

December 19, 2023 Vol. XXXVI No. 20

Austin Metoyer envisions a Long Beach institutions 'seamless and connected' celebrate major anniversaries this year Downtown .. 'Huge attraction': Hard Rock Queen Mary is turning Hotel to be a boon for Long a profit, city says Beach, experts say Some of the businesses that City unveils plan for \$900M opened and closed in Long bridge replacement Beach this year in Downtown ...

Drivers make their way into and out of Downtown Long Beach using the international Gateway Bridge.

A note from the CEO:

In a historic shift, the Long Beach Business Journal and Long Beach Post have reorganized as public charities under a new nonprofit organization, the Long Beach Journalism Initiative.

This is a major change for the Business Journal, which has served the public since 1987. In 2024, the print edition will be available auarterly.

We have fully separated from our former parent company, an LLC called Pacific Community Media, which is owned by the investment firm Pacific6. We are extremely grateful for the support of John Molina, the owner of Pacific6, and the significant financial investment in local journalism the company made over the past five years.

After years of for-profit ownership, we received our 501(c)(3) status on Dec. 12.

This all means local news is now in the hands of its readers, and we need your help more than ever. Here's how you can support us:

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At the Post and Business Journal, we know quality journalism is an engine for public good that drives positive change in our community.

We hope you believe this as much

CEO of the Long Beach Journalism Initiative



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Austin Metoyer envisions a 'seamless and connected' Downtown

President and CEO Austin Metoyer sat down with Business Journal reporter Brandon Richardson inside Altar Society Brewing on Pine Avenue on Tuesday, Dec. 5 to talk about how the city's urban core is changing. This interview has been edited for length and clarity.

Brandon Richardson: You obviously talk to a lot of business owners constantly. What's the overall business atmosphere in Downtown according to people on the ground? What are you hearing from business owners?

Austin Metover: The overall sentiment is they feel like Downtown is in this transition period, where they are still feeling the impacts of the pandemic, remote work and people still trying to feel out where they fit in Downtown. So they're seeing that in both foot traffic, but also their sales overall. But I think they're all cautiously optimistic about the future of Downtown — they see a lot of this development that's happening, they know that new people are moving in. They see the transition happening.

BR: What's your favorite new local business that's opened in Downtown this year?

AM: We're literally in it right now. [laughter] OK, first off, I gotta say, it's a little unfair for me to say what is my favorite business because I love all businesses equally. I am a big beer and pizza person, so I love Altar. I continue to like 4th Horseman and Milana's New York Pizzeria — don't count them out for their pizza. But I'd also say that I did a whole June of going vegetarian and Sugar Taco was my go-to spot for non-meat food. And I think it also has changed the vibe over on Magnolia and Broadway, which has lacked a lot of food options outside of the Flame Boiler and Starbucks.

And then I'll give it to Masaya ... over on Fifth and Pine. They celebrated their one-year anniversary in September. It's a clothing apparel, so it's something very different for North Pine. Outside of Vintage Etc. there's no real clothing options up there. I probably buy something from [Masaya] at least once a month.

BR: What's the one business or



Downtown Long Beach Alliance President and CEO Austin Metoyer enjoys a Masonic Secrets grapefruit West Coast IPA at Altar Society Brewing Co. on Pine Avenue

amenity that you think Downtown is missing?

AM: This has been said for years and I'll continue to beat this drum: We need another grocery option and we need some type of home goods store. We have a lot of folks moving into these residential complexes. The Downtown Plan reduced parking minimums to try to encourage people to walk and take public transit, and if we want to create a Downtown where no one needs to drive somewhere else, then we need those two options. A lot of folks that are moving here or that already live here are driving to 2ND & PCH or to Signal Hill, they're driving to the east side for their Target, Trader Joe's and Sprouts. Those are the two key things we need to make a more complete Downtown.

BR: It's no secret Downtown has its challenges, namely crime and homelessness. Can you talk about the implications of those challenges faced by residents and businesses alike?

AM: Our downtown isn't any different than any other downtown that's facing challenges across the country. The impacts of the pandemic, remote work, all these other factors have only highlighted the challenges that may have already been there or accelerated some of them. For

residents and for business owners, their primary concern has always been safety — ensuring their employees can be safe when they come to their storefront, their customers can be safe in this area. When a resident walks out of their house, they want to make sure that they can walk safely and be comfortable. [This year] we've definitely seen a little bit more activity than we have in the past, but I also see that there are a lot more resources that have been put forward to try to

population or petty theft and property

The DLBA in 2021 started a storefront recovery grant program for all of our storefronts that were hit by vandalism. And the city followed suit in the last year to do the same thing, which it hadn't been doing before. So that was finally putting some resources to helping address some of the crimes that those business owners were feeling. As of recently, the city has put forward additional resources like [the police department's] action plan as well as the \$5.3 million for the encampment resolution to look at Billie Jean King Library and Lincoln Park. I think 2023 is the first time I've seen a lot more resources put into the process than in the past.

BR: Officials have been very vocal about these two issues [crime and homelessness], particularly how they're impacting Downtown. Can you talk a little bit about the response? Are they living up to what they're saying? Has the response been adequate?

AM: Programs that have rolled out over the last year, I think they have followed through on them, but I do think there are some programs [officials] rolled out in other parts of the city that would probably be better suited for Downtown. For example,





Austin Metoyer

Continued from page 3

the city rolled out a crisis response team on the Westside. The individuals that we see here in Downtown, the ones that most of our business owners or residents call for, are dealing with some type of behavioral health, mental health or substance abuse issue and PD probably isn't the correct response. The crisis response team is. They have the resources and the experts on hand to deal with those situations. That's one area where I would like to see the city kind of move toward Downtown.

But when it comes to homeless outreach coordinators coming to

Downtown, they have been weekly. They come to St. Luke's Episcopal Church every Saturday, they're at Lincoln Park. When it comes to the [Police Department's] South Division coordinating with the neighborhood associations, they're doing that. And the city prosecutor team has given us a dedicated person for Downtown.

I will say there are other agencies that really need to step in. I think the county could be doing more. I think Metro certainly can be doing more. And then ultimately, I think this is a statewide issue, so I would love to see our state representatives do a little bit more on these issues as well.

BR: To your point, a lot of mental health services are above the city. The county is really the one handling much of that.

AM: The challenges we see with mental health and behavioral issues, the city is not equipped to handle at this point. It's the county. So we have to rely on them and we have to advocate for them to give us the resources we need.

BR: Officials have called for more police patrols. Have you seen this in action? If so, is it making a difference?

AM: I have seen more of a police presence. And I've had business owners note to me, particularly on Pine Avenue and in East Village that they do see more police out — whether it's bike patrol or vehicle patrol, they are there. I think PD is in a tough spot because they are down in their overall staffing. So when they do event action plans

like this, where they give Downtown resources, they are pulling from somewhere else. Until they get to full staffing, we'll never be able to truly have the coverage that we need. But I have seen more PD around and I think that has given a sense of comfort to business owners.

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BR: Outside of the two most prominent issues in crime and homelessness, what do you spend most of your time focused on?

AM: So I think the two things are marketing and events, and attraction. For marketing and events, DLBA is looking at how to get people back out and into Downtown. For new folks that live here, how do we get them to explore their new home? And for folks coming from outside of Long Beach, how do we get them to stay here? We just completed a roller disco on Saturday, Dec. 2 that had the Grinch. We're doing a lot of different partnerships with the library, parks and a couple of other organizations on things like Lincoln Park WinterFest that's coming up. Fireworks for New Year's Eve. It's just what can we do to get people here to explore and have a

And then on the other side, we recognize that there are vacancies in our storefronts. How do we showcase these spaces to potential new tenants? How do we connect with brokers to help them know that these are opportunities for them? And in the meantime, how do we highlight the space while it's vacant? So our economic development team is working on an artists in residency program to have art in vacant spaces. But they're also working with property owners and brokers to help showcase those spaces. We had someone who was looking at a space, he does beignets in Riverside and is looking at Long Beach for a second location. We toured a person who does a comedy show, he's also looking for space in Downtown. So it's being able to create opportunities to connect folks for these spaces and bring them here.

BR: What's your outlook as we head into 2024 and beyond? Are you confident in the direction city leadership is going in terms of addressing these issues?

AM: Yeah, I'd say I'm fairly confident in where we're going. As I mentioned before, I think the issues we're seeing, some of them are beyond the city's scope. Some of them are county and state issues that really require a lot more proactive leadership. But I do think the city has a role to play in that and I do think this past year, our city leadership has come to see that there needs to be additional attention on Downtown. Downtown is the heart of the city. It is the largest economic driver. And if you don't invest in it, if you don't maintain it, the whole city will be impacted.

BR: Some business owners have complained about an additional Downtown fee on top of their business licensing costs each year. I'm pretty sure they're talking about the assessment that funds the DLBA. Can you talk a little bit about what the organization does with its funds to

promote this area in order to help the businesses that are here?

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AM: We manage two districts: One is a merchant district and one is a property district. So business owners pay an assessment on their business license fee. That's the additional fee that they're looking at. This is the same fee that they pay when they move to Belmont, when they move to Bixby, when they move to Retro Row. Commercial property owners pay a fee and that fee goes specifically for the clean and safe services. The fee that business owners pay that the DLBA collects goes to a handful of services. As I mentioned earlier, the marketing aspect, whether it's their business specifically being marketed, whether it's the entire Downtown or a neighborhood we market, whether it's the gift card giveaways that we do for a variety of businesses throughout the year, whether it's grants, whether it's hosting an event at a location to drive foot traffic there — that is what they're paying for. And that is the only thing those funds can be used for. I can't take those dollars and go spend them outside of the district. They are here to be reinvested in the community to help support those business owners.

BR: You mentioned that DLBA hosts events. Why is it important for the community for the organization to hold these events?

AM: People need to feel like Downtown is their community. When you know the person behind the business, it's not a nameless entity. When you know these people, they are part of your community and you want to support your community. I think creating events — whether it's Taste of Downtown, roller disco or anything else like that — gives people the opportunity to come out and meet their neighbors, to meet the business owners behind the counter, to explore their community.

I think the pandemic really created this disconnect between people and the places they live. It is our job to help bridge those connections again. That's what events do. Even the neighborhood associations recognize that they need to get back to reconnecting with each other and they need to support their local businesses. So they are making a concerted effort to do mixers on Pine Avenue and help support businesses, do mixers on the Promenade and so forth because they know the only way Downtown survives is if they show up for them.

BR: Prior to the pandemic, the DLBA actually had more events. I'd imagine you guys are still trying to ramp up back to where you were. Can you tell me any plans for new events?

AM: I probably can't announce anything until the press release goes out. But we are going to be doing more events. Pre-2018 DLBA was doing a lot of different events. We did Promenade Beer and Wine, we were doing Live After 5. And at the time, there were a number of other organizations that were starting to use the same events in and around Downtown. We did a beer festival, somebody else would do their festival. So it became a question

of, does it make sense for us to be duplicating efforts if there are already organizations that are stepping up and doing that?

When we did our strategic plan back in 2021, that was one thing that was highlighted: We didn't need to produce large events anymore, just more frequent, smaller events and to help support other community events. So one thing that we did was we released the micro grant program. Last year was the first year we did it. We just did our second round and we supported 10 community organizations that host events in Downtown.

Internally, we're also rethinking our current events. Is there a different way that we can set them up so that more people can be involved and that the impact is greater? So when we think about Taste of Downtown, it's a heavily food-based event — is there a way of bringing that food inside storefronts so that the stores can also benefit from that additional traffic and it's not going to one place. I think that's what we're looking at for 2024. And then also, like I said, just bringing back some of the small, consistent events that just bring people out.

BR: So we've talked about grants a little bit.Why is it important to offer this direct support to businesses in addition to the more indirect support of marketing and events?

AM: A little bit of fusion of capital can help spur a lot of activity for folks in any form that it comes in — whether it's a direct women-owned businesses grant or helping with the repair of a window. I think it's important for an organization like ours to show that we are supporting the community in a variety of different ways.

BR: A lot of housing has come online recently, some are getting close and then others are a few years out. What do these additional units mean for Downtown and the businesses here?

AM: We were, for a long time, in a holding phase for a bunch of projects to be completed. Well, now we can finally say that since 2015, we've had 3,100 units come online in a variety of different configurations — studios, ones, twos for empty nesters, young couples, single folks. That's a lot of new people coming to Downtown. On top of that, under construction, we have about another 1,300 units. That is fundamentally going to change Downtown's landscape as being more residential, especially if we're not seeing office workers come back. The DLBA and business owners need to have a shift in mindset to connect with those residents, especially those who may have gotten very used to ordering everything online.

BR: Office vacancy is exceptionally high in Downtown right now, which is impacting foot traffic for businesses. What do you think the way forward is? Getting people back into the office? Converting more of these buildings to

AM: Office vacancies are high across the board for all downtowns because of our old model to be more office-focused. I don't think office workers are going to come back in

the way that they did pre-pandemic. I don't think any employer or commercial office property owner feels that way. It is wishful thinking for us to continue to think that. I also don't believe we're going to see a mass conversion of office spaces into residential buildings. When you think about how the office buildings are configured, where the restrooms are located, how much time and effort it takes to convert something over - not a lot of it happening.

I do think the city needs to find a way to make it easier for adaptive reuse and for conversion for housing, but I also think the city needs to look at the vacant office spaces and what are very flexible uses that you can do in those buildings. I think there needs to be a greater conversation on how we integrate Long Beach City College as well as Cal State Long Beach into the Downtown. There has been talk before of classroom spaces, but there needs to be a true conversation around that. I think there needs to be thoughts about what else can happen in these spaces that aren't traditional offices. Can it be a museum? Can it be an art gallery? Can it be virtual gaming? Let's be a little bit more creative.

BR: There's one more massive lot in Downtown that is undeveloped: the Elephant Lot. What do you think would best serve Long Beach?

AM: Right now the city is undertaking the PD6 planning, looking at the vision for the

waterfront and Shoreline, which includes that space. And there are a lot of community members and business leaders and developers that are discussing that and looking forward to it. My understanding based off of Coastal Commission is that housing can't happen on that site, or anywhere within the waterfront, which is kind of sad because we desperately need housing. But I just lean back into the idea that we have so many great festivals that happen in Downtown — over by the Queen Mary, but also on the side of the bay. I think there's a real opportunity for a stadium that would do really well. But anything that happens on that lot, my concern will always be connectivity between the water, the Elephant Lot and the Downtown core. Whatever goes there, whether it's a stadium, whether it's a music venue, whether it's a giant hotel, what needs to be clear is that we want an area that feels pedestrian friendly. We want it to feel seamless and connected. And we don't want large roadways to continue to separate spaces. Shoreline Drive is a large roadway that feels like a freeway and a lot of folks don't feel safe crossing it. We need to make sure there's clear access to the water and that needs to feel safe and it needs to be designed in a great way. A lot can happen on that site that I think would be really good for activation. But I'm leaning more toward some type of music venue that can double as a stadium.



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*Annual Percentage Yields current as of 10/20/2023. A penalty may be imposed for early withdrawal. Fees may reduce earnings. Rates are subject to change at any time. A minimum deposit of \$1,000 is required to open a CD. CDs renew automatically to a standard rate in effect at the time of renewal unless instructed otherwise. See associate for details.



BUSINESS JOURNAL BUSINESS JOURNAL December 2023 Year in Review December 2023

'Huge attraction': Hard Rock Hotel to be a boon for Long Beach, experts say

By Brandon Richardson

In person, the announcement that a Hard Rock Hotel was coming to Downtown Long Beach was met with nothing but fanfare: A band played and guests sipped drinks as the mayor and other city leaders touted the brand's arrival as a major coup. Online, the reception was a different story.

When the news broke, social media commenters were quick to complain that another hotel was the last thing they needed Downtown — maybe a grocery store, affordable housing or some more support for mom-andpop shops would be a better fit than a giant corporate brand.

Who exactly, "is in charge of these selections?" asked one of the hundreds of people disparaging the news.

The answer to that question may be more economic than human. Even as some locals doubt the wisdom of Hard Rock arriving, local experts in the tourism industry say there's no question about the financial benefit it will bring by drawing tourists — and their wallets - to town.

Just down the coast in San Diego, for instance, the 420-room Hard Rock Hotel that opened in 2007 has been "a strong and valued partner" in convincing people to visit, according to San Diego Tourism Authority spokesperson Paul Garcia.

"It has consistently proven to be a popular location with meeting professionals due to its impressive meeting and event space," said

Garcia, who noted its location in the heart of the Gaslamp Quarter and within walking distance to numerous restaurants, shops and the city's convention center makes it a visitor

In Long Beach, the hope is to replicate that success. The 31-story, 429-room Hard Rock Hotel is set to be built on the southeastern corner of Ocean Boulevard and Pine Avenue, one of the busiest intersections in the city. The glass tower will be a short walk from the Convention Center as well as restaurants and shops at the Pike and along Pine Avenue.

At a macro level, the importance of tourism in Long Beach cannot be overstated, according to Robert Kleinhenz, an economics faculty member and director of the Office of Economic Research at Cal State Long Beach. In 2022, 25,000 people worked in the tourism sector, he said, which accounts for about 15% of all wage and salary jobs in the city.

Despite only blossoming in the last several decades, tourism has become a vital industry for the city, Kleinhenz said — and Hard Rock will surely contribute to the sector. He noted that the convention business is growing and capacity is needed to accommodate it.

The ripple effects of more people visiting the city and staying Downtown will be felt throughout Long Beach's economy, Kleinhenz explained.

"They not only pay for their hotel, they visit restaurants to pick up food, they go to retail stores to pick up trinkets and other things, they use other services," Kleinhenz said,



Hard Rock Hotel will be located at the corner of Ocean Boulevard and Pine Avenue

adding visitors often stop by other neighborhoods such as Belmont Shore and see attractions like the Aquarium of the Pacific. All these expenses generate tax dollars for the city, he noted.

"So Hard Rock is a catalyst," Kleinhenz said. "And having a brandname hotel is important because people value having that brand affiliation. There's a familiarity that people have with these brands that leads them to prefer them, ... presumably with an assurance of quality."

Kleinhenz said Hard Rock's decor of music memorabilia will be a "huge attraction" to music fans, adding just another element to draw people to

Additionally, Kleinhenz noted the hotel will activate a space that has sat vacant for more than three decades following the 1988 demolition of the Jergins Trust Building.

Lee Blecher, a professor in and co-director of the Hospitality Management Program at Cal State Long Beach, said the Hard Rock and

the hundreds of jobs it will bring are a welcome addition. His students use local hotels to gain their work experience as part of the program. After graduation, students also will have another location to find fulltime jobs, he said.

While Long Beach, and Downtown in particular, has a wide variety of hotels, including major brands like Hilton, Hyatt and Marriott, Blecher said Hard Rock will stand out as something different that will complement the established tourism landscape — as well as provide some healthy competition.

"It's a really nice hotel that's going to be unique with international recognition," Blecher said. "I think it will put Long Beach even more on the map."

To the naysayers, Blecher noted the Hard Rock brand is evolving beyond its namesake, embracing all forms of music to better serve a diverse clientele.

"I think it's going to be pretty hip," he said. ■

it hopes to build in advance of the

Contreras said that the new

bridge, which is expected to be built

just south of the existing Shoemaker

Bridge, would be completed before

the old one is demolished to allow

traffic to continue to enter and exit

Downtown during construction.

The work will be completed

among the last things crews finish,

in phases with some of the park

improvements projected to be

2028 Olympics.

Long Beach Iron Works is celebrating its 110th anniversary in West Long Beach Long Beach institutions celebrate major anniversaries this year communities in the nation. More By Brandon Richardson people meant higher demand for medical care and St. Mary Medical It has been a big year for many

prominent places in Long Beach and the people behind them as many celebrate a longstanding tradition of providing services and goods to the community.

Many notable anniversaries were reached this year, including four Long Beach institutions that celebrated 100 years or more of service.

Here's a list of businesses, organizations and agencies that hit big milestones in 2023:

Long Beach Iron Works – 110 years 2020 W. 14th St., 562-432-5451

The oldest company on the list, Long Beach Iron Works was founded in 1913. The company is a regional powerhouse when it comes to manufacturing castings and other metal products used in road building, underground construction and utility construction. From manhole frames and covers to drainage casting to airport and port authority castings, LBIW has a wide range of products that it manufactures in its 100,000-squarefoot facility on the Westside.

