.

“As a hospitality market, Long Beach is really benefited by all of our activities with the CVB and the convention center, and the groups that are choosing Long Beach over other destinations like San Diego and San Francisco and even L.A.,” Smit said. “It’s a very healthy community. . . . And like any healthy community, there are always challenges. Our challenges are always increased labor costs [and other] expenses and trying to control those.”

Overall, “Long Beach has a really bright future ahead,” Smit said. “We’re being very



Robert Smit, vice president of operations for YHB Hospitality Group and manager of the Holiday Inn Long Beach Airport Hotel and Conference Center, shows off the recently renovated interior of the hotel’s main tower, which now includes a café serving Peet’s Coffee. The hotel operation is also planning to add a five-story Staybridge Suites hotel to the property in the near future. (Photograph by the Business Journal’s Larry Duncan)

competitive in terms of our groups, our meetings and our rates. I think the horizon for this year – and even into next year – is quite good for the hotel environment.”

Keebler also attributed steady business to the efforts of the CVB. “In downtown, so much of how the hotels perform is based upon citywide conventions and how they may impact travel and demand,” he said. “We are confident in the CVB and their booking of long-term conventions. We have some exciting new short-term ones like the Longines Masters [Series], which is coming to Long Beach for the very first time in the fall,” he con-

tinued. “Long Beach continues to be able to bring events like that that it never really had before. That’s pretty exciting.”

Allen said that Long Beach is continuing to grow as a leisure destination, a trend she expects to continue thanks to private investments and those made by the city, like the replacement for the Gerald Desmond Bridge and the project to build a new civic center.

“What’s ultimately going to help Long Beach is that we are developing so much and becoming a destination city with tourist attractions, like the new outlet mall at the Pike,” Allen said. “As we explore

waterfront development and the Queen Mary development that the task force appointed by the mayor is discussing, all of that stuff really adds to increase our leisure appeal.”

Allen observed that investors appear to believe it’s a good time to bet on Long Beach, with two new hotels planned in the city – one at the southeast corner of Ocean Boulevard and Pine Avenue, and one at Douglas Park. Allen reflected, “With more rooms, we’ll be able to compete for some slightly larger citywide [events]. That’s good overall for the hospitality industry in Long Beach.” ■

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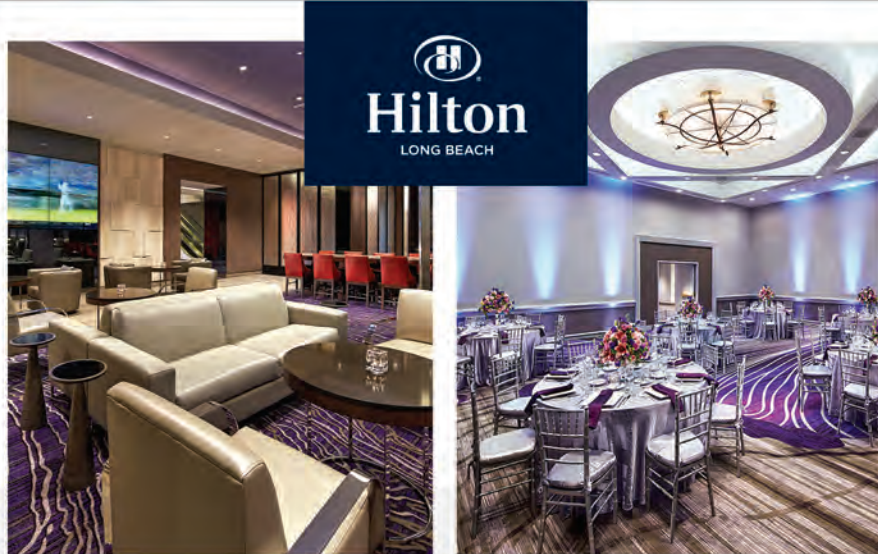


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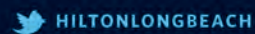
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# Room To Connect

## Hyatt Centric The Pike Long Beach Targets ‘Social-Minded’ Travelers

■ By **THYDA DUONG**  
Contributing Writer

The boutique, 138-room Hyatt Centric The Pike Long Beach features a rooftop pool, bar and lounge, and a host of amenities – but for the Centric brand, it’s the spaces outside the property that are equally important.

That’s why Long Beach, with its bustling downtown and central location providing easy access to other nearby attractions, is the perfect destination for Centric – one of Hyatt’s fastest growing brands, according to Hyatt Area Vice President and General Manager Mark Becker.

“Our guest is a social-minded traveler,” Becker explained. “We really are looking for that traveler who wants to get out and explore, and we want to be the conduit for them to do those things.”

Hyatt The Pike Long Beach recently rebranded to Hyatt Centric The Pike Long Beach, making it one of only seven Centrics in the United States. (Other U.S. locations include Santa Barbara, San Francisco, Chicago, Miami, as well as Park City, Utah, and The Woodlands, Texas). The brand targets Millennial-minded travelers looking for an urban, downtown experience that puts them in the heart of the city, with easy access to shopping, restaurants and cultural activities.

“Thinking about Long Beach and where this hotel is located, you can’t think of a better location,” Becker said. “The city has done an incredible job of marketing our city and creating an environment that speaks to a particular kind of traveler. I think the downtown area continues to evolve and grow. When you think about all the events that happen right here downtown, it just speaks to our customers.”

Hotel Manager Gilbert Santana added that, unlike other hotels, Hyatt Centric actually encourages its guests to explore the local community beyond the hotel’s walls. “We’re not trying to force people to stay on property,” he said. “We don’t want to be everything to everyone. . . . We want to make sure that we are truly focused on making sure that you have that local experience.”

For those guests who aren’t able to explore the city and its sights, Hyatt brings local experiences straight into its guestrooms. For example, the hotel provides DryBar hairdryers in all of its guestrooms and established a new partnership with GrubHub, an online and mobile food ordering company, to offer delivery of food from local restaurants.

“Our customers want that experience of trying local restaurants, but maybe they don’t have time to hit them all,” Becker said. “So how cool is it to say, ‘I couldn’t nec-

essarily make it out to this particular restaurant, but I was able to order it direct, hot and fresh, to my room’?”

And for Hyatt Centric, the experience is not only local but also personal. The eight restaurants currently participating in the GrubHub partnership are hand-selected by Hyatt Centric staff.

“It’s a true partnership from the associates’ standpoint versus a corporate standpoint,” Santana explained. “For us, the narrative is that [our associates] are telling the story every day; it’s not us telling them to tell the story.”

Similarly, the hotel’s menus are built through their associates, who share their own family recipes of everything from waffles to chilaquiles. “Our hotel is a beautiful boutique hotel [with] tremendous qualities,” Santana said, “but what really tells the story are the associates and how they can really tie it back to Long Beach.”

It’s that personal connection – and resulting trust and camaraderie between long-time hotel associates and guests – that is driving the Hyatt Centric’s customer loyalty and increasing occupancy levels, Becker and Santana said. In fact, Becker, who is responsible for overseeing Hyatt Regency Long Beach, Hyatt Centric The Pike Long Beach and six other Southern California Hyatt properties, is a 26-year veteran of Hyatt, while Santana has been with Hyatt for more than 22 years.

The pet-friendly hotel will soon seek to further enhance interpersonal connectivity with new updates to its key spaces. Within the next two months, the hotel will update its lobby and bar areas to feature larger, open seating areas and sharing tables. “It’s all about connecting our guests with our colleagues, and our guests with our guests,” Becker said.

It’s a mission that has always been central to the hotel, Santana said. “We’ve transitioned the hotel a bit, but it really still identifies with its natural courses because Centric truly fits us,” he noted. “It’s almost like they built the brand around us.”

Still, the rebranding has really served to define the hotel’s purpose, Becker stressed. “It’s a purpose that our associates and colleagues can embrace, but equally important, our guests can embrace,” he said. “I think what [the rebranding has] really done is solidify what the hotel is meant to be. . . . There are many great choices of places to stay downtown, but I feel like we know who we are [and] our guests know who we are.” ■



Hyatt Area Vice President and General Manager Mark Becker, left, with Hyatt Centric The Pike Long Beach Hotel Manager Gilbert Santana on the roof of the hotel at 285 Bay St. in Downtown Long Beach. All photographs by the Business Journal’s Larry Duncan)



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Southwest Airlines and JetBlue Airways planes sit on the tarmac at the Long Beach Airport last week. Southwest is new to the airport, now offering flights to Oakland. JetBlue, which offers the most destinations from the airport, is now offering additional flights to San Francisco, Oakland and Las Vegas, and is set to add a new destination – Reno/Tahoe – in August. (Photograph by the Business Journal’s Larry Duncan)

# New Service Takes Off This Summer At Long Beach Airport

■ By **SAMANTHA MEHLINGER**  
Senior Writer

Starting this summer, Long Beach Airport now has more flights – plus service from a new airline – for travelers looking to get out of town.

The airport currently offers flights to 12 destinations through JetBlue Airways, American Airlines, Delta Air Lines, and the newest addition, Southwest Airlines. Regular destinations include: Austin, Boston, Las Vegas, New York, Oakland, Phoenix, Portland, Sacramento, Salt Lake City, San Francisco and Seattle. JetBlue also offers summer service to Anchorage.

Southwest Airlines started service at Long Beach Airport for the first time earlier this month, after being awarded four daily flight slots per the city’s noise ordi-

nance a few months earlier. “The community really seems excited to welcome us to Long Beach,” Michelle Agnew, media relations spokesperson for Southwest, told the Business Journal.

The airline is using its daily flights to offer service from Long Beach to Oakland. The Bay Area city was selected because it gives travelers the option of connecting to 19 other destinations, according to Agnew.

Although there isn’t currently opportunity to expand service through Long Beach, Agnew said the airline hopes to do so eventually if the city’s noise ordinance permits it. “We’re interested in growing eventually at Long Beach,” she said. “We work closely with the airport and we really want to see Long Beach do well and offer our customers there great options.”

So far, bookings are good, Agnew said. “The demand is there, and we’re seeing a lot of flow traffic. Our customers are flying to destinations beyond Oakland and we’re really excited,” she added.

JetBlue was also recently awarded three new flight slots at the airport. It has added additional flight service to existing destinations offered through Long Beach, including San Francisco, Oakland and Las Vegas, and will begin service to a new lo-

cation – Reno/Tahoe – in August. That will bring the total number of direct destinations from Long Beach Airport to 13.

“Summer is usually a peak season for us. We are up to 24 flights a day,” Lou Anthony, general manager for JetBlue’s Long Beach operations, said. Popular summer destinations include Portland, Seattle, the Bay Area and Salt Lake City, he noted.

So far this summer, flights are at about 90% of full capacity, which the airline is “very happy” about, Anthony said. Even sales for Tuesdays and Wednesdays, typically slower travel days, are doing well, he noted.

Delta Air Lines was allotted two additional flight slots, which it has used to add service to its one destination through Long Beach, Salt Lake City, according to an airport spokesperson. During the summer, the airline is using planes that seat about 30 more passengers than its usual 76-passenger aircraft.

Although passenger enplanements and overall travel through Long Beach Airport have declined over the past few years, this year is currently pacing ahead of 2015. Total passenger traffic is up 2.2% from January through May this year compared to the same time period last year, according to a monthly activity report.

“Summer is typically the busiest season in general for aviation. And I would probably say it’s the busiest long stretch,” Long Beach Airport Interim Director Juan Lopez-Rios said.

Both Agnew and Anthony noted that they are awaiting the results of a feasibility study on bringing international flights to Long Beach with U.S. Customs service. Lopez-Rios said he expects the study to be completed in August or September. The study is in two parts – one by the city attorney and one by the Jacobs Engineering Group Inc., he noted.

“We expect the feasibility study to be done very soon this summer. And we hope by the end of the year we’re able to announce a positive FIS [Federal Inspection Station] vote and the potential growth that that means for the international market,” Anthony said. JetBlue has been advocating for international service at the airport for some time.

Although Anthony said he doesn’t know for sure which international destinations JetBlue would want to fly to, he said Cabo San Lucas, Puerto Vallarta and Cancun are possibilities, as are “any of the cities we fly to in Central America.”

