



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT
COMMERCIAL SERVICES BUREAU

ATTACHMENT 1

C-6

333 West Ocean Boulevard • Long Beach, CA 90802

March 22, 2005

AC Industries Inc.
6801 Paramount Blvd.
Long Beach, CA 90805

RE: Business License Application # 20433190
Business Name: AC Industries Inc.
Business Address: 6801 Paramount Blvd., Long Beach, CA 90805

Dear Sir/Madam:

Thank you for your interest in establishing a business in the City of Long Beach. Unfortunately, your application to operate a Manufacturing business cannot be approved at this time due to noncompliance with applicable laws and regulations, pursuant to LBMC 3.80.421.1(B). The Planning and Building Department (see attached letter) has recommended that the business license application be denied for the following reason:

- This business has not submitted plans, obtained approvals, permits, and inspections for the following: 2nd floor mezzanine for storage, high pile storage racks, new electrical throughout the building to supply more than 20 machines, lights, restroom remodel and change of occupancy for welding.

You are required to cease business operations within 10 days of receipt of this letter. To continue business operations would be a violation of the Long Beach Municipal Code. Written notice was provided to you on September 27, 2004 that your business license application would be denied if required inspections were not completed by March 16, 2005.

When this business has been brought into compliance with the applicable laws and regulations governing the operation of a Manufacturing business in the City of Long Beach, you may reapply for a business license. Following approval by City departments, the Department of Financial Management will issue a business license.

Should you wish to appeal the denial of your business license application to the Long Beach City Council, you may do so by filing a notice of appeal with the Director of Financial Management within ten days of receipt of this letter. The notice of appeal should state the reason for the denial and the grounds for such appeal. It should be sent to the undersigned along with a nonrefundable filing fee of \$1,050.00.

Please direct any questions to this matter to Jeannine Montoya, Business License Supervisor, at (562) 570-6211.

Sincerely,

JAMES A. GOODIN
Business Services Officer
Commercial Services Bureau

Attachments

JAG:NM:bcv

cc: Councilmember, 9th District
Director of Planning and Building

**CITY OF LONG BEACH**


DEPARTMENT OF PLANNING & BUILDING

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

(562) 570-6651
FAX (562) 570-6753
TDD (562) 570-6793

Date: March 14, 2005

To: Director of Financial Management

From:  Mark I. Sutton, Inspection Officer, Planning and Building Department

Subject: Rejection of Business License Application

The Department of Planning and Building recommends the Director of Financial Management deny the application for a business license by Andrew & Candace Shouse, DBA Ac Industries Inc., 6801 Paramount Blvd., Long Beach, California. The reason for this recommendation is that the applicant has failed to comply with applicable laws and regulations, pursuant to LBMC 3.80.42.1(B).

Specifically, this business has not submitted plans, obtained approvals, permits and inspections for the following: 2nd floor mezzanine for storage, high pile storage racks, new electrical throughout the building to supply more than 20 machines, lights, restroom remodel and change of occupancy for welding.

The Planning and Building Department, therefore, recommends that the Director of Financial Management deny Andrew & Candace Shouse, Ac Industries Inc's application for a business license.

cc: Business License Section

RECEIVED

ATTACHMENT 3

APR 14 2005

AC Industries, Inc.
6801 Paramount Blvd.
Long Beach, CA 90805
(562) 633-2123

April 14, 2004

Mr. Michael Kilebrew
Director of Financial Management
City of Long Beach
333 West Ocean Blvd.
Long Beach, CA 90802

Re: Business License Application # 20433190
Business Name: AC Industries Inc.
Business Address: 6801 Paramount Blvd., Long Beach, CA 90805

Dear Mr. Kilebrew,

We wish to appeal the denial of the business license referred to above. The license had been denied based on "The business has not submitted plans, obtained approvals, permits, and inspections for the following: 2nd floor mezzanine for storage, high pile storage racks, new electrical throughout the building to supply more than 20 machines, lights, restroom remodel and change of occupancy for welding."