Long Beach Airport – 100 years 4100 Donald Douglas Dr.

In 1919, flight instructor and legendary stunt pilot Earl S. Daugherty established a flight training field and school in Long Beach. Within a few years, aviation was booming in the growing city and on Nov. 26, 1923, the city broke ground on the 150-acre Long Beach Airport. Today, the airfield — the oldest municipal airport in California — sees thousands of general aviation operations and more than 58 commercial flights per day. LGB also has one of the strictest noise-control ordinances of any airport in the world

St. Mary Medical Center - 100 years 1050 Linden Ave., 562-491-9000

One hundred years ago, Long Beach was one of the fastest-growing Center opened its doors with 70 beds on Aug. 26, 1923. The original building was destroyed in the 1933 Long Beach earthquake, but it was rebuilt and reopened in 1937. Today, the hospital has over 400 beds and employs more than 1,500 people with an annual operating budget of over \$400 million.

Harbor Chevrolet – 100 years 3770 Cherry Ave., 562-326-5555

Since 1923, Harbor Chevrolet has sold cars, trucks and SUVs to local residents and the region from its Long Beach lot. For more than nine decades, the dealership was a family owned business, passing through four generations. At the end of 2021, the new and used car business was sold to Brandon Steven Motors as the company's second and third California operations. BSM was founded in Wichita, Kansas and now has 18 dealerships across both states.

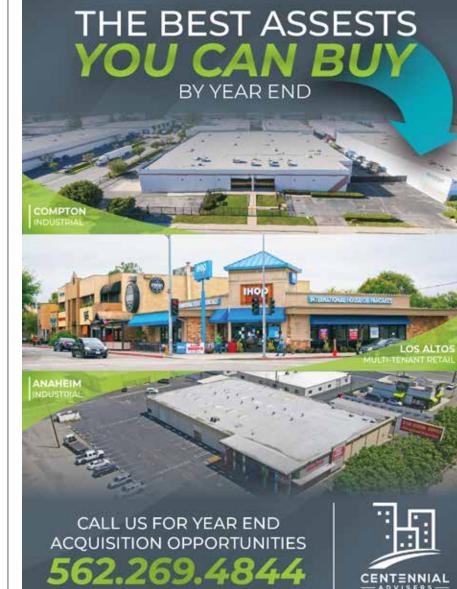
Electric Construction Co. - 90 years 1709 E. South St., 562-999-1904

Located in North Long Beach, Electric Construction Co. has been providing commercial electrical work throughout the region since 1933. The company has managed electrical requirements for projects of all sizes - from multi-billion dollar new-build construction to minor installations and repairs. ECC boasts a combined 200 years of experience from its staff most of whom have worked for the company for eight years or longer.

Halbert Hargrove – 90 years 111 W. Ocean Blvd., 23rd floor, 888-780-6420

Halbert Hargrove was founded by John Halbert and Leonard hargrove in 1933 when they began investing their own money made from Signal Hill oil leases. Within a few years, the pair was taking outside clients. In 1989, the firm became a registered investment advisory and in 1991 it moved into the Landmark Square building in Downtown Long Beach, where it still operates today, more than three decades later.





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City unveils plan for \$900M bridge replacement in Downtown

By Jason Ruiz

Long Beach officials revealed updated plans Saturday, Dec. 9 for a new \$900 million bridge that is slated to replace the aging Shoemaker Bridge and add 5.6 acres of park space to Downtown, something the city hopes to complete by 2028.

The new renderings show a modern cable-stayed bridge with 240-foot tall angled arches that meet in the middle of the 765-foot-wide bridge. Building the new structure is part of a plan to realign Shoreline Drive, which would significantly change how drivers enter and exit the 710 Freeway in Downtown.

The current plans have cars using a new roundabout that will circulate traffic onto the bridge, 710 Freeway or city streets.

Some other proposed features include a protected bike lane that would connect Fashion Avenue to the Los Angeles River bike path on the east side of the river as well as a pedestrian observation point on the south side of the bridge that looks toward Downtown. The design shown



A rendering of a proposed design for the Shoemaker Bridge replacement project.

to the public has not been finalized.

Long Beach received a \$30 million federal grant earlier this year for the realignment portion of the project that will add northbound lanes alongside Shoreline Drive's current southbound lanes and eliminate the separate northbound section that has left an unusable patch of green space west of Cesar E. Chavez Park for decades.

The city has estimated that part of the project will cost about \$60

Designs for the Shoreline Drive realignment are expected

to be completed in the spring with construction on the project expected to start sometime in 2024 or 2025, according to Joy Contreras, a spokesperson for Public Works.

Part of the project will relocate an existing electricity facility to make room for new landscaping that will become part of Chavez Park.

Projected costs to build the bridge have grown significantly over the years with an original mark of \$350 million escalating to \$650 million earlier this year. Now, city officials say Long Beach is looking to secure \$900 million for the project, which

according to plans presented at the community meeting on Dec. 9. The end result would connect Chavez Park to Drake Park, which is north of Seventh Street.

> Once the bridge is complete, the Sixth Street exit will be eliminated and Seventh Street will become a two-way street to allow traffic to enter and exit the 710 through the new roundabout

The bridge's design is expected to allow more movement for wildlife living in the river below because it will have fewer piers in its base. The design is also expected to be able to withstand seismic activity and sea level rise, according to the city.

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Anniversaries

Continued from page 7

Pediatric Medical Center – 90 years 2921 Redondo Ave., 562-426-5551

Dr. H. Milton Van Dyke founded
the Pediatric Medical Center in 1933.
In 1963, the health care provider
moved into its current home, an
Edward Killingsworth building near
Long Beach Airport. The center offers
a full range of pediatric services for
patients from birth through young
adulthood, including allergy testing,
vision and auditory screenings,
behavioral and mental health
evaluations, minor injury treatment,
on-call physicians and more.

The Termo Company – 90 years 3275 Cherry Ave., 888-260-4715

In 1926, EE Combs mortgaged his house to fund his first oil-drilling operation in Signal Hill. Seven years later, Combs partnered with Roscoe Oaks, a retired Union Carbide executive, to create The Termo Company. The company began oil operations in Huntington Beach in 1935, the Wilmington Field in 1942 and discovered the Brentwood Field in 1962, according to its website. The company operates 107 wells in California, Wyoming and Louisiana, and has additional operations in

Montana, North Dakota, Utah, Colorado, Oklahoma and Texas.

Jewish Long Beach – 75 years 3801 E. Willow St., 562-426-7601

While it was incorporated in 1948, the Long Beach Jewish Community Council traces its roots back to the 1929 creation of Jewish Welfare Funds, which supported Jewish refugees fleeing Europe — an exodus that peaked during World War II. In 2019, the organization merged with the Jewish Federation to create Jewish Long Beach, an independent nonprofit organization. The group spearheads grant-making programs, cultivates lewish leaders through its Alpert New Leaders Forum, advocates for Israel and Jewish peoplehood and propels the stewardship of nearly \$30 million in philanthropic funds. The group also owns and operates the Harry and Jeanette Weinberg Jewish Long Beach Campus.

Long Beach Pride – 40 years 1017 Obispo Ave., 562-987-9191

Long Beach Pride was founded in 1989 as a means to celebrate the city's LGBTQ+ residents. Over four decades, the three-day festival and parade has become third largest Pride event in California. The nonprofit, all-volunteer organization focuses its efforts on inclusion and teaching the



Brandon Richardson / Business Journal

Jewish Long Beach is celebrating its 75th anniversary this year.

broader community that "diversity builds a strong and healthier society," according to its website. On Sept. 29 of this year, Bob Crow, the last of the original founders of Long Beach Pride, died after a years-long battle with lung cancer.

Aquarium of the Pacific – 25 years 100 Aquarium Way, 562-590-3100

The Aquarium of the Pacific, one of the city's most popular attractions, was founded in June 1998 as a nonprofit organization. The aquatic facility is home to about 12,000 animals in more than 100 exhibits that celebrate the Northern Pacific, the Southern California/Baja region and the Tropical Pacific. In 2019, the Aquarium celebrated the opening of the 29,000-square-foot, two-story Pacific Visions wing — its first major expansion since opening. Each year, 1.7 million people visit the 360,000-square-foot Aquarium, which has over 35,000 memberships and employs 1,200 volunteers and over 350 employees with an annual operating budget of about \$40 million.



Queen Mary is turning a profit, city says

By Brandon Richardson

Despite not operating at full capacity, the Queen Mary will close out the year operating in the black, according to financial records from the ship's contracted operator, Evolution Hospitality.

A more stable financial outlook for the iconic vessel comes after at least 17 years of operational deficits. From 2007 to 2019, operators reported nearly \$31.4 million in combined losses, according to the ship's financial records, which the Business Journal obtained through a public records request.

Older records are not available, according to the city.

After the ship was closed for three years due to the pandemic and ongoing maintenance struggles, it began a slow reopening process in April, but this time, under the city's leadership rather than a third-party leaseholder, which has been the norm since the ship arrived in 1967. The reopening started with some tours, followed by a small number of hotel rooms in June.

"But July is when we really opened," Steve Caloca, managing director of the ship for Evolution said. Since July, 200 of the ship's 347 staterooms have been available for stays.

From July through October, the ship generated nearly \$10.66 million in revenue, financial records show. After expenses, Evolution recorded nearly \$2.25 million in gross operating profit.

Those profits so far don't make up for the \$20 million or more the city has spent or pledged for repairs on the boat. A full accounting of what the city has spent wasn't available as of press time.

Caloca said crews have completed



Brandon Richardson / Business Journa

A family walks through Harry Bridges Memorial Park near the historic Queen Mary just before sunset.

mechanical and structural repairs including the removal of decaying lifeboats, upgrades to electrical and fire suppression systems and HVAC as well as installation of new boilers, a bilge pump system, generator, heat exchangers, but they will help cover future costs.

Profits are being rolled right back into funding the neverending maintenance, repairs and upgrades that come with operating a 91-yearold, 80,000-ton historical vessel that sits in salt water, Caloca said.

One glaring cosmetic repair — a shoddy paint job on the smokestack nearest the ship's stern — is set to get underway in January, Caloca added.

Caloca said the ship is turning an operating profit because of a number of factors, including pent-up demand due to the extended closure as well as a renewed interest in the historic ocean liner and its history, Caloca said.