For more information about flights at Long Beach Airport, visit [www.lgb.org](http://www.lgb.org). ■



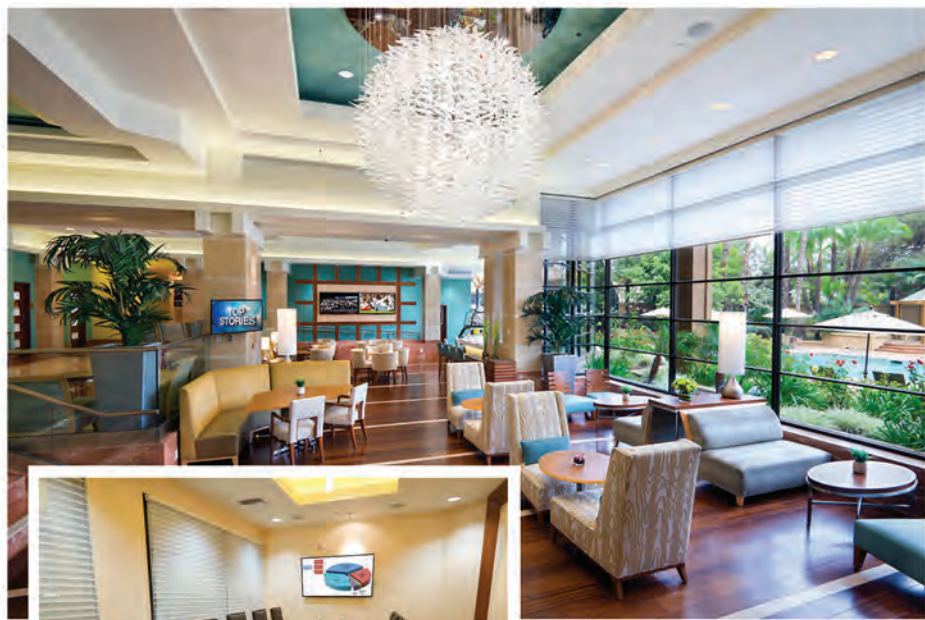


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It's summer in Long Beach: the weather is temperate, the days are long and the calendar is full of events for people of all ages to enjoy. Now, who wants a hot dog? (Photograph by the Business Journal's Larry Duncan. Special thanks to Hotel Maya staff for their assistance with the photograph)

# Long Beach's Summer Of Fun

## Hundreds Of Events Are On Tap For People Of All Ages

■ By **SAMANTHA MEHLINGER**  
Senior Writer

The stage is set for a summer of fun in Long Beach: kids are out of school, the sun is shining later into the evenings, the weather is temperate and events of all sizes – from concerts in the park to international sporting events – are planned through the end of September. This summer, the streets, parks, beaches and attractions of Long Beach will teem with crowds cheering at world-class sporting events, enjoying outdoor music concerts, and attending festivals and community events.

### For Sports Fans

Some of the world's best athletes are set to visit Long Beach this summer thanks to new and returning annual sporting events. New to Long Beach in July is the skateboarding portion of the Dew Tour, a Mountain Dew sponsored two-part series that also includes a snowboarding compe-

tition later in the year. The tour, which was founded in 2005, was recently taken over by TEN: The Enthusiast Network, a sports media company. It was TEN that made the move to bring the event to the Long Beach Convention & Entertainment Center on July 23 and 24.

"Long Beach in general was a great fit for its connection to skateboarding culture," Adam Cozens, general manager for

the Dew Tour, told the Business Journal. He noted that there are many skateboarders who live in Long Beach and that Signal Hill was the birthplace of a specific sub-genre of the sport: downhill skateboarding.

"The site itself, with us being on the water in one direction and then the city in the background, was just a really great spot to show on television – and to showcase the city and skateboarding in gen-

eral," Cozens said. The competition is set to air on NBC and will be streamed live on multiple online channels, he added.

The Dew Tour is taking place in the convention center's parking lot adjacent to the Long Beach Arena. In addition to the skateboarding competition featuring athletes from all over the world, the event also includes a Saturday night concert at the convention center and a preview day for the community on Friday. Cozens said he expects at least 25,000 people to attend the competition.

Next up for major sporting events is the ASICS World Series of Beach Volleyball, a returning event where the world's best compete on the beach with Downtown Long Beach and the ocean as a backdrop. Long Beach has been home to the competition since its inception four years ago. The event takes place August 23 through 28.

"When I created the concept of the World Series of Beach Volleyball, I looked for a city that could accommodate a big event, that had



This summer, the ASICS World Series of Volleyball returns to Long Beach from August 23-28. The world's best athletes in the field are set to compete just a week after participating in the Olympic games. (Photograph provided by event organizer Management Plus Enterprises)



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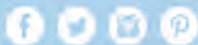
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# CVB Staffer Loren Simpson: From Celebrity Stylist To Social Media Ambassador For Long Beach

■ By **SAMANTHA MEHLINGER**, Senior Writer

Tweeting, Instagramming and Facebooking away behind the social media handles of the Long Beach Area Convention & Visitors Bureau (CVB) is Loren Simpson – a Long Beach native with a background that is strikingly reminiscent of the hit film “The Devil Wears Prada,” but perhaps without the melodrama.

Former assistant to Brooke Shields, West Coast associate editor for Marie Claire and celebrity stylist, Simpson’s background in entertainment might not seem a natural fit to manage the CVB’s social media strategy, but as she tells it, there’s more to the story than glamour and expensive shoes. (But don’t get her wrong – she’s rather fond of that part of the story, too.)

A CIF champion on Wilson High School’s basketball team, Simpson’s career in sports took her to college out of state, landing her at small, historically black college in New Orleans. She eventually transferred and graduated from the University of Alabama with a degree in English and a minor in Spanish. She put herself through school as a nanny for affluent couples – the gig that eventually led her to actress Brooke Shields.

“When I came back here – it’s such a small world – someone knew someone who needed a babysitter. It just so happened to be Brooke Shields. Go figure,” Simpson said. Babysitting turned into nannying, which eventually turned into working as Shields’ assistant. “We were bicoastal, so I was living both in New York and here, which was an incredible experience,” she recalled.

After Simpson had her first daughter, she transitioned back to Southern California to become West Coast associate editor for Marie Claire. “I served as the liaison for the magazine when they did cover shoots here,” she explained, adding that the magazine is based in New York.

Simpson worked directly under the West Coast editor for the magazine, who was also a stylist. With experience styling for Shields, Simpson quickly began assisting her editor on styling jobs, eventually making a career of it herself.

“I did red carpet looks, movie premieres, you name it. I worked with clients such as Blake Lively, Gwyneth Paltrow, Ashley Simpson, Molly Sims. The list goes on,” Simpson said. “It was fun. Tons of schlepping garment bags and racks, but that was also the fun part: shoes and clothes and jewelry.”

One of the standout moments in her nine years in entertainment was getting a thank you in the foreword of Paltrow’s cookbook, “My Father’s Daughter.” “That was amazing. It might even be up there with the birth of my children,” Simpson said, laughing.

After a few years, Simpson had a second daughter, and as a single mother, the instability of her career in entertainment eventually led her to seek out a new opportunity. “I loved the world I was in, but I knew I needed structure,” she said. “I needed to have more of a safety net for my children, being that it’s just me. If anything were to happen to me, I don’t have anything to leave my two girls.”

Cue the CVB, where Simpson has worked as digital communications manager for more than two years. The appeal of working for the CVB wasn’t just that it was 10 minutes away from her home in Long Beach and that it offered stability, but also that it afforded her the opportunity to work for her community, Simpson reflected.

When Simpson was working with celebrities, it was at a time when social media was quickly evolving from its original use as a forum to connect with peers. So as she worked alongside celebrities, she helped them leverage social media to their benefit, she explained. “That definitely translated to what I do here for the CVB,” she said.

At the time she came on board to the CVB, the organization didn’t have much of a social media strategy other than simply having a presence on various platforms. “I was impressed by the fact that we did have a presence . . . but I definitely saw a way to grow,” she said.

While social media involves a lot of time and strategizing across multiple channels, Simpson’s core philosophy for the CVB’s online presence is predicated on an age-old, simple principle: say thank you.

Much of the CVB’s strategy on social media involves responding to and sharing user-generated content about Long Beach, such as photos or videos, Simpson explained. “Say you post something on Instagram, and it’s a shot of the airport,” she said. “And it’s got the fire pits and the palm trees, and I’ll go on there and comment, ‘Fantastic photo! Thanks for sharing.’ And then in turn, later on down the line, I’ll use that photo – crediting you and displaying your city.”

It takes work to find such people and content, but doing so has helped to grow the CVB’s reach and advance its mission to promote Long Beach. “As a whole, it sheds light on what Long Beach has to offer,” Simpson said.

Simpson recalled how, during her time at college in the early 2000s, whenever she said she was from Long Beach, people typically only associated the city with rap music. “That is definitely part of Long Beach, but we have so much more to offer,” she said. “It’s the food, it’s the Queen [Mary], it’s the Aquarium, it’s the fantastic museums we have here. . . . And I think that social media allows us to spread that message.”

When Simpson started with the CVB, its social media-based online sweepstakes, Beach With Benefits, was only a summer campaign. Since then, she’s helped to extend it year-round, engaging more people online. “[Now] people who live in different states are using our Beach With Benefits hashtag,” she said. “They’re also using our This Is LB hashtag, which is closely connected to our blog, ‘This Is Long Beach.’”

The CVB’s social media followers have more than doubled since Simpson joined the team, she said. “For Instagram, we started with 45 followers, and now we’re over 4,000,” she noted.

“When I am in a different city and someone mentions Southern California, instead of someone saying, ‘Oh yeah, I’ve been to L.A.,’ or ‘I know San Diego,’ or ‘I’ve been to Disneyland,’ I totally want them to say Long Beach,” Simpson said. “When anyone thinks about typical Southern California, they’re thinking about palm trees, they’re thinking about the beach, they’re thinking about blue waters and sands, and that just isn’t L.A. But it’s totally Long Beach.” ■

(Photograph of Loren Simpson at Berlin Bistro in the East Village by the Business Journal’s Larry Duncan)



(Continued From Page 18)

great infrastructure, that was beautiful, and that was international in flavor and in scope,” Leonard Armato, creator of the event and founder and CEO of event organizer Management Plus Enterprises, said. “Long Beach came to the top of the list because it’s such a great city. . . . It was my number one choice, and I’ve done events for hundreds of beach cities around the country.”

The competition features “the best beach volleyball athletes in the world competing for the World Series title live on network television the week after the Olympic games,” Armato explained. The event is scheduled to air on NBC.

The six-day event is more than just a professional competition – it’s also a volleyball festival. “We have an open tournament where anyone can participate by forming a four-person co-ed team or a six-person team,” Armato said. “All of our brands bring themselves to life at the event, so there are lots of experiential activations going on. . . . We also have a musical component to our event – a nightly concert series in a very unique beach setting. So that should be really exciting and fun.”

Attendees can also expect to find local food and beverages and the incorporation

of street art throughout the event, Armato said. Much of the event is also open to the public, he noted. “You don’t have to have tickets to come and walk around,” he said. “It’s a party vibe, but it’s also family friendly. We’re trying to appeal to a real mass audience, because we want to make sure that there’s something for everybody.”

Ending the summer of sports in Long Beach is the Longines Masters Series, billed as the “Grand Slam” of indoor equestrian show jumping, from September 29 to October 2. Yes, because of the great weather, Long Beach’s “summer” is much longer than that of most city’s.

The event includes competitions with world-class professional athletes, semi-professionals and amateurs, according to Matthieu Gheysen, events director for the series’ creator, EEM, and vice president of EEM Asia. In all, as many as 125 competitors are expected to participate in the series, which takes place at the Long Beach Convention & Entertainment Center.

“We have a total of 23 competitions over four days,” Gheysen said, adding that each athlete competes six to seven times throughout the event. The competitions last from 8 a.m. to about 10 p.m. daily, he noted.

In addition to the main event in the



The Downtown Long Beach Associates’ (DLBA) free Summer And Music series is set to make its 2016 debut on June 25 at the intersection of 7th Street and Pine Avenue. (Photograph provided by the DLBA)

Long Beach Arena, the Longines Masters Series will have entertainment and activations in one of the center’s exhibit halls, where an equestrian village experience will feature food, drink, activities and entertainment, Gheysen said.

For Music Lovers

This summer, the calendar is jam-packed with music events in Long Beach, from large-scale festivals to ongoing community concert series.

The biggest music news to hit Long Beach of late was the announcement of a brand new music festival, Music Tastes Good, slated to come to the streets of

downtown September 23 through 25. The lineup for the festival, put on by radio station KCRW, still isn’t finalized, but it already includes upwards of 50 artists.

Big name performers include Iron and Wine, The Specials, RX Bandits, Living Colour and others. There are also a number of rising stars and even Long Beach locals performing, including longtime Long Beacher Rudy De Anda.

“Everyone in town is excited about the Music Tastes Good festival,” Gina Dartt, marketing and special events manager for the Downtown Long Beach Associates (DLBA), told the Business Journal. While

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Long Beach Parks, Recreation and Marine • 100 Days of Summer

Movies in the Park



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June 22

Bixby Park

June 24

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(Continued From Page 21)

the DLBA – the organization overseeing downtown’s business districts – didn’t have a hand in bringing the event here, Dartt said the group supports the event organizers and their “efforts in bringing some great music to downtown.”

The DLBA has been hosting concerts in downtown for years and continues to grow its lineup of music-centered events. Its signature series is Summer And Music, with one free concert held each month of the summer. This summer, the series kicks off with 720° of Pine on June 25, featuring five musical acts, a skate park with open skating and professional demonstrations, arcade games, food trucks and a beer garden.

The Summer And Music lineup also includes the carnival-themed Twisted at the Pike on July 9 and a yet-to-be-announced new event in August. The series closes out on September 3 with Buskerfest, in which local and regional acts compete on four stages for wooden nickels from event-goers. At the end of the night, the act with the most nickels wins. For locations and more information about Summer And Music, visit [www.summerandmusic.com](http://www.summerandmusic.com).

“In addition to our Summer And Music series, we have Live After 5 every second Thursday of the month,” Dartt noted, referring to the DLBA’s yearlong music series that brings free musical performances to downtown streets, bars

and restaurants. For more information, visit [www.liveafterfive.org](http://www.liveafterfive.org).

Downtown attractions, including the Aquarium of the Pacific and Shoreline Village, also host ongoing concerts throughout the summer. The Aquarium’s Voices on the Veranda series runs from June 12 through September 4. The outdoor series is held every Sunday on the Aquarium’s veranda, according to Aquarium President and CEO Jerry Schubel, who added that there is a small entry fee.

Across Rainbow Harbor, Shoreline Village is also hosting an ongoing concert series this summer. “For the entire summer, from Memorial Day until Labor Day, we have the Seaside Summer Concert Series. We have two bands on Saturday – one at 2 p.m., one at 6 p.m. – and then on Sunday at 2 p.m.,” Debra Fixen, property manager for Shoreline Village, said. The performances, which take place on the off-boardwalk stage, are free to enjoy, she added. “It’s a variety of bands from soft rock to jazz to blues. And the lineup is listed on our website, [www.shorelinevillage.com](http://www.shorelinevillage.com).”

One of the city’s longest-running music events, the 29th Annual Long Beach Jazz Festival, also takes place in downtown this summer, running from August 7 to 9 at Rainbow Lagoon Park, 400 Shoreline Dr. For the lineup and more details, visit [www.longbeachjazzfestival.com](http://www.longbeachjazzfestival.com).

Downtown isn’t the only place to find

Every week through August 30, the Port of Long Beach is sponsoring Movies on the Beach as part of the Summer Beach Party put on by Alfredo’s Beach Club. Free movies are screened at Granada Beach, 5101 E. Ocean Blvd. Visit [www.polb.com/community/beachparty.asp](http://www.polb.com/community/beachparty.asp) for the full lineup. (Photograph provided by the Port of Long Beach)

Each year more than 40,000 people pack mile-long 2nd Street for the annual Belmont Shore Car Show. This year’s family-fun event is scheduled Sunday, September 11, from 9 a.m. to 3 p.m. The show features more than 600 pre-1975 cars. Many of the vehicles are one-of-a-kind, limited editions or customized. For more information, visit: [www.belmontshore.org/car-show/](http://www.belmontshore.org/car-show/). (Photograph provided by the Belmont Shore Business Association.)

music this summer. The Bixby Knolls Business Improvement Association (BKBIA) is bringing back its free Concerts in the Park(ing) Lot series with one performance each month from June through August.

“The first is June 27 featuring the Jazz Angels. They will be at 3850 Atlantic Ave. at Georgie’s Place,” Blair Cohn, executive director of the BKBIA, said. “July 25 features the Boogaloo Assassins,” he said, adding that the performance takes place in a parking lot at 4245 Atlantic Ave. “Lastly is August 22, featuring Western Standard Time Ska Orchestra. The parking lot is at 3777 Long Beach Blvd.”

Cohn jokingly said the parking lot settings on major corridors provide for “added features,” including light shows from passing public safety vehicles’ sirens and special flyovers from airplane takeoffs at Long Beach Airport. “It’s kind of a fun environment because you can get some produce and have desserts and dinner and listen to the music,” he said of the series.

Perhaps the longest running concert series in the city is put on by the Long Beach Municipal Band, which plays free concerts in parks throughout the city every week, all summer long. The band, primarily sponsored by city departments, is now in its 106th season. A full schedule of dates and locations is available here: [www.longbeach.gov/park/recreation-programs/programs-and-classes/live-outdoor-bands/](http://www.longbeach.gov/park/recreation-programs/programs-and-classes/live-outdoor-bands/).

While this isn’t a comprehensive list of every music event in Long Beach this summer, other listings can be found at [www.visitlb.com/events](http://www.visitlb.com/events).

## Festivals, Celebrations And Community Events

Locals and visitors looking for a unique weekend or day in Long Beach have a variety of festivals and community events to choose from, with food and drink fairs, arts and cultural celebrations, and activities for people of all ages.

The Queen Mary is home to a number of festivals and major events this summer. Its largest is the All American Fourth of July celebration, a day and evening of events on-board the ship capped off by a fireworks show visible throughout the downtown waterfront and along the coast.

“We will have about 8,000 people come,” Steve Sheldon, director of entertainment events at the Queen Mary and Evolution Hospitality, told the Business Journal. The theme of the event this year is “From Sea to Shining Sea,” with different areas of the ship transformed to resemble different areas of the country, with entertainment and activities to match.

Later in the summer, the ship is again hosting the Art Deco Festival from August 19 to 21. The 12th annual event is held in conjunction with the Art Deco Society of Los Angeles. “It’s a three-day event celebrating the history and heritage of the ship and the Art Deco style of the artwork and architecture that is featured so heavily on the ship,” Sheldon said. “We have events and activities that include everything from lectures and a vintage bazaar to a double-decker bus tour of all the Art Deco architecture in Downtown Long Beach.”

Days before speaking with the Business Journal, Sheldon and his team decided to add a new event to the Queen Mary’s summer lineup, Wet, which is set to take place on September 3 during Labor Day weekend. “Wet is an outdoor summer celebration that will feature outdoor inflatable water slides, a giant slip and slide and all kinds of water-related, fun activities,” Sheldon said. Wet will also feature DJs and live music until about 10 p.m.

The Aquarium of the Pacific is also hosting festivals this summer, including the Moompetam: Native American Festival on September 17 and 18, and the Baja Splash Cultural Festival on September 24 and 25. The Native American Festival celebrates indigenous maritime tribes, while the latter celebrates National Hispanic Heritage





Segaways, bicycles, kayaks, boats and more are available for rental to enjoy Long Beach. (Photograph by the Business Journal's Larry Duncan)

Month and Mexican Independence Day.

“We live in an area of the richest ethnic diversity of any part of the United States. We thought it was very appropriate to celebrate that diversity,” Schubel said. “Each of these cultures has had different relationships with the ocean and the environment over time, and we wanted our visitors to be able to experience some of the culture, the art and the relationship that they’ve had to the environment.”

The Aquarium has been holding these festivals for more than a decade. “It’s had a number of benefits, not the least of which

is that we now have the most ethnically diverse attendance of any major aquarium in the United States,” Schubel noted.

The Aquarium also offers a regular educational lecture series and discounted late nights throughout the summer. For a full lineup of Aquarium events, visit [www.aquariumofpacific.org/events](http://www.aquariumofpacific.org/events).

The Port of Long Beach-sponsored Summer Beach Party, a series of events put on by local business Alfredo’s Beach Club, provides free community festivals and activities all summer long.

As part of the Summer Beach Party, each week the community is invited to free movie screenings on the beach in Belmont Shore, where port staff is heavily involved, according to Michael Gold, director of communications and community relations.

“At all of the summer movies on the beach, we have port staff with a booth where we engage people and educate them about what’s happening at the Port of Long Beach,” Gold said. “And we have little contests prior to the movie starting where people can win prizes.”

The Summer Beach Party also includes: the Pirate Invasion of the Belmont Pier on June 25 to 26, with pirate-themed attractions, activities, entertainment and food

and drink; the Love Long Beach Festival on July 16 to 17, an event celebrating the city with various sports and cultural activities; the Great Sand Sculpture Contest on August 13 to 14; and other events. For the full lineup and more details, visit [www.polb.com/community/beachparty.asp](http://www.polb.com/community/beachparty.asp).

The Long Beach Department of Parks, Recreation and Marine and the Long Beach Convention & Visitors Bureau sponsor perhaps the most comprehensive summer events series, 100 Days of Summer. The all-encompassing calendar of activities includes a dizzying assortment of activities: archery lessons, tours of Rancho Los Alamitos and Rancho Los Cerritos, water activities, concerts, movie screenings, nearly any type of sport you can imagine, crafts and much more. For the full calendar and more information, visit <https://longbeach100days.squarespace.com>.

For those hoping to get their grub on this summer, two local business organizations, the DLBA and the Belmont Shore Business Association (BSBA), host events with food and beverage themes in their districts for the community to come out and taste local fare.

Belmont Shore’s 2nd Street corridor hosts monthly Stroll & Savor events with samplings from more than 45 area restaurants.

“The summer is a great time to come to our charming community of Belmont Shore. We are located in the heart of Long Beach, surrounded by the most beautiful seaside, with so many activities for people to enjoy,” Dede Rossi, executive director of the BSBA, wrote in an e-mail to the Business Journal.

At Stroll & Savor, attendees buy a package of tickets that are redeemable for food and beverages from local restaurants, which have booths set up along 2nd Street. The events also include live entertainment.

Rossi noted that, closer to summer’s end, the BSBA puts on one of its largest events, the 28th Annual Belmont Shore Car Show featuring classic cars and live entertainment. For dates and more information about BSBA events, visit [www.belmontshore.org](http://www.belmontshore.org).

The DLBA hosts its own local food events via its summer Taste of Downtown series. The Taste of Pine Avenue takes place on June 22 and 23 along Pine, and the Taste of Downtown Waterfront is held August 24 and 25 along the waterfront. The setup is similar to the BSBA’s event, with attendees purchasing tickets to sample food and drinks from area restaurants.

Additional community festivals and events may be found by visiting [www.visitlb.com](http://www.visitlb.com). ■

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The City of Long Beach, through its environmental services and fleet services bureaus, has developed a novel program that recycles the tires from city vehicles. First, the city ships its worn down tires – such as those pictured at left – to Seaport Tire in West Long Beach which retreads them and sends them back for use – such as those pictured at right. Tires can be reused numerous times with this process, saving the city money. Once tires can no longer be used on city vehicles, they are converted into ground rubber and used as playground and other surfaces throughout the city. City employees pictured from left are: David Hernandez, tire shop technician; Leigh Behrens, recycling specialist; Sean Van De Ven, fleet services supervisor; and Diko Melkonian, general superintendent of the environmental services bureau. (Photographs by the Business Journal’s Larry Duncan)

## Seaport Tire Company In Long Beach Gives New Life To Tires

■ By **THYDA DUONG**  
Contributing Writer

At Seaport Tire Company, what’s old is new – and maybe even better. The Long Beach-based tire retreading company, a certified elite dealer for Oliver Rubber Company (a wholly-owned subsidiary of Michelin North America), spe-

cializes in remanufacturing tires with tread wear that might otherwise end up in landfills or garbage dumps. “There’s just as much engineering that goes into a retread product as there is that goes into a new tire – in fact, sometimes almost more,” says Seaport General Manager Bill Kroah. “We’ve done evaluations . . . on retreads versus new tires, versus different

types of rubber and compounding, and the Oliver rubber has outperformed everything – even brand new major brand tires – by 10%.” The self-described “green” company retreads roughly 10,000 to 11,000 tires per month and is the retread provider for the City of Long Beach, which currently uses retread tires on approximately 120 of its ve-

hicles, including trash trucks, street sweepers and dump trucks. In addition to the City of Long Beach, the company’s clients span various business sectors and include the Port of Long Beach, which comprises roughly 80% of its customer base, as well as steamship lines, support vehicles, tractor trailer fleets, independent truckers, and the U.S. Postal



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Service in Southern California, spanning Bakersfield to San Diego.

According to the California Department of Resources Recycling and Recovery (CalRecycle), there are more than 44 million reusable and waste tires generated each year. For a city like Long Beach, that equates to roughly 475,000 waste tires annually, says Leigh Behrens, recycling specialist for the City of Long Beach.

“For the particular types of tires that we’re doing for the City of Long Beach, in my past experience, we’ve retreaded tires in that type of application up to eight times,” Kroah says. “So we’ve got five or six years’ worth of retreads out of those types of tires on trash trucks.”

In addition to the environmental benefit of diverting tires from landfills, extending the life of tires also impacts the bottom line by offering lower operating costs.

The cost of a retread for an independent trucker is roughly a third the cost of a new tire, says Seaport Operations Manager Larry Odell, who describes the company as “an arm” of new tires, rather than a competitor, noting that many major brand tire companies guarantee retread potential as a selling point to buyers.

“The reason why a retread is cheaper than a new tire is not because it’s inferior,” Odell stresses. “The rubber is high, high, high quality made by Michelin. But you’re saving by having your original tire buffed down, [so] you’re just paying for the rubber, not the whole tire.”

Seaport’s retread process includes an initial inspection for structural integrity, followed by rubber removal and repairing any

deficiencies or small injuries, such as cuts or nail holes. New rubber is applied, and the tire is cured for 210 minutes at 250 degrees. (Seaport operates five curing chambers that each hold 23 tires.) Once the curing process is complete, the tire is re-inspected to ensure that the retread is properly cured.

Tires that are not able to be retread by Seaport are sent to BAS Recycling, which recycles tires into ground rubber for playground surfaces, sports fields, rubberized asphalt and other products.

Kroah notes that many large companies across the country use retread tires, despite it not being mandated. “When you’re running a fleet of 50 big rigs, you have two major costs – fuel and tires,” Kroah says. “And what we do is look at cost per mile.”

“They have had retread programs for years,” he says of large companies such as UPS, FedEx and Penske. “They know the math.”

What About Passenger Tires?

As Kroah notes, passenger car tires are typically not manufactured to be retread. So the City of Long Beach offers free options for residents to safely dispose of their tires.

The city receives two grants from CalRecycle that fund programs allowing residents to dispose of tires for free. One of those programs is a monthly Household Hazardous Waste Collection Event, where residents can recycle up to nine passenger car tires every month. The event is held on the second Saturday of every month in partnership with EDCO Disposal, the City of Signal Hill and L.A.County Department of Public Works.