We would request an extension of the application process to allow for completion of this project based on the following:

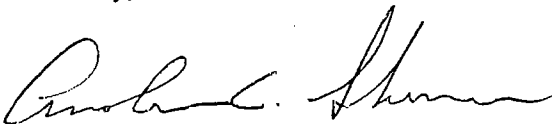
- We have experienced extreme difficulties trying to find contractors and architects that are willing to work in the City of Long Beach, have manufacturing expertise and are willing to do a smaller remodeling project. From a list of over 35 architects we conducted telephone interviews and then conducted in-person interviews with those with appropriate expertise and interest in this project. We have also sought guidance from the Long Beach American Institute of Architects. We have hired and released two architects and one contractor that were either insufficiently prepared to conduct this work or were making no progress in completing the work. We have just concluded interviewing replacement architects and have signed a contract with Paul Collins of PAC Design. A copy of the contract is attached. We have already chosen an electrical contractor and structural engineer. Once the plans have been approved we will select a general construction contractor as well.
- We have been in contact with the Business License Department and the Building Department consistently during the application process to keep them abreast of our

progress. Each time we were thanked for our diligence and informed that there was no problem or concern as long as we were working towards completion.

- In our initial inspection report we were told to obtain a "Special Inspection". We were told to have our contractor, architect and any other beneficial representatives present when the inspection was scheduled and the inspector would explain everything that needed to be done to bring the building to code. When I went to the Building Department to schedule this inspection I was told that there was not any such service available.
- During this entire period we have performed a great deal of work on this property that is a less than desirable location in a redevelopment area. Not many people accept a waste transfer station as a next door neighbor. The previous tenants were a manufacturer of fiberglass products and a shooting range. We have painted, landscaped and improved the appeal of the site and are providing jobs for 20 workers.
- This is the first commercial property that we have been involved with and regrettably made some poor decisions. These were made due to a lack of knowledge and poor advice, not with any intent for deception. Unfortunately we approached many decisions based on outdated information and from experience as homeowners, not real estate developers. Our primary concern was with the well-being of our employees and being able to operate a business without having to lay anyone off during the remodeling. We also received poor advice from vendors whom we purchased equipment from. Many items such as racking and mezzanines we were told would require no permits.

Once again, we respectfully request approval of this appeal. Rejection of the appeal can only mean the closing of this facility. It would also mean the loss of jobs for most, if not all, of our employees, many of whom are residents of Long Beach. If you have any questions regarding this application or any other matters related to the property or AC Industries, Inc., please contact either myself or the General Manager of the company, Richard Craig.

Sincerely,



Andrew Shouse
President and Owner
AC Industries, Inc.

Cc: Councilmember, 9th District



April 13, 2005

Mr. Richard Craig
AC Industries, Inc.
Sent by fax to: (562) 232-7080 & Sent by Email to: richc@acindustries.us

Dear Richard:

The PAC Design Team is ready to assist you in preparing plans to obtain the necessary Building Permits required for your existing business in Long Beach. The following is a proposal to provide you with the necessary professional architectural services that will be required. This proposal was prepared based upon PAC Design's many combined years of experience, and information that we have received from you and the Owner at our meeting yesterday. Your Fire Sprinkler Consultants have provided us with cad files of the "as-built drawings" of the existing business. Our scope of work will include the following:

1. Verifying and photographing the existing site & building conditions;
2. Research all existing permits and any applicable City building and fire codes and ordinances;
3. Meetings with yourself and the Owner to coordinate the plans for improvements and to evaluate potential costs of upgrades to the site, building and machinery;
4. Coordinating with your draftsman to prepare the necessary T.I. Construction Plans & Details;
5. Coordinating with Structural & Fire Sprinkler Consultants to prepare their required plans and calculations; &
6. Submitting the T.I. plans to the City of Long Beach, to obtain approvals so that the Owner, electrical and sprinkler contractors can pull the required building permits.

For the above professional services, the fees will be billed hourly not to exceed \$6,500. If we provide the drafting then the total fee will not exceed \$9,500. Our current rates are as follows:

1. Architect's time @ \$120/hour;
2. Draftsman's time @ \$75/hour; &
3. Clerical time @ \$50/hour.

Printing and Consultant costs will be billed @ cost + 10%. We estimate that the Structural Engineering will cost ~ \$800-\$1,200, and the printing of plans will cost ~\$300. If you have any questions please feel free to call. To proceed with this project, please sign this proposal and fax it back to us. We will require @ \$1,000 retainer to start the work. With our current workload, we could start the research and coordination for your project April 26th and the plans should be ready for submittal into the city by May 26th. Thank you for this opportunity.

Sincerely,

Accepted:


Paul Collins, Architect (Lic# 22,733)


Richard Craig

4/13/05
Date: