

R-17

CORRESPONDENCE – Hugh Little

From: Hugh Little [mailto:hughlittle@gmail.com]
Sent: Wednesday, July 01, 2015 8:11 AM
To: cityclerk
Subject: Concerns about the Proposed Federal Inspection Facility at Long Beach Airport

Hello,
The following was sent to the Mayor and the members of the City Council in the context of the discussion and Council agenda item #17 for the City Council meeting on the 7th of July. We would like to have this entered into the record please.

Thanks!
Hugh Little
President, CHNA

Hello,

My name is Hugh Little. I am the President of the California Heights Neighborhood Association. CHNA has been in conversation with the Country Club Manor Association and the Los Cerritos Neighborhood Association to explore and try to express our shared concerns about the proposal coming to Council July 7th, regarding Jet Blue's request to pursue the development of a Federal Inspection Facility at the Long Beach Airport. It has taken us some time to come up with a letter that represents the concerns we share on this issue, and I am including the full text of that letter, as well as attaching it below. We are also attaching an electronic copy of a memo sent from the previous Director of the airport to City Manager Patrick West. We believe this memo provides the factual basis for much of our concern about the proposal.

Having attended the Study Session and various other community meetings, we see no benefit to the City or its residents by moving forward with this proposal. The facility has already been determined not to benefit the City's financial position, and worse, could well turn into a financial liability for the City in the future were circumstances at the Airport to change. Our deepest concern - which has been strengthened rather than assuaged by the presentations from City Staff at the Study Session - is that the City can not guarantee that changing the dynamics at the Airport in such a dramatic manner would not lead to renewed challenges to the Noise Ordinance by outside groups who would be willing to pursue legal action to get their foot in the door at Long Beach Airport. We urge you and the Council to put a stop to this proposal rather than painting a target on the back of our Noise Ordinance. We are hopeful that many of the more than 3000 families living in our neighborhoods will be in attendance on the 7th to share their concerns.

Thank you, in advance, for your time and consideration in this matter,

Hugh Little
President, California Heights Neighborhood Association

June 29, 2015

Long Beach City Hall
333 W. Ocean Boulevard
Long Beach, CA 90802

Dear Mayor Garcia and Members of the City Council,

We are contacting you on behalf of residents in the California Heights, Country Club Manor and Los Cerritos neighborhoods. We are very happy with the positive changes we have been experiencing in our neighborhoods and business corridors (along Atlantic Avenue, Long Beach Boulevard and Wardlow Road) The many changes Long Beach has experienced in the past 25 years or so, including the closing of the Naval Base, the loss of our aerospace manufacturing, the loss of businesses after the 1992 riots and the 2009 economic turndown that affected the entire country have been challenging, to say the least. Despite these challenges, our part of town is clearly on the rebound.

Even with all the positives, our Airport has recently become a major concern for all 3 neighborhoods. For the past 20 years, we have enjoyed the delicate balance between a unique, region-serving airport and the residential neighborhoods that surround it. A key component of this balance includes the Noise Ordinance so many of us struggled to put into effect. Since the ordinance was put in place, the stability and protection it provides has been a positive for residents and businesses alike. Residents feel confident that they no longer need to move away from the airport to maintain their quality of life. This stability and confidence in our City government to protect the interests and well-being of Long Beach residents has contributed to the health of our neighborhoods and other areas. The ordinance has also played a huge part in the economic development of our area. We do not want to lose the gains we have made.

New businesses are moving in to our neighborhoods and long established businesses are being re-energized by the influx of new customers. We have a growing selection of restaurants in the Bixby Knolls section of Atlantic Avenue that was desolate and predominately vacant not long ago. The great strides made by Blair Cohn and the Bixby Knolls Business Improvement Association in attracting new business to our area have been wonderful. The activation of Atlantic Avenue with the First Friday's events and, most recently, the Beach Streets Uptown event showcased our wonderful neighborhoods and the progress they have made.

A key component to the rebirth of our area of Long Beach is the support of the surrounding neighborhoods. Our residents welcome every new business and everyone does what they can to help them succeed. This is economic development at the grassroots level. New businesses and services in our neighborhoods add to the walkability of our area and this is a big draw for visitors as well as new residents. As a result of all of these efforts, our property values continue to rise, which benefits the City's General Fund. The increase in local business revenues generates more City Sales Tax revenue as well.

California Heights, the largest Historic District in the City was voted Best in the West by Sunset Magazine and in 2012 was awarded Neighborhoods USA Grand Prize for Neighborhood of the Year. It was named the second hottest Real Estate Market in LA County by Redfin.com for 2015. The Cal Heights Neighborhood Association completed a 15 year long historic lamppost restoration project earlier this year. All original lamppost tops were replaced with original design tops on 288 lampposts. Funding was provided by private sponsorships, revenue from the Home & Garden Tours and Grant funding. Cal Heights also has a tree planting program (Cal Heights Re-Leaf) and does weekly trash pick-up in our business corridors every Thursday and the 405 freeway ramps at Atlantic Ave. and Long Beach Blvd. twice a month (Clean Streets)

Country Club Manor Association (CCMA) was founded June 20, 2012 for the purpose of cultivating community and upholding safety and security. CCMA was recognized in 2014 by 8th District Councilman Austin for outstanding work in the community. CCMA partners with local government, safety officials, businesses and organizations. CCMA keeps neighbors informed and beautifies the neighborhood. CCMA partners in maintaining over 200 trees they assisted in planting within the neighborhood and surrounding areas, including Scherer Park and the Atlantic Avenue corridor. The CCMA Alley Clean Team picks up trash, paints over graffiti and reports illegally dumped items through the GoLongBeach app every Saturday morning. CCMA hosts Community Watch meetings, Neighborhood Information sessions and socials. CCMA hosted the first Disaster Preparedness and Jazz Concert in 2014.

The Los Cerritos neighborhood includes one of the oldest areas in Long Beach, the historic Rancho Los Cerritos. Our neighborhood association builds on that heritage of over a century of love for this area. We work closely with our fellow residents to maintain the incredible sense of fellowship in the community. Our Concerts in the Park, tree plantings, candidate forums, holiday caroling, 4th of July activities and so much more helps maintain the energy and neighborly affection we have for each other. Information dissemination is another important duty the association takes on to ensure our neighbors are well informed about important events. The Los Cerritos Neighborhood Association is strongly supported by over 120 residents who voluntarily pay annual dues that help fund our activities.

Together, we represent healthy, thriving neighborhoods. They are healthy in the sense that residents are engaged with each other and their community. Our residents have pride of ownership and restore and maintain their properties. We watch out for each other. Healthy neighborhoods are beneficial to the entire City. The positive energy and attitude spreads to surrounding areas. The Long Beach Police Department considers our area "low maintenance," which is positive. Our crime statistics are down this year. Considering the challenges our area faces, statistically