Long Beach residents also have the op-

tion of having their tires picked up by the city’s trash service, which offers free pickups of up to eight bulky items twice a year.

“Tires that are illegally dumped are a huge problem in our community,” Behrens says. “They’re highly flammable, so if they catch fire, the smoke emitted is highly toxic. If they’re stored outdoors incorrectly, they can collect standing water which mosquitoes breed in, so that’s a public health hazard. And they cause blight in our com-

munity when they’re dumped illegally.”

In 2014, the City of Long Beach collected 52.75 tons of tires – or the equivalent of roughly 5,200 passenger tires – via collection events and cleanups, Behrens says. All collected tires are recycled at CRM Rubber in Rancho Dominguez, where they are ground up and recycled into various products.

For more information about the City of Long Beach’s tire recycling programs, visit [www.longbeach-recycles.org](http://www.longbeach-recycles.org). ■

## Waves Of Change

Long Beach Organizations Work To Combat Ocean Pollution

■ By **THYDA DUONG**  
Contributing Writer

The Long Beach community is addressing the complexities of combating ocean pollution in numerous ways: raising awareness, creating dialogue, encouraging individuals to change their habits and instituting initiatives to mitigate future pollution.

In short, organizations in Long Beach are making waves – throughout the community and among various industries – in order to turn the tide when it comes to what Aquarium of the Pacific President and CEO Jerry Schubel calls “a human behavioral problem.”

### Aquarium Of The Pacific

Given its location at the bottom of a large urban watershed, Schubel and local industry experts say the City of Long Beach is at a natural disadvantage of inheriting pollu-

tants from upstream areas. Still, Schubel notes that the last decade has seen progress on near field effects, or those things that influence the ocean originating from within the community and the region, as a result of a combination of small actions together that are beginning to make a difference when it comes to improved water quality.

Far field effects, however – those aspects of ocean pollution that emanate from sources around the world – continue to pose problems, he says.

“There’s no indication that we’ve slowed down releases of greenhouse gases, and as a result, the ocean is getting warmer, it is getting more acidic and sea level is rising,” Schubel says. “All of those will have an effect not only on Long Beach but on all of coastal California and other coastal regions around the world. The problem in dealing with them is you can’t see ocean acidifica-

(Please Continue To Page 26)

# Commercial Organics Recycling

## will be mandatory in 2017

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4 cubic yards per week



Visit [www.longbeach-recycles.org](http://www.longbeach-recycles.org) to learn how to prepare for organics recycling.



# Waves Of Change

(Continued From Page 25)

tion, and so they appear to be far off in distance and in time.”

But that’s where the Aquarium plays a particularly important role, he notes.

“It’s our responsibility to make the people who visit the Aquarium in person and who visit virtually to be better environmental stewards,” Schubel says. “The ocean doesn’t belong to anyone; it belongs to everyone. And if we can make the 1.6 million people who come in person – and the millions more who come virtually – better environmental stewards, then we will have a better ocean, both in terms of the things that originate locally and those that originate globally.”

The Aquarium is playing a leading role in public education and outreach on the “Pacific Rising” project of Conservation International, which is working with the governments of low-lying Pacific nations such as Kiribati, Tuvalu and the Marshall Islands to develop the world’s largest marine protected area, as well as to address the future environmental, social and cultural disruptions those communities will face as a result of climate change and sea-level rise. “They wanted to work together to find homes for the hundreds of thousands of people who live on these islands, whose homes will be underwater by the end of this century – and they will become environmental refugees,” Schubel explains. “This [project] combines all the things that we believe in. And it’s not just about saving fish – it’s about saving human culture.”

“Pacific Visions,” meanwhile, is the



Children visit the Aquarium of the Pacific’s interactive exhibit, Our Watersheds: Pathway to the Pacific. Water flows over a 3-D model of Long Beach and surrounding cities to show how water runoff from the region eventually ends up in the San Pedro Bay. (Photograph by the Business Journal’s Larry Duncan)

Aquarium’s planned \$53 million, 23,000-square-foot expansion, which will be designed to tell the story of the changing relationship of people with the planet, including the world ocean. Expected to break ground within a year, it will feature a 300-seat theater, art and orientation galleries, and an exhibition space.

“We’ve got 7.3 billion people now. We’re going to have 10 billion by the end of the century,” Schubel says. “How are we going to accommodate an increase in the global population by 50% – give them food, en-

ergy [and] places to live? That requires that we challenge many of the beliefs that we’ve had because a lot of the strategies that brought us prosperity over the last couple hundred years won’t work with a population that’s 50% larger.

“This Aquarium has always been a leader in encouraging people to challenge their ideas, to be open to new strategies,” he adds, “and we will continue to do that.”

### Algalita

Increasing education and awareness is also on the agenda of Long Beach-based

marine research and education organization Algalita. Its hope, according to Executive Director Katie Allen, is to create a cultural shift in which individuals change their habits and subsequently force the plastics industry to re-examine how products can be designed in a more sustainable manner.

The nonprofit – credited with discovering a vortex of plastic debris in the Pacific Ocean’s northeastern gyre in 1997 – is preparing to release a 15-year retrospective study outlining trends and changes in the gyre, commonly known as

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Jerry Schubel, president/CEO of the Aquarium of the Pacific, said one of his institution’s missions is to educate the community about environmental stewardship. (Photograph by the Business Journal’s Larry Duncan)

the Great Pacific Garbage Patch.

“We’re seeing very significant increases in the amount of plastic that is building up in the world’s oceans,” Allen says, noting that a lack of waste management infrastructure in developing countries such as those in Southeast Asia contribute significantly to plastics pollution. While Allen notes that enhanced infrastructure can help mitigate pollution, she stresses it is not the solution.

“We only recycle 3-5% of the plastics that we generate, because it’s not valuable,” Allen says. “The ultimate solution to this problem will lie within creating a circular waste economy – creating waste that potentially can be recovered as a resource, whether it’s through recycling or whether it’s through the type of material it’s made out of it. That’s not going to happen at the production level until customers demand it. So the key to igniting that change in production and igniting the narrative and conversation around a circular economy is to get people interested in the solution at the consumer level.”

One product redesign that Algalita is focusing on is bottle caps. In collaboration with Surfrider Foundation, Algalita will gather data on the number of bottle caps collected through beach cleanups in order to not only convey to producers how many are lost in the environment but also to push for producers to put a leash on bottle caps – similar to aluminum cans – in order to lessen the environmental impact.

Styrofoam is also on the organization’s agenda. As part of Algalita’s Ship-2-Shore Program, Long Beach high school teachers and students have conducted plastics pollution research aboard a vessel in the San Pedro Bay since November. Of particular focus is the prevalence of Styrofoam. Data analysis, which is likely to be completed at year’s end, will be used to examine the possibility of using alternative products, Allen says. “It may be time to talk about phasing out Styrofoam, since it is so extremely prevalent and very harmful for the environment,” she says.

Phasing out single-use plastics, Allen stresses, is an important way of moving the needle. The City of Long Beach’s plastic bag ban, for instance, has been effective in reducing the amount of plastic bags found on our local beaches, she says. “I think this city in particular has shown that it has been a really beautiful thing,” she says of the ban. “It is the best example of culture change that we have ever seen.”

Still, there is more work to be done, Allen says.

Leveraging the success of the plastic bag ban, Algalita is preparing to launch culturally specific campaigns focusing on other types

of plastics, partnering with local influencers such as churches and community leaders throughout Long Beach in an effort to encourage individuals to change their habits. Algalita’s new retail store, located at its office at 148 N. Marina Dr., carries alternatives to single-use plastics, including bags, bottles, bamboo utensils and bamboo toothbrushes.

Additionally, the organization is currently working in the 3rd Council District to explore the possibility of building a coalition of restaurants that would be willing to transition to using paper straws and to provide straws upon request.

The organization has also registered as a TerraCycle partner, and starting July 1, Algalita will collect hard-to-recycle waste, such as personal care products and office supplies (including writing utensils and tape dispensers), that will be sent to TerraCycle for recycling.

“We’re trying to change the way that people are thinking about waste,” Allen says, noting that the organization will also begin to offer workshops for the community at its offices, beginning with a July 2 workshop focusing on family waste management practices.

### The Port Of Long Beach

A culture change has certainly taken place at the Port of Long Beach, which has over recent years become widely recognized as an environmental leader in the industry.

In 2009, the ports of Long Beach and Los Angeles released a coordinated Water Resources Action Plan to outline measures addressing water pollutants within the San Pedro Bay, including legacy sediments, ships and storm water runoff.

The harbor department’s environmental planning team of four full-time staff, along with an array of inspectors, engineers, terminal operators and other stakeholders throughout the port, are tasked with ensuring compliance with regulatory requirements and best management practices, according to Heather Tomley, the Port of Long Beach’s director of planning and environmental affairs.

One of the department’s current primary focuses when it comes to mitigating water pollution is preparing implementation plans to be in compliance with the Los Angeles Regional Water Quality Control Board and U.S. Environmental Protection Agency’s adopted total maximum daily load regulation for the harbor waters.

“We have to work together on plans to reduce the contaminants in fish tissue and in the sediment,” Tomley says. “So we’ve been working very closely with the regulatory agencies on the ways that we can go about

doing that, from studying the system and making sure that we understand how pollutants move around and how they’re accumulated, and then also working on developing additional monitoring and coming up with plans for how to address the contamination.”

The port is also working with the city on developing a watershed management program – outlining plans for implementing best management practices to reduce storm water pollutant runoff, as well as a rigorous inspection program for the industrial and commercial facilities and construction sites that are operating within its jurisdiction.

Additionally, as part of its Middle Harbor Terminal Redevelopment Project, which will combine two aging shipping terminals into a modern, environmentally friendly container terminal, the port removed contaminated sediment from within the harbor area, as well as from the cities of Newport Beach and Marina del Rey, and locked it away as part of the landfill process.

“What that provided for the region was a way for folks to clean up sediment that had some contamination in it and lock it away in a landfill, which is a safe way to dispose of those contaminants and get them away from the water environment,” Tomley explains.

The port’s efforts over the years have proven successful in improving water quality, Tomley says, pointing to the port’s biological monitoring, which occurs roughly every five years. These surveys document the various types of species and population numbers of plant species, such as kelp and eel grass, as well as mammals, fish and other sediment-based organisms in the harbor waters.

“We’ve been noticing since we’ve started

this survey a couple decades ago that we’ve been seeing increases in biodiversity and population numbers in the species, so that’s an indication of a habitat that’s getting healthier and thriving,” Tomley says.

Tomley adds that the port’s water quality analyses show that all of the water in the harbor meets water quality standards, while sediment samplings also show increasing compliance. The port’s latest survey showed that 80% of samples collected were considered protective of the environment, up from a 1998 survey showing only 50% of the samples met that standard, she notes.

“Through our efforts, we’re continuing to see improvements in reductions in contamination and also in the indicators of how healthy the environment is from the organisms that are living there,” Tomley says.


Still, Tomley stresses the need for coordinated regional efforts to stem the flow of pollutants.

“If we’re continuing to see runoff and continuing to see pollutants and contaminants coming down through the rivers into the harbor area, it’s just going to continue to contaminate the area,” she says. “So we need to continue working throughout the entire region – working with the upstream cities and coordinating with the regulatory agencies – on the approaches that are being taken regionally and statewide, so that we can make sure we don’t have continuing, ongoing inputs that are continuing to affect the environment.”

“It’s a priority for us,” Tomley adds of the port’s water quality efforts. “It’s a part of our environmental programs and our Green Port Policy, and we’re working hard to make sure we continue to focus on it.” ■



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# Economic Outlook Mid-Year Report



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- Update On Queen Mary Task Force Proposals

#### Health Care

- How Covered California Is Impacting Area Health Care Providers

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- How Online Shopping Is Impacting Retailers

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- How Have Spending And Saving Habits Changed Since The End Of The Recession?

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- Top Challenges For California's Oil Industry

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Long Beach Business Journal

## City Hall News In Brief

### City Election Results

Measure A, the tax measure on the June 7 ballot to increase the sales tax in the City of Long Beach from the current 9% to 10% on January 1, passed easily grabbing nearly 60% of the vote. In the runoff to see who would be the new councilmember for the 2nd District, labor advocate Jeannine Pearce led small businessman Eric Gray by 225 votes with approximately 1,500 left to count at press time. Pearce was expected to hold her lead and take office on July 19. More than 10,000 people voted in the city council race.

### Applications Available To Serve On Sales Tax Oversight Committee

A five-member oversight committee to keep an eye on how the city spends the additional sales tax money it will be receiving following the passage of Measure A on the June 7 ballot is looking for members. Mayor Robert Garcia is accepting applications through July 8. Applicants must be Long Beach residents. "I'm looking forward to seating an oversight committee with experience, independence and representative of the different areas of the city," he said in a prepared statement. "I want to encourage anyone interested to apply." The first meeting of the group is expected to be held in August. While the city's new budget must be passed before the end of September, the new sales tax (going from the current 9% to 10%) goes into effect on January 1,

2017. The mayor and city council have stated publicly the "new" revenue will be spent only on infrastructure and public safety. Applications are available at: [longbeach.gov/mayor/action/commissions/](http://longbeach.gov/mayor/action/commissions/). In the search box type: Measure A Citizens' Advisory Committee.

### Departments Ink Water Efficiency Cooperation Contract

In an effort to provide more flexibility to the Long Beach Department of Parks, Recreation & Marine with its water usage during the hot summer months, a memorandum of understanding (MOU) has been approved with the Long Beach Water Department. While the MOU does not allocate more water usage by the parks department, it allows it to "water on days other than the city's regular watering schedule" so weekend park visitors are not impacted.

### City Clerk To Verify Signatures Of Local Marijuana Initiative

A local initiative on the regulation of medical marijuana businesses has received enough signatures – 35,009 – to warrant a count and verification by the city clerk. Initiative supporters needed to submit a minimum of 24,909 signatures from Long Beach registered voters before the clerk would begin the verification process. The clerk must finish her count by July 29. Initiative backers want medical marijuana dispensary services to be able to operate legally in the city. Several councilmembers may prepare a competing measure if the initiative qualifies for the ballot.

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### Port Of Long Beach Repeats As Best Seaport In North America

Importers, exporters and logistics and supply chain professionals have once again voted the Port of Long Beach the best North American Seaport. This marks the 18th time in 21 years the port has been named the best. Other port finalists were Seattle, Houston and New York/New Jersey. The Port of Long Beach was recognized last week in Shanghai during the Asian Freight, Logistics and Supply Chain Awards hosted by the shipping trade publication Asia Cargo News.

### Fireworks Illegal In Long Beach

The Long Beach Fire Department is reminding everyone that “all fireworks in Long Beach are illegal.” There are no exceptions. Anyone cited or arrested for fireworks violations may be faced with a \$1,000 fine, sentenced to jail for six months or both. Additionally, the use of personal barbecues in all city parks and beaches is prohibited.

### First Night Market In Long Beach To Open July 10 In Cambodia Town

Sixth District Councilman Dee Andrews announced that the Midtown Night Market is scheduled to open on Sunday, July 10, from 4-8 p.m. at MacArthur Park, 1321 E. Anaheim St. in Cambodia Town. This marks the city’s first night market. For more information, call Andrews’ office at 562/570-6816.

## Business News In Brief

### Molina Healthcare Now 201 On Fortune 500 List

Long Beach-based Molina Healthcare is ranked number 201 on the Fortune 500 list of the largest U.S. companies. The firm moved up 100 spots from its 2015 ranking. Molina first appeared on the list in 2012 at number 500. The magazine ranks U.S.-based companies by total revenue during each firm’s most recent fiscal year. In 2015, Molina experienced a 46.7% jump with \$14.2 billion in annual revenue. The company provides managed health care services under the Medicaid and Medicare programs and through the insurance marketplaces.

### 2016-17 State Budget Raises Concerns For Small Business

Tom Scott, state executive director for the National Federation of Independent Business California, issued the following statement regarding the 2016-17 budget for the State of California that was approved on June 15: “Small businesses will be the first to tell you this state is on the verge of an economic downturn. Add the pressures of a \$15 minimum wage, paid sick leave mandates, and mounting environmental regulations, small businesses are at a two-year low in terms of optimism for growing and expanding their business. This is why we raise great concerns with the state budget passed today. The California State Controller herself has reported that tax revenues are already below expectations—we know this trend will continue as small businesses are not able to hire or expand in this state. Now is the time for fiscal restraint and to double-down on our deposit to the rainy day fund. We are further concerned by the hidden vehicle license fee increase slipped into a budget

trailer bill which will cost families and small business owners \$1.7 billion over the next five years.”

### First Major U.S. City Passes Sugary Drink Tax

On June 16, the City of Philadelphia became the first major U.S. city to pass a tax on sugary drinks. On a 13 to 4 vote, the Philadelphia City Council approved a 1.5 cent-per-ounce tax on sugary and diet beverages. According to news reports, the soda industry spent millions of dollars to defeat the tax, arguing it would be costly to consumers and affect the poor more than others. The tax, which goes into effect January 1, 2017, will be charged to distributors. If the entire tax is passed on to consumers, a 16-ounce bottle would cost an additional \$1.44. According to one report, the tax passed when the city’s mayor prom-

ised to used the proceeds from the tax – estimated at \$90 million annually – to pay for prekindergarten, community schools and recreation centers. A legal challenge is expected. Philadelphia joins the United Kingdom, Mexico and the City of Berkeley. Dr. Harold Goldstein, executive director of Public Health Advocates in Davis, California, said in a statement: “Today those fighting on the side of public health and the public good overcame nearly \$5 million in opposition spending and the relentless machinations of a cynical beverage industry to pass the first sugary drink tax in a major U.S. city. . . . There’s good reason for this momentum: soda and other sugary beverages are toxic products directly responsible for a significant portion of the nation’s diabetes and heart disease epidemics. Perhaps more importantly, soda tax revenues can fund pre-K, public

parks and other vital services that our children need to live long and healthy lives.” Goldstein said there are initiatives underway in several California cities.

### Los Angeles Port Registers Busiest May In Its History

The Port of Los Angeles announced that May 2016 was its busiest May in its 109-year history. During the month, overall cargo volumes increased nearly 11 percent over a year ago. “The strong growth both on the import and export side is encouraging as we continue to explore ways to improve supply chain efficiencies,” said port Executive Director Gene Seroka. “The unwavering efforts of our supply chain partners, including organized labor, has had a significant impact on our success.”

(Continue to Page 31 for Community News In Brief.)



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# West Coast Toyota

(Continued From Page 1)

Willow Street has taken a turn. Hooman owners sold the Toyota dealership to Salt Lake City-based Ken Garff Automotive Group, which opened earlier this month at 3399 E. Willow St. as West Coast Toyota.

Hooman, which previously vacated the Traffic Circle site to make room for other businesses, maintains the long-term lease it signed with the City of Long Beach for the property that is now home to West Coast Toyota.

Hooman still owns Hooman Nissan at the Signal Hill Auto Center, which is also home to Long Beach Honda, a dealership Ken Garff purchased about 18 months ago.

Michael Hastings, an attorney who handled the transaction between Hooman and Ken Garff, told the Business Journal that Hooman ownership made a business decision to sell the dealership in order to concentrate on expansion efforts in other areas of Southern California.

Larry Smith, regional vice president of Ken Garff Automotive Group, said in a prepared statement, "We're happy to add another Toyota store to our mix of stores, and especially happy to have another store here in California, a state we're proud to work in." The Utah group, formed 85 years ago, has 49 dealerships in Utah, Texas, Iowa, Michigan, Nevada and California, where its store inventory includes Alhambra Nissan, Costa Mesa Nissan,

Chevrolet Cadillac of La Quinta and Toyota of the Desert in Cathedral City.

West Coast Toyota is under the leadership of General Manager Fred Angiuli, who said in a statement, "We aim to provide customers with an unsurpassed experience every time. This is a store with management and employees looking to do the right thing. We're going to earn and keep great customers."

The dealership is open daily from 8:30 a.m. to 10 p.m. Service hours are Monday to Saturday, 7 a.m. to 7 p.m. For more information, call the sales department at 562/733-5200. ■



West Coast Toyota, part of the Ken Garff Automotive Group based in Salt Lake City, opened earlier this month at 3399 E. Willow St. in Long Beach. Pictured are General Manager Fred Angiuli, left, and Regional Vice President Larry Smith. (Photograph by the Business Journal's Larry Duncan)



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## Marie Knight

(Continued From Page 1)

courses, two tennis centers and six miles of beaches. Plus, the Long Beach Animal Care Services Bureau is also within her purview. “It’s a big city and a large department, so there is a lot to get my arms around and understand,” Knight said.

Knight has 27 years of experience in both the municipal government and community services sectors. She left her most recent position as the City of Orange’s director of community services after nine years to come work for Long Beach – a move she said wasn’t planned.

“I actually wasn’t looking, so it wasn’t that I was ready to leave where I was,” Knight recalled. Although she loved her job, she said she always kept an eye out for a new challenge. Opportunity arose when her predecessor, George Chapjian, left Long Beach for a position with the City of Santa Barbara.

“The [parks] department here for the City of Long Beach in our profession has an excellent reputation. It is a gold medal winner for programs on a national level, but it [also] has been a leader in our profession for many years,” Knight said. “So the opportunity to be a part of this team was very appealing.”

Prior to her work in Orange, Knight was director of recreation and senior services for the City of Newport Beach. Previous experience also includes serving as director of the Boys & Girls Clubs Orange County Alliance and managing leisure services for the City of Garden Grove.

Before Knight made the move into the



One of Marie Knight’s top goals as director of Long Beach’s parks, recreation and marine department is ensuring park infrastructure is updated and safe. She told the Business Journal she wants every city playground to be so well kept that kids can’t wait to get out of the car and play on them. (Photograph by the Business Journal’s Larry Duncan)

field of recreation, she worked for years in the hotel industry after earning a bachelor’s degree in business communications from the University of Wisconsin, Madison.

Knight was attracted to apply for her new position in Long Beach because of opportunities to create new recreational spaces. “There are a lot of cities that are built out – they’re not creating anything new,” she said. “But here, we’re putting a shovel in the ground or cutting a ribbon just about every week on something. So there is a lot of opportunity to do new things and to create new places and spaces for the community.”

Knight has been regularly having one-on-

one meetings with department management staff to identify what they think should be prioritized moving forward and to listen to their ideas. “I’m halfway through the management staff, and I’ve sent a confidential survey out to [the rest of] the staff,” Knight said.

“I have an amazing staff. Many of them have been here for years,” she said. “When you start asking some of the team members, this is the only place they’ve ever worked,” she noted. “That’s a testament to the city and . . . the community. So many people have made this their forever work home. They’re very dedicated.”

PRM’s total employee count varies based on the time of year, reaching a peak of around 1,000 people during the summer months, according to Knight. In this way, not only is the department a community resource for its services, but it is also employs many people within the community.

“When we hire in the summertime, for a lot of individuals this is their first job,” Knight said. “They come to us with no other experience. . . . And some never leave. They continue to work their way up.”

Many of these individuals start their work in the community recreation services bureau, a “robust” division of PRM that runs the gamut of pretty much any activity you can think of, Knight said. The department provides family entertainment and recreation via its 100 Days of Summer, a program that includes various activities and classes for all ages, she noted. There is also the ongoing program that extends hours at certain local parks so kids can have a safe place to play. The program’s purpose is also to keep the parks activated to discourage any negative elements from creeping in.

“Health and wellness is a big piece of who we are – promoting a healthy community,” Knight said. The department has been installing workout equipment at parks throughout the city, she noted. “That’s providing free access to people who might not have the ability to go to a health club. They shouldn’t have to pay to be healthy,” she explained.

Senior programs are also a big component of the department’s programming, Knight pointed out. “We love our seniors. We’ve got several senior centers where we’re providing the care that they need, socialization, access to services [and] meals,” she said.

In the future, Knight hopes to make the community more aware of everything the department has to offer. “Every day there’s

so much awesome stuff happening,” she said. “But we’re not really good at stopping and telling that story.”

### The Infrastructure Challenge

The biggest challenge the department of parks, recreation and marine faces is its aging infrastructure, according to Knight. Many bathrooms need to be replaced or repaired, as do roofs on some buildings and community centers, she said. But the most glaring need is one exacerbated not only by time but also the drought: upgrading park irrigation systems that are 60 years old.

“They are inefficient,” Knight said of the irrigation systems. “They are old piping, so they’re not pumping the water out that needs to be pumped. Especially in a drought when we have water restrictions, that combination isn’t working well for us.”

“To replace irrigation as a city in all of our parks – and this is a very rough estimate – it’s probably in the \$120 million range,” Knight said.

Restrictions put in place by the Long Beach Board of Water Commissioners to allow landscape watering twice – and now three times – weekly might make sense for residential lawns, but the constraints have stressed the aging system of the parks department, Knight explained. Imagine 60-year-old pipes all pumping water at the same time to hydrate the equivalent of thousands of lawns.

Last week, Knight went before the board to request that watering at PRM facilities be spread out during the week to reduce stress on the irrigation systems, and her request was met. Despite watering more frequently, the same amount of water as allowed by the current drought restrictions will be used.

While the water board has increased the number of watering days per week to three, Knight said the department still only has enough funding in its budget to perform the equivalent of two days worth of watering. “I have the approval to water more. But I don’t have the money to water more,” she explained.

“We’re also reprioritizing where we water,” Knight said. “We’re at a point where we may need to let some areas of the outlying perimeters go brown so I can keep sports fields green and safe.”

The prospect of letting grass go brown isn’t an easy one for people in her profession to accept, Knight admitted. “It’s been tough. You know, as park professionals, we

## CITY OF LONG BEACH BID OPPORTUNITIES

TITLE	BID NUMBER	DUE DATE
Environmental Health Hazmat Response Exercise	RFP HE16-146	6/22/2016
Continuing Disclosure and Dissemination Agent	RFP FM16-134	6/22/2016
Auctioneering Services	RFP FS16-125	6/22/2016
Travel Services	ITB LB16-151	6/22/2016
Furnish and Deliver Custom Apparel	WD-22-16	6/28/2016
Rainbow Harbor Sewage EVAC Repair	R-7028	6/29/2016
Four (4) Type 1 Ambulances	ITB FS16-136	7/06/2016
Rubber and Paint Removal on Airfield	ITB AP16-142	7/13/2016
Climate Action and Adaptation Plan	RFP DV16-149	7/20/2016
Payment Processing Services	RFP FM16-153	7/28/2016
Latex and Nitrile Gloves (REBID)	ITB LB16-135	7/28/2016

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

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never want to see something not green,” she said. “This industry-wide push to ‘brown is the new green’ is tough for us, because that’s not what we want to put our name on.”