"People love the ship," Caloca said. "They want to get back onto it." Despite its limited room availability as well as the fact that multiple restaurant spaces remain closed, revenue is being driven in large part by tours, Caloca explained, which are up 43% over 2019. The most recent tour addition, a paranormal experience dubbed the "Grey Ghost Project," sells out almost every night, according to Caloca.

Additionally, the average daily room rate is up 36% from July through October over the same period in 2019, which is making up for the limited availability, Caloca said. The rooms that are available are selling out most weekends, even Sundays, thanks to Carnival Cruise Lines operations. he said.

The ship also is hosting more meetings and conferences, Caloca

added.
In January, another 100 rooms are expected to come online.

"We put a lot of work into these rooms, to make sure that the rooms are period true, that they look beautiful, that they are worthy of our guests," Caloca said.

Earlier this month, the ship welcomed guests back to Royal Sunday Brunch, which was a favorite before the closure. Sometime in the first quarter of next year, the fine dining experience that is Sir Winstons is slated to reopen after it gets spruced up.

While the popular Observation
Bar reopened in May, it is also
slated for renovations, Caloca said.
The minor overhaul of the space
will include replacing the carpet,
furniture and installing new lighting
to make it more true to the period it
opened. A timeline has not been set
for the bar's renovation.

But reopening old favorites is not the only path forward for the ship, Caloca said.

"We're constantly looking at things we can do to create content for guests," he explained, noting the recent opening of candy shop Piccadilly Delights as well as a new game room, which is a small sports bar-like area next door to the Observation Bar.

Benches were recently added to the Sun Deck facing Downtown Long Beach, giving visitors a place to relax and take in the views. Next up for outside deck spaces are lounge chairs and cabanas, Caloca said. The cabanas will be able to be reserved by guests, he added.

An archive museum that will showcase bits of the ship's history, such as original furniture, artwork and other items that were on the ship originally in the 1930s, also is slated to be constructed on the Promenade Deck, Caloca said.

"The key is to get more people onto the ship," Caloca said. "To have them not only enjoy the ship but spend money here to make a profit and create something that is sustainable for years to come."

Some of the businesses that opened and closed in Long Beach this year

By Brandon Richardson

In every city, every year, new businesses pop up while others disappear. Long Beach is no different. Over the past year, dozens of new companies, restaurants and shops opened their doors. Others, including longtime and beloved staples of the community, didn't survive the year.

From recreational axe-throwing to a massive candy shop, here are some of the businesses that arrived in Long Beach, in alphabetical order:

AIBO

Electric vertical take-off and landing vehicle developer AIBOT

is one of the latest aerospace companies to make Long Beach its home. The firm was actually founded in 2022 but flew under the radar until Mayor Rex Richardson announced their operation during the Long Beach Area Chamber of Commerce's State of Business event on Dec. 1. The company is developing manned and unmanned aircraft that will be able to transport people and cargo from the Los Angeles region to Las Vegas in about an hour. AIBOT has leased 25,000 square feet of hangar space at Long Beach Airport as well as 3,000 square feet of office space, with plans to grow its staffing to over 500 over the next several years.

Auriga Space

Auriga Space, which also was announced by Mayor Richardson during the Chamber of Commerce event earlier this month, is developing a new small satellite launch system. The tech startup was founded by Winnie Lai in San Francisco last year after she left her job at Long Beach-based Spinlaunch, which is developing its own small-sat launcher. Lai moved the company to a co-working space in Downtown in October. The innovative system will use a ground-based electromagnetic track and a magnetic field to propel the launch vehicle to a high altitude, at which point its engine will ignite to reach orbit.

Bad Axe

Axe throwing dates back to Middle Age combat. But Long Beach residents can throw the steel-headed tool for fun in Downtown at Bad Axe Throwing. The recreational activity has exploded in popularity as urban entertainment in recent years and the company has taken full advantage with dozens of locations across the U.S., Canada and the United Kingdom. The Long Beach space opened above Chipotle on Pine Avenue at the beginning of the year with seven throwing lanes that each have two targets. Participants get a quick tutorial before they can throw different sized axes as well as knives for a variety of games.

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Open and Close

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Blue Shield of California

Health insurance provider Blue Shield of California opened a new office near Long Beach Airport, where it says more than 1,000 employees work. Announced last year, the move backfills more than half of the space vacated by Epson America in 2020 at 3840 Kilroy Airport Way. Blue Shield signed an 11-year lease for 71,753 square feet of the roughly 136,000-square-foot building.

Candified

North Long Beach native Jackie Sorkin and co-owner Amy Mason opened Candified in Belmont Shore in July. Sorkin earned the moniker "Candy Queen" over the years, building a name for herself that led to regular spots on the Food Network and Cooking Channel as well as a TLC show actually named "Candy Queen." The pair decided to set up a brick-andmortar candy store a la Willy Wonka's factory. The vibrant space is filled with candy of all sorts as well as art that is itself made of candy.

ExLabs

Much of Long Beach's newest additions to the aerospace sector have been focused on small satellite launches. With a much more niche mission, ExLabs stands out. The

firm, still in its infancy, is developing spacecraft to aid in the removal of space debris, of which there are tens of millions of pieces around the Earth thanks to more than six decades of human space exploration. The satellite bus vehicle will have a claw that can collect debris. The firm hopes to send components up for space testing as early as 2025, with the first debris capture mission planned for 2027. The long-term goal is to scale up the system to a 100ton vehicle for deep-space resource acquisition like asteroid mining.