Smaller parks that get a lot of use are often more difficult to keep green because the grass gets beat up more quickly, Knight said. That can be difficult for residents to understand, she noted.

Similarly, residents also might get upset when they see parks being watered after it rained earlier in the day – but that’s something that can’t be helped, at least not for now, according to Knight. “We would have to go to literally thousands of controllers to [manually] turn them off because it rained in the morning,” she explained. To address this issue, she has a goal of acquiring smart controllers – technology that would allow department staff to accomplish this task from a computer.

While there is a lot more to be done to upgrade and maintain existing infrastructure, there is plenty of ongoing work underway. The city’s marinas, for example, have been in the process of getting new slips and docks for the past few years, Knight noted. “The new docks look great. Everything is either on or ahead of schedule as they’re rolling out all the construction projects,” she said.

In general, cities often don’t do the best job of building infrastructure maintenance and replacement costs into budgets, Knight observed. “The community continues to grow. As we add parks and we add things to maintain, you obviously then need to have . . . resources to do that,” she observed. “I don’t know that we have done a good job all these years of making sure we’re doing that.

So I think we’re playing catch up a little bit.”

Knight continued, “We could definitely use additional resources so we’re not being as reactive, and we can go ahead and be proactive. But the reality of our budget is what it is.” Due to budget cuts, the city first had to “cut a little of the flesh,” then muscle, and now “we’re at bone,” Knight said.

“If we don’t have additional resources, then we are forced to look at if there is a better way to do things,” Knight said. For example, if there is insufficient staff to complete a task in a timely manner, and it’s costing the department in other areas, Knight might advocate investing in equipment that could assist existing staff members rather than hiring more people.

For example, the department recently purchased a machine that helps clean docks and the pier faster. “We can barely keep up with that. So we thought, is there a machine that can help the limited staff we have do it faster and get more done?” she explained. “We’re looking at those kinds of things.”

Knight also said she would be open to contracting out for more services if it presented a cost benefit. “To me, as long as the end result is the same or better and the service doesn’t suffer . . . I am all about it.”

Despite challenges, which Knight noted all city departments are facing, “If there’s anything to emphasize, it’s that there’s a lot of great stuff happening every day out of this department, and there are some awesome stories,” she said. “We are there for the community, for any age group, any interest [and] any activities. . . . We have a place for everyone, whether they’re four-legged or two-legged.” ■

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## TLD Law Celebrates 55th Anniversary With New Name

TLD Law, formerly Tredway, Lumsdaine and Doyle, LLP, celebrated its 55th Anniversary earlier this month at its Long Beach offices at Kilroy Airport Center. The firm also welcomed its new manager partner, Roy Jimenez. In addition to Long Beach, TLD Law has offices in Downey, Irvine and Beverly Hills. Its practice areas include corporate counsel, business disputes, employment law, family law, estate planning,



healthcare law, real estate and much more. Additional information is available at [www.tldlaw.com](http://www.tldlaw.com). Jimenez has been a partner since 2006 and was recently named managing partner of the Long Beach office. His primary practice areas are business and real estate litigation. Pictured left to right are: Patrick B. Smith, director of administration, Long Beach; Mark C. Doyle, partner, Long Beach; Matthew L. Kinley, partner, Long Beach; Shannon M. Jenkins, partner, Irvine; Jennifer A. Lumsdaine, partner, Long Beach/Downey; Monica Goel, partner, Long Beach; Jimenez; Jennifer N. Sawday, partner, Long Beach; and Daniel R. Gold, managing partner, Irvine. (Photograph by the Business Journal's Larry Duncan)

## People In The News

### Laurie Sicaeros MemorialCare

Laurie Sicaeros has been named chief operating officer for MemorialCare Medical Foundation, the physician group division of MemorialCare Health System, and vice president of physician integration. In her new role, she is responsible for foundation operations and strategy. In addition to medical offices, the foundation oversees MemorialCare's ambulatory surgery, medical imaging, urgent care and kidney dialysis centers throughout Greater Long Beach and Orange County. Sicaeros earned her bachelors degree from CSU Long Beach and her masters from Chapman University.

### Jason Campbell Long Beach Police Department

Jason Campbell was appointed administration bureau chief for the Long Beach Police Department (LBPd). He replaces Braden Phillips, who retired recently.

Campbell most recently served as executive officer of the California Board of Podiatric Medicine. Prior to that he was the senior ethics officer, acting principal hearing officer and customer communications manager for the MTA. The LBPd's administration bureau is responsible for managing the department's fleet, records, information technology, personnel and payroll services, business desk operations, live scan services, media relations detail and volunteer opportunities.

### Thomas Lent Southland Credit Union

Thomas Lent, CPA, has been named president and CEO of the Southland Credit Union based in Los Alamitos, succeeding Ferris R. Foster effective January 1, 2017. Lent has been serving as the credit union's executive vice president and chief financial officer for the past eight years, overseeing the finance and

lending divisions. he has 30 years of experience in the financial services industry. Southland Credit Union has 55,000 members in Orange County and portions of Los Angeles County.

### Jacqueline R. Kinney Frontier Communications

Jacqueline Kinney has been appointed vice president of state government affairs for California for Frontier Communications. She most recently served in the office of California Secretary of State Alex Padilla, where she was the assistant chief deputy and counsel. She also served for five years as the lead communications consultant with the California Senate Committee on Energy, Utilities and Communications. Kinney earned her juris doctor from the Catholic University of America, her masters from the University of Wisconsin-Madison, and her bachelors from Wisconsin-Eau-Claire.



## 'World's Most Advanced Fireboat' Dedicated At The Port Of Long Beach

Port of Long Beach CEO Jon Slangerup called the city's newest fireboat – Fireboat 20 *Protector* – as “specifically designed for the Big Ship Era. They're amazing, state-of-the-art machines built to protect the ships of today and tomorrow.” The 108-foot-long *Protector*, and a sister ship *Vigilance* that goes into service in 2017, are replacing two 1980s-era fireboats. With 10 water cannons, *Protector* is capable of firing off 41,000 gallons of water per minute, or four times the output of the older fireboats. *Protector* “can shoot water the length of two football fields, and higher than a 20-story building, meaning firefighters can throw water or foam anywhere aboard the world's largest container ships and oil tankers,” according to a port statement. The port staff listed these additional fireboat features: the ability to assist with chemical, biological, radiological and nuclear threats; facilities for medical treatment; a command information center to coordinate incidents; floating boom deployment to contain spills; an onboard crane; diver deployment; and serve as a fast rescue boat. The cost for the two new fireboats is \$51.6 million. More than a third of the cost is provided from a Homeland Security and Federal Emergency Management Agency grant. (Photographs by the Business Journal's Larry Duncan)

### UPS Executive Jon Deusenberry Assumes Chamber Board Chair Post

Jon Deusenberry, the director of finance for UPS' Western Region and a 28-year employee of the company, was installed last week as the new board chair for the Long Beach Area Chamber of Commerce. He has moved up through the ranks at UPS, starting as a part-time employee in Sacramento in 1988. He has served in his current capacity for more than three years. Deusenberry holds an undergraduate degree from CSU Sacramento and earned his masters in finance from Golden Gate University. In addition to the chamber, his volunteer works includes serving as board chair for the Student Center for Professional Development at CSU Long Beach College of Business, on the advisory board for the supply chain management program at CSU Long Beach, and as a mentor to a business student each academic year. The chamber offices are located at the World Trade Center office complex in Downtown Long Beach. (Photograph by the Business Journal's Larry Duncan)





# Inside City Hall

# Technology And Innovation

## Does Long Beach Need A City Manager?



By **GERRIE SCHIPSKE**

**T**he short answer is yes, but let me explain. There have been several failed attempts to turn the office of mayor into a “strong mayor” which would eliminate a city council-manager form of government and put the mayor in charge of city departments. In turning down this proposal, the voters wisely understand the need to make certain that the city is managed by public administration professionals.

After Long Beach incorporated, unincorporated and re-incorporated all in the late 1890s, elected officials, who then were called trustees, were assigned as commissioners to direct the few city departments in existence.

This made for some very interesting conflict of interest situations, because many of the early trustees were involved in the very businesses on which they voted to spend city taxes. Council trustees also could decide who was hired for city jobs and alternated serving as mayor.

In 1905, newspaper headlines shouted “Reign Of Terror In Long Beach,” as the mayor, trustees and the police commissioner reported that their residences had been dynamited or doused in oil in an attempted arson. Mayor R.A. Eno blamed his political enemies but later resigned after being indicted for taking a bribe in city hall from an architect who wanted a contract with the city.

Meanwhile, the progressive movement (1901-1917) in the U.S. was focusing on a number of changes needed to end the political corruption that resulted from political machines running local government. Cities began hiring experts in different fields to manage departments of city government. A professional city manager was hired as the overall manager of each department and reported directly to the city council. Thus the city council-manager form of government was born. The city council continued to select a mayor from its ranks until 1988 when the mayor became elected by voters.

Citizens who proclaimed they were “disgusted” with the proposals of the elected officials circulated a petition to change the charter and appoint a city manager. In 1921, Long Beach amended its charter by a vote of 3,237 to 2,508 and adopted the city council-manager structure, selecting Charles Hewes as first city manager. More than 50 people had applied for the new position, which paid \$7,500.

The new charter also allowed for the recall of the city manager, and a year later voters recalled Hewes with the help of a local union that opposed him for having “adjusted the salaries of city laborers.” Eventually, the clause of the charter allowing a public vote was changed.

The city manager functions similarly to a CEO of a corporation. He (there hasn't been a she yet) is hired and fired by the board of directors (the city council) and is responsible for managing city departments and operations and for carrying out the legislative priorities of the council.

Long Beach also adopted a civil service commission to make certain that city jobs were not given out by politicians but went to the most qualified by administering competitive exams.

The current city manager is an astute professional who directs 15 complex departments and several thousand employees while navigating the political waters serving nine elected city councilmembers and a mayor, who under a council-manager form of government has limited authority. Because local government has become more complex and the council serves part-time, the council has become even more dependent upon his skills.

Next column: Does It Pass The 4-Way Test?

*(Gerrie Schipske was elected to both the Long Beach Community College Board of Trustees and the Long Beach City Council. She is the author of several books on Long Beach history. Her blog is [www.longbeachinside.blogspot.com](http://www.longbeachinside.blogspot.com).)*

## New Opportunities And Concerns With Drones



By **FOROUZAN GOLSHANI**

**D**rones have been in the news lately, and rightly so, because the U.S. has the busiest, most complex airspace in the world. While we’ve heard about small drones flying dangerously close to airliners, there are numerous uses that have opened the door for new ways of conducting scientific, humanitarian, commercial and military missions.

Drones are known as Unmanned Aerial Vehicles (UAV), Remotely Piloted Aircrafts (RPA), or as quadcopters and octocopters, according to the number of propellers. A more accurate name is Unmanned Aircraft Systems (UAS). The Federal Aviation Administration (FAA) recognizes three types of uses for UAS: Public Operations (governmental), Civil Operations (non-governmental), and Model Aircrafts (hobby or recreational).

Drones were used for defense as early as the Vietnam War. In recent years they’ve revolutionized warfare, being used in the Middle East conflicts not only for surveillance but also for infiltration and strike. The military now has them in all shapes and sizes – everything from small, backpackable models to Predator strike systems, ship-based vertical Fire Scout systems, and high-flying, long-endurance Global Hawks.

On the domestic side, UAS are invaluable for homeland security and border patrol operations. In addition, they are used for police surveillance, security systems, agricultural and crop maintenance, search and rescue, and infrastructure monitoring of pipelines, bridges and roads.

In the simplest form, a camera attached to the drone can retrieve or transmit valuable information, often in areas where humans can’t infiltrate. That has made them of interest in the commercial sector. Companies such as Google and Amazon are exploring how they can optimize delivery costs and times, and improve their retail businesses.

But don’t expect a drone to fly to your home and deliver the book you just ordered online. At least not until the FAA has completed necessary guidelines for safety, privacy and security. Instead, the drone will deliver the book to your nearest major store, and drop it into a rooftop repository. The package will slide down a chute and, viola, you can pick it up at the customer service counter.

Home deliveries will be likely after 2020 when FAA’s requirements for sense and avoid go into effect. Sense and avoid will require reliable data from multiple devices, including cameras and radar. More specifically, it will depend on a surveillance system called Automatic Dependent Surveillance-Broadcast (ADS-B) that continuously transmits the drone’s position and velocity to all aircrafts in its range and the nearest air traffic control center.

Last but not least are the hobbyists and remote-control gadget enthusiasts. After all, drones are really fun toys to play with. We’ve been fascinated by the miracle of flight since the beginning of history and it shouldn’t be a surprise that so many are now tinkering with flying machines. From a recreational perspective, this could be a great activity for a weekend outing. On the downside, it lets your neighbor fly their new camera-equipped quadcopter over your backyard swimming pool.

Obviously many segments have found novel ways to employ these technology marvels. At the same time, the new possibilities have created unforeseen privacy, security, safety and regulatory challenges. More importantly, these can be substantial sources for yet another conflict with our civil liberties. The FAA recently issued commercial guidelines for operating small drones and restrictions on the use of model aircraft. In the meantime, it’s exciting to speculate where this technology is headed and what impacts it could have on our daily lives.

*(Forouzan Golshani is the dean of the College of Engineering at California State University, Long Beach.)*

## THIRD SECTOR REPORT

### Board Chairs:The Five Most Important Things

(Continued From Page 1)



By **JEFFREY WILCOX**

Having benefitted from the scar tissue that has been created by the mistakes of other board chairs, and with a sufficient amount of my own, experience has taught us that there are five reminders that should be written on a note card and kept in every board chair’s portfolio at all times.

The first is: Remember You’re Not the CEO. When a board chair becomes preoccupied with managing the organization, the entire board will immediately follow. While the chief professional officer works for the

board chair, both represent the sacred relationship between governance and management. When everyone is managing, there’s few left for governing. A good boss supports, defends and helps the employee. The key is making sure the top staff position has clear and measurable goals, and a fair and timely annual performance review.

The second is: Board Leadership Is Facilitative Leadership. Authoritarians don’t do well in nonprofit organizations. It’s a community enterprise of diverse people that requires a lot of voluntary resources, goodwill, passion and respect. Great facilitators make sure a board agenda is about stimulating and focused discussion, idea-generation, problem-solving and active decision-making rather than agonizing dissection. The most respected board chairs are known for asking the right questions, getting behind the symptoms to wrestle with problems, and bringing out the best in others.

The third is: Remember This Is Not a Corporate Board. Nonprofits are a commu-

nity effort, which means there is a balance of attention that must be given to both a board’s internal and external responsibilities. Stakeholders versus stockholders is the operative distinction. Asking people for money, advocating behind podiums, thanking volunteers, understanding the human side of the work and creating synergy with employees are just a few examples of a different way of doing business.

The fourth is: Due Diligence Is the Name of the Game. Community organizations are political organizations. Wrestling subjectivity to the ground is a board chair’s biggest challenge and obligation. It rears its ugly head in the forms of emotion versus reason, speculation versus substance, and personal agenda versus community agenda. The more a board chair demands decision-making that is supported by details, provides ongoing training in key areas of governance such as fiscal oversight, sets high expectations for how things are to be presented to the board for action, and pushes for a strategic plan that is

measured, the easier it is to facilitate informed consensus. Active committees, task forces and ad hoc teams are an important part of a board’s participatory due diligence process.

The Mission Casts the Deciding Vote is the fifth key reminder. As a guardian of the organization’s purpose, referring to the mission at least once in each board meeting is critical for preventing mission drift. Great board chairs are painfully aware that what might be good in the short term for the organization could be detrimental to the mission in the long-run.

Chairing a board is as much a science as it is an art. Circumstances, people, traditions and culture are all factors that influence the job. In the end, truly remarkable nonprofit board chairs lead others with the intent of building stronger communities, not bigger empires.

*(Jeffrey R. Wilcox, CFRE, is president and CEO of The Third Sector Company Inc. Join in on the conversation about this article at the Long Beach Business Journal website [www.lbbizjournal.com](http://www.lbbizjournal.com).)*



HealthWise

The Importance Of Understanding Your Family Medical History



By JAY W. LEE, M.D.

Understanding your family history is one of the strongest influences in knowing your risk of developing a medical condition, such as heart disease, stroke, cancer and diabetes. According to the Center for Disease Control, a study conducted showed that 96 percent of Americans believed that knowing their family history is important, but only one third have actually gathered this data.

Your family health history can be helpful in determining which tests and screenings are best for you. Screenings are important, because the earlier a disease is caught the earlier it can be treated.

Family health history also is helpful in determining the kind of lifestyle and behaviors you should adopt. By increasing healthy behaviors such as maintaining a well-balanced diet and exercise, and decreasing unhealthy behaviors, such as smoking, you can delay, or in some cases, prevent disease.

Having a close family member with a chronic disease increases your risk for developing that disease, but there is no such thing as “bad” or “good” genes. Having a chronic disease in your family health history doesn’t guarantee you will develop the same disease. Chronic diseases such as heart disease, diabetes and cancer are caused by a combination of factors that include genes, behavior, lifestyle and environment. All of these factors can be shared by close family members.

In order for doctors to determine what preventative screenings and tests you should take, they must be able to view your family health history. Recording your family health history is simple: start by writing it all down in place. Once you have gathered all of the necessary information, you can easily take it with you to medical appointments.

**There are several important elements you should gather when compiling your family health history:** Information from three generations of biological relatives; the age they were diagnosed; and the age and cause of death of diseased family members.

**Warning signs when researching your family health history include:** A family member who got a disease earlier in life than expected; several close family members having the same disease; a disease usually uncommon for a specific gender; and certain combinations of disease in the family, such as breast and ovarian cancer or diabetes and heart disease

Some family members may not want to share parts of their health information. Be sensitive to their feelings and let them know that any information provided will be helpful.

As children are born and family members develop illnesses, remember to update the information. Be sure to continuously update and organize your family health history.

It is especially important to know your family health history if you identify yourself as a minority. Some minorities still disproportionately experience preventable diseases, disability and death compared to non-minorities, according to the CDC.

Gather your family health history now, so you can find out if you’re at risk or help prevent a condition from progressing. Knowing can help ensure a healthy future for you and your family.

*(Jay W. Lee, M.D., M.P.H., is the director of health policy for the Long Beach Memorial Family Medicine Residency Program.)*

Effective Leadership  
Three Reasons Why Millennials Crave Flat Leadership Structures



By MICK UKLEJA

“Can’t I just say, ‘Because I said so?’”

This is how a manager responded to me when asked how she would react to Millennial staff with questions.

But dismissing this generation and ignoring their questions, may be why they keep quitting. 83% of Millennials admit they would perform better in companies with less management levels.

Millennials will question why your organization is structured the way it is. For them, a more casual and flat work environment is the best way to be productive.

Here are three reasons why Millennials (and other generations), thrive in a flatter organization model.

1. Everyone has something to contribute.

53% of Millennials have never read their employee handbook. 36% don’t even know where to find it.

Stacks of information won’t work with Millennials. They need more interpretation, not more information. They need context, not more content.

Millennials learn by doing. They are interactive and inquisitive. Include Millennials to engage them.

Companies are successfully retaining Millennials by ditching the employee manual and the PowerPoint onboarding process. Instead, they are creating cohort groups of new and young employees to discover together. They are developing feedback groups and are fostering a culture of feedback. This approach allows actual learning to take place in real time all the time. Plus it invites Millennials to contribute, even as new hires.

Millennials were raised in democratic-based homes. They had input on all the family issues and activities.

At the workplace, a flat leadership model gets the most junior member of the team to give input to improve the organization’s structure and efficiency. This is not a matter of giving up leadership. This is the essence of effective leadership.

2. Leaders aren’t always out in front.

Small Business Dollars & Sense

Three Financial Mid-Year Planning Tips For Small Businesses



By BEN ALVARADO

Even with half of the year on the books, many small business owners wait until the end of the year to assess their business and identify ways to improve on their financial performance. Yet making time for a mid-year check-in – when you have a good idea of your business’ needs – may be one of the best times to help your business save time and money and operate more efficiently in the long run.

**Update your business plan** – Every small business should have a formal written business plan to help with business decisions and strategic planning. If you don’t have one, or if your plan hasn’t been updated in a long time, consider setting aside time for writing. The process of putting your goals in writing will help you focus on long-term business objectives and the steps needed to achieve them. Business Planning also can help identify current or future obstacles so you can better anticipate and avoid potential risks. In addition, a business plan may be helpful for obtaining business financing. For example, for an SBA loan and some larger business loans and lines of credit, lenders may require a formal business plan before extending credit. Among the resources available to help is a free, online Business Plan Center that Wells Fargo offers, which includes a tool to create or update a written business plan.

**Estimate Taxes** – As a small business owner, you’re responsible for filing your business taxes on a quarterly basis. If you don’t already, establish a separate bank account and use it to set aside a monthly amount toward estimated taxes. Also, keeping business checking and credit accounts separate from personal accounts can help you maintain accurate and complete records of all business-related income and expenses, and can help you plan accordingly for when tax payments are due. If you’re unsure about your estimated tax obligations, it’s wise to consult a tax specialist. They can also help you to properly track and record your earnings and deductions.

**Recharge your cash flow**

Business owners know there are two essentials to keep a business running: profits and available cash. One best practice is to check your business cash flow every week. Focus on the timing of income and expenses to identify potential gaps and plan ahead to determine how much cash you’ll need to cover potential challenges. Nearly every small business will face a time when it needs more cash than it has on hand. You may want to consider a business line of credit to help bridge any gaps your business encounters in cash flow. Consider making time to meet with your banker for a financial review that includes an assessment of your credit needs. A banker can walk you through the available options, the more you talk about your business, your needs, and your goals, the better guidance you’ll receive.

Whether summer is your busiest time of year or your slow season, it’s a good idea to conduct a mid-year financial review. Taking time now can help you stay ahead of the curve and make the most of the remainder of the year.

*(Ben Alvarado, a 25-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.)*

Millennials lead from the middle. This allows for more collaboration and positive push back. They are a generation that doesn’t expect the person in charge to always be the face of the organization.

It’s the difference between formal power and informal power – positional power and personal power. If someone has more information or expertise in an area, that is powerful, even if they don’t have a formal title or position. And they are just as comfortable presenting from their seat as standing in front of the room.

Millennials, more than previous generations, respect the collective voice and wisdom of the group. They prefer teamwork.

I am not saying that titles and leadership roles are not important to Millennials. I am saying that Millennials are predisposed to collaboration. For Millennials, leadership means ownership.

**3. Access is everything.** In his book, “Management For The 21st Century,” Peter Drucker prophetically predicted how information would change organizational structure. Here are two:

- Knowledge workers will change the demands on managers and leaders.
- Organizations of the future will be composed of many fewer layers of bureaucracy.

Fast forward to today. Millennials are Digital Natives, and they have access to information – constantly and instantly. They translate their “need to know” to networking and professional development. Therefore, having access to company leadership is important to them.

This generation has low trust in organizations, but high loyalty with their peer group. Three in four Millennials don’t trust the federal government to do the right thing.

A company that is large, multi-layered and impersonal could be hiding something. However, an organization that is flat and friendly is open to change. And without change the organization will die.

Gatekeepers are a thing of the past. This generation is performing organizational by-pass surgery. They have by passed the traditional methods to access information, individuals and innovation.

How is your organization capitalizing on and learning from these digital pioneers?

*(Mick Ukleja is an author, speaker and generational strategist. He keynotes across the country on leadership, generational diversity and personal productivity. He is co-author of the best seller, “Managing The Millennials, 2nd Edition.” Check his weekly blog at www.LeadershipTraQ.com.)*



# Realty Views

## Second Mortgages Make Comeback



By **TERRY ROSS**

In the 20 years leading up to the financial meltdown in America, lenders and government policy worked hand in hand to foster homeownership with an ever-increasing portfolio of mortgage products, including second mortgages, equity lines of credit and piggyback loans. It was easy to qualify and required minimal out of pocket cash, but the risks increased dramatically if real estate prices did not continue to rise.

We all know what happened in 2008. The bubble burst, and many of the lending practices that had fueled the housing industry became rare or even nonexistent. Institutional lenders grew ultra-conservative regarding programs and borrowers. Using equity to fund home improvements and debt consolidation suddenly became very hard.

Some consumer lenders continued to fund deals, originating loans not tied to real estate equity. These were typically at very high interest rates, and since they were not tied to properties, the interest was not tax-deductible. Many of these loans had credit card types of interest rates and terms, which made them far from affordable.

But with negative equity decreasing and a stronger economy, some lenders have been coming back into the second loan market. Over the past two years, there has been a marked increase in the availability of these kinds of loans to borrowers, although qualifying for them is still much harder than in the days prior to the recession.

Even piggyback loans for purchases have come back into the market. These are second trust deeds that are normally originated at the time of a purchase to make up part or all of the gap between a first mortgage (typically 80 percent) and the sale price, to reduce (or eliminate) a buyer's down payment.

Equity and debt consolidation second mortgages are also coming back into the market – even for jumbo loans – as traditional real

estate lenders gain confidence in the economy. They want to get back some of the market share that has been lost over the past eight years to consumer lenders who rushed to fill the gap created by the sharp reduction in real estate equity financing.

Some interesting factors have contributed to this change. Consumers as a group have paid down much of their debt and become a better risk for real estate lenders. Corporate debt, on the other hand, has expanded, and many lenders are seeing that side of the market as increasingly risky.

The return of home prices to pre-recession levels has also been a big factor in getting more lenders back into the residential junior loan market. According to Black Knight Financial, home prices are less than 4% below their 2006 peak and have risen more than 1% in the last year – and in many markets much more than that.

The negative equity equation with borrowers underwater has improved dramatically. Black Knight reported in April that the negative equity rate was down to 6.5% at the end of last year, compared to 9.4% a year earlier. Also, much of the negative equity is in the lower 20% of the market when comparing by price.

"It's inherently more efficient for the borrower to get the tax deduction that you get on a second lien that you don't have on a consumer loan," said Mark Tecotzky of Ellington Financial during a recent investor conference in New York. "That should translate into a lower rate. And for a consumer that should be a benefit to them."