Sports Basement

Bay Area sporting goods chain Sports Basement announced this year that it is taking over the former Sears building at 2100 N. Bellflower Blvd. a massive retail location that has sat vacant for two years. Long Beach will be the brand's 13th location and only its second in Southern California, the first being in Fountain Valley, which opened last year. The space is slated to open June 1. Aside from selling and renting sports and outdoor gear, the company is community-focused, allowing yoga studios, art galleries and even movie screenings in-store.

SERVICES AND BUSINESSES THAT LEFT LONG BEACH THIS YEAR:

American Airlines

Long Beach Airport started off the year with an announcement that American Airlines would discontinue



Co-owners Jackie Sorkin, left, and Amy Mason stand inside their shop, Candified, which opened this year in Belmont Shore

all service out of the municipal airfield. The announcement was made in January and service ceased in February, making American the second airline to pull out of Long Beach in just over two years, following letBlue's departure in October 2020. The move allowed Southwest to further solidify itself as the leading carrier in Long Beach, holding 50 — or 86% — of the 58 daily flight slots.

Beachwood Brewing

It was truly a year of ups and downs for Beachwood Brewing, one of Long Beach's oldest and most popular beer makers. While the company celebrated the opening of its outdoor taproom at 2ND & PCH, it also said goodbye to its flagship location on The Promenade in Downtown. The brewers repeatedly told city leaders it was struggling with the impacts of homelessness, crime and construction mere feet from its storefront. In a letter to city officials, earlier this year, they said they may not make it if things didn't change. The brewery temporarily closed its kitchen to save money, then subleased the kitchen to smash burger sensation Proudly Serving. Ultimately, though, the brewery closed at the end of October, having sold the space to ISM Brewing, a new concept from one of Beachwood's original brewers.

Haskell's Prospector served up prime rib and fried chicken dinners as well as cold beers and cocktails for nearly six decades at the corner of Seventh and Junipero. But on May 28. the popular karaoke bar, restaurant and music venue served its last customers. Signal Hill-based Hilco Development Services planned to acquire the space, which included a single-family home, for about \$3 million. The adaptive reuse project would see the building split into two storefronts to house a coffee shop and a restaurant. However, the status of the sale and future plans remain unclear.

Rascals Teriyaki Grill

Another iconic Long Beach staple, Rascals Teriyaki Grill, closed this year after serving East Long Beach

residents for 17 years on Bellflower Boulevard near Cal State Long Beach. While other businesses folded due to ongoing challenges, the Rascals closure was just business: The Los Altos Family YMCA, which was Rascals' neighbor and landlord, has decided to expand. To do so, it needed the land on which Rascals sat. The Y first started working on the plans four years ago, so the move was not a surprise to Rascals but still a loss for the community. If residents still get a hankering for Rascals, the restaurant opened another location in Carson.

Shady Grove

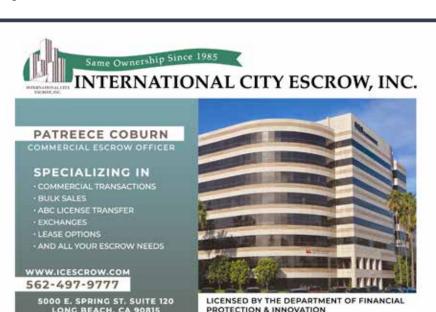
One year after the COVID-era debacle that spurred Restauration's downfall, Shady Grove brought its barbecue to Fourth Street in May 2022 within the same location. The father-son team started as a pop-up that became so popular, it only made sense to put down roots. After operating there for less than two years, however, the space is set to close at the end of the year due to issues with the city's permitting process, among other setbacks. The most challenging sticking point was getting approval for the restaurant's smoker — a key piece of equipment for a barbecue joint. Ultimately, they were smoking their meat offsite, which the owners said wasn't going to be sustainable.

Virgin Orbit

In January, Richard Branson's small satellite launch company Virgin Orbit had a failed launch. which was not spectacular. But the rapidity of the company's downfall following the failed launch was. On March 15, the company paused its operations, placing 750 employees on unpaid leave while it worked to secure funding. On March 30, the space company announced it would lay off 675 people, which was 85% of its workforce. On April 4, the firm filed for Chapter 11 bankruptcy. Less than one week later, the Nasdag halted Virgin Orbit stock trading. By mid-May, the company had sold \$36 million in assets at auction. One month later, another auction was held to unload more than 1,000 pieces of equipment — mostly office wares and small tools.



Two people walk past the Prospector, which closed in May after nearly six decades in





California Resources Corporation (CRC) is a different kind of energy company. With a Full-Scope Net Zero Goal by 2045, CRC is at the forefront of carbon capture and storage (CCS) initiatives in California and empowering the state to be a solution in the energy transition. Through our subsidiary, Carbon TerraVault (CTV), we are developing CCS and direct air capture (DAC) plus storage projects to support California in its effort to achieve ambitious decarbonization goals.

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Francisco J. Leon, President and CEO of California Resources Corporation





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