According to CoreLogic, the number of underwater properties in the U.S. stood at four million at the end of the first quarter and is going down.

"More than one million homeowners have escaped the negative equity trap over the past year. We expect this positive trend to continue over the balance of 2016 and into next year as home prices continue to rise," said CoreLogic President and Chief Executive Anand Nallathambi.

It is unlikely that the second loan market as we knew it in the 1990s and early part of this century will come back to where it was. But it does look like that market may once again be a key factor in home financing.

*(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](mailto:terryross1@cs.com) or call 949/457-4922.)*

# Trade And Transportation

## High Energy Ports



By **TOM O'BRIEN**

This month, the Port of Los Angeles and Pasha Stevedoring and Terminals announced that the Pasha terminal will begin the final design and construction of a solar power microgrid. This will allow the 40-acre cargo terminal to rely upon solar power and other low- or zero-emission energy sources. If all goes as planned, the terminal will generate all of its own energy needs from renewable sources, allowing it to operate completely off the grid if ever required. The environmental benefits come in the form of reduced pollutants.

The Port of LA's efforts are not in isolation. The Port of Long Beach has its own Energy Island systems approach; and the California Energy Commission is working with ports across the state as part of a Ports Energy Collaborative to discuss opportunities for transitioning to alternative and renewable energy sources.

As the San Pedro Bay ports move toward (near) zero-emission goals, reliance on electrical power has dramatically increased, and on-terminal electricity usage is predicted to quadruple by 2030 compared to 2005 according to the Port of Long Beach. The use of microgrids and energy storage systems provide one response to the ports' increasing demand for electricity as they transition to more environmentally sustainable operations.

Microgrids are subsets of a greater grid and usually include their own energy generation, demand and the ability to modulate priority energy distribution or storage. At the ports, a true smart microgrid will allow for reverse utilization of shore-to-ship or ship-to-shore electrical power or storage. In the future, docked ships may be local generators that can supply great quantities of energy to the port grid or regional main grid.

Smart microgrids also coordinate and balance different energy production technologies. When the microgrid detects a drop in solar generation for example, it can increase production elsewhere or reduce energy distributed in noncritical areas of the port to make up for the difference. Similarly if wind generation exceeds demand, the microgrid can charge additional electrical vehicles or store the

excess energy for later uses. The benefits of microgrids also extend to hybrid and electric trucks. Hybrid and battery-electric trucks have expanded body or chassis combinations that allow for greater freight efficiency, and the use of microgrids at ports and other distribution nodes can direct power to charge them.

This will not be an easy process however. The challenges start with regulatory hurdles. The development of a microgrid will require not only the cooperation of the port and terminal operator but with local and state agencies, including utility commissions. New York is easing the public sector's burden to supply energy by making it possible for small businesses to build microgrids and generate revenue, thereby producing jobs and jump starting the local economy.

But similar incentives are not in place here yet.

There will also be a steep learning curve for the ports which are not traditionally in the energy management business. On top of that, ports have the unique challenge of limited potential onsite renewable power generation. This is due to the fact that land area is dedicated first and foremost to maritime goods movement operations. And don't forget the investment and replacement costs.

The success of the two ports' efforts in energy management will be measured in a number of ways and depend upon the audience. For some, this is the next step in the evolution of a true green port approach. For others, self-generated energy with microgrid connectivity provides energy security and sustainability. In a world where key transportation facilities are considered targets for terrorists or are simply vulnerable to the forces of nature, the microgrid provides a means of ensuring continued operations and helps to minimize economic disruptions.

For port tenants, the microgrid may provide cost-effective, advanced fueling opportunities, thereby improving energy and energy-related operational efficiencies. Finally, as improved energy efficiency contributes to overall port efficiency, the regional supply chain benefits. The hope is that more efficient operations produce higher revenues or cost savings, attract new businesses and create new jobs.

The ports' energy strategies are still a work in progress. But we shouldn't be surprised that the leaders in the green port movement are still trying to stay one step ahead of the curve. Surviving the rapidly changing dynamics of global trade means figuring out how to do things better than your competitors. Certainly port productivity matters, but our ports are also betting that power can come from power.

*(Dr. Thomas O'Brien is the executive director of the Center for International Trade and Transportation at CSULB and an associate director for the METRANS Transportation Center, a partnership of USC and CSULB.)*

### Long Beach Business Journal

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# ‘Truly Revolutionary Advances . . .’ A

“We are embarked as pioneers upon a new science  
and industry in which our problems are so new and unusual  
that it behooves no one to dismiss any novel idea  
with the statement, ‘It can’t be done.’”

William Boeing, Founder, Boeing Airplane Company

■ By **MICHAEL GOUGIS**  
Contributing Writer

The Boeing Company traces its roots back to many, many innovations over the years, to many far-sighted individuals, to choices as bold as its pilots were daring. However, perhaps the single most interesting and significant root of the modern company, the aerospace and technology monolith, traces its way back to a single abandoned well buried in the center of Germany.

Russ Banham, a Pulitzer Prize-nominated investigative reporter and corporate biographer, detailed the impact of that discovery on the modern Boeing in a recent presentation at the company’s Long Beach commercial aviation offices.

As part of the company’s celebration of its centennial, Banham, author of “Higher: 100 Years of Boeing,” signed copies of his book for employees at the Lakewood Boulevard location. And in an interview with the Business Journal, Banham offered his views of the company’s history, based on a year of unfettered access to Boeing’s archives and interviews with some of the people who made the company what it is today.

The tale of the well – and any discussion of Boeing’s history – has to start with Bill Boeing, who was enraptured with flight from the moment he saw his first aircraft. Boeing went into business build-



Russ Banham, pictured at The Boeing Company offices in Long Beach, authored the company’s celebration of its centennial, “Higher: 100 Years of Boeing.” (Photograph by the Business Journal’s Larry Duncan)

## It Began With William Boeing

(The following is from the 2003 Salute To Boeing Southern California publication produced by the Long Beach Business Journal.)

Although The Boeing Company established its roots in Seattle, Washington, the initial seed for the aerospace firm was planted in Southern California in 1910. With the nascent aviation industry not even a decade old, bold aeronauts from around the world were gathering in Dominguez Hills, California, near Long Beach, for the first national air meet on American soil. Almost 15,000 people attended the event’s opening ceremonies to experience the wonders of powered flight.

One man in attendance that day would contribute greatly to the U.S. aviation industry in the future. His

name was William Boeing. As he watched the pioneering aviators take to the air, the wealthy timber merchant’s interest in aviation was piqued.

After the show, Boeing returned to Seattle determined to learn more about powered flight. Over the next five years, he regularly discussed aviation principles with fellow flight enthusiast George Conrad Westervelt.

In 1915, Boeing returned to California to take flying lessons from another aviation pioneer, Glenn Martin. Shortly thereafter, Boeing and Westervelt agreed to design and build a new, more practical airplane. The

two men commenced building a twin-float seaplane in Boeing’s boathouse. They completed the seaplane in 1916, naming it the B&W, after their initials. That same year, Boeing started a company called Pacific Aero Products, which was renamed the Boeing Airplane Company a year later. The firm grew quickly, expanding from 28 employees in 1917 to 337 by the end of 1918 – largely on the strength of a U.S. Navy order for 50 Boeing Model C seaplanes.

The 1920s brought further success for the Boeing Airplane Company with its construction of fighter planes and mail planes. Boeing’s Model 15 (PW-9)



William Boeing and his first airplane, the B&W, built in 1916.



# Author Chronicles A Century Of Boeing

ing planes in 1916, started manufacturing aircraft for the government during World War I and built a wide-ranging firm that was broken up by the federal Air Mail Act of 1934. Boeing divested himself of his interests in the company afterward.

“He was [heartbroken] over the split up,” Banham said. “This is an industry that is inherently risky. It is a boom-bust industry. The various founders – they’re sort of like poker-playing gamblers. They’re willing to bet the company – I don’t know how many times in my research I came across all of them saying, ‘We bet the company.’”

Claire Egtvedt took the reins of the company, and as war in Europe loomed, Egtvedt decided to turn the company away from the small fighter planes it was known for at the time and toward large, multi-engined aircraft. Egtvedt, Banham wrote, realized that not only would the country need the large, multi-engined bombers that served with distinction in World War II, but that Boeing’s “expertise in these airplanes would play an important role in its later development of passenger airliners.”

Boeing’s B-17 Flying Fortress formed the basis for its 307 Stratoliner passenger airplane. Its B-29 Superfortress led to the C-97 Stratofreighter, the platform for the

377 Stratocruiser. The die had been cast for creating commercial aircraft that incorporated the lessons learned from military applications.

That pattern began anew right at the end of World War II. Boeing had a top-secret aeronautics lab not far from Washington, and as Banham said, the U.S. government figured that, if it had one, the German military had one too. A team was formed to scour Germany for that lab. That team was headed by Theodore von Karman, a Hungarian refugee who had fled to the U.S. prior to the war.

As the Nazi government collapsed, Adolph Hitler ordered the secret research facility, known as the Luftfahrt-forschungsanstalt, destroyed. As the scientists left the facility, Banham said, they dumped their research documents into a dry well. But the facility remained intact. Its superintendent, Banham said, was in no rush to demolish it. When von Karman entered the facility, the superintendent greeted him personally – they had known each other prior to the war. He directed the team’s attention to the dry well.

Among the papers dumped into the well was a document on wind tunnel research into swept-wing aircraft. While everyone looked at it, von Karman recognized how significant that information

was for another project Boeing was working on – the B-47, a multi-engined jet bomber. He secretly composed a seven-page letter that was rushed back to Boeing’s headquarters.

Design work on the B-47 was halted, and the aircraft was redrafted with a radical-for-the-time swept-wing configuration. It was another bold gamble, and one that paid off dramatically. In his book, Banham said that on the six-engined aircraft’s demonstration flight before Air Force brass in 1947, fighter planes sent to catch it couldn’t. The B-47 simply outran anything else in the country’s aircraft inventory. Boeing won the contract. Ultimately, more than 2,000 B-47s were built.

And the cycle of military-to-commercial aircraft design took place once again, with that swept-wing and jet technology helping develop the Boeing 707, the company’s first jet airliner. It too was a gamble, dramatically more expensive than the familiar propeller-driven airliners of the day. And it too was a gamble that paid off beyond expectations. It became the first commercially successful jet airliner, widely heralded as the harbinger of the Jet Age.

Douglas Aircraft Company, which had led in propeller-driven airliners, never really caught up, Banham said, and after a merger with McDonnell Aircraft Corpora-

tion, it was eventually incorporated into Boeing. More than 1,000 707s were built, vaulting the company into a leading position in commercial aviation that it holds to this day, Banham said.

“Eventually, the information on the swept-back wing – someone would have found that information. But what it did was change the fortunes of Douglas. Douglas was the preeminent passenger aircraft manufacturer with the DC series of planes – great planes. But as soon as Boeing came out with the 707 – that was the end. That was it,” Banham said.

Boeing’s success, Banham said, was built upon the fearless pursuit of radical innovation. The company’s current position as a global technological giant puts it in a unique position to continue that strategy, with a great potential for success.

“I would say that it has great technological leadership. It is leveraging the cost-effectiveness and dynamism of global supply chains. There’s a sharing of intellectual property throughout the organization. There’s a focus on always having a decisive advantage,” Banham said.

“So if you start with that as the basis of what the business is going to be about, to not just make small incremental advances but truly revolutionary advances, truly disruptive innovations, all that should guide success ahead for Boeing.” ■

prototype and its derivatives made the company a leading producer of fighter planes for the next decade, culminating with 586 aircraft in the P-12/F4B series. Meanwhile, the company’s Model 40A won the U.S. Post Office contract to deliver mail between San Francisco and Chicago, which prompted the company to form a new airline called Boeing Air Transport. In its first year, the airline carried 837,211 pounds of mail, 149,068 pounds of express packages and 1,863 passengers. By 1928, with 800 employees, Boeing was one of the largest aircraft manufacturers in the country.

William Boeing’s aviation career ended abruptly in 1934. In the middle of the Great Depression, in response to claims that aviation enterprises were colluding to prevent competitive bidding for air-mail contracts, President Franklin D. Roosevelt signed the Air Mail Act of 1934 into law. In addition to imposing stronger overall regulations on airmail contracts, the act prohibited airmail contractors from holding an interest in virtually any other aviation enterprise. The antitrust legislation split Boeing’s company into three entities: United Airlines, responsible for air transportation; United

Technologies, responsible for manufacturing operations in the eastern U.S.; and the Boeing Airplane Company, responsible for manufacturing operations in the western U.S. and Canada. Boeing, who maintained that he never conducted anticompetitive business practices, was disheartened by the legislation and its effect on his company. He resigned as chairman of the corporation and left the aviation business forever to raise horses. While his exit from the industry was not as memorable as Boeing would have hoped, the legacy he left certainly is. ■



Affectionately called the Red Barn, this former shipyard was the first home of The Boeing Company. The firm grew quickly, going from 28 employees in 1917 to 337 by the end of 1918 – largely on the strength of a U.S. Navy order for 50 Boeing Model C seaplanes.



William Boeing (right) and pilot Eddie Hubbard deliver the first international airmail into the U.S. in 1919. The pair flew from Vancouver, Canada, to Seattle using a Boeing C-700. (Historical photographs courtesy of The Boeing Company)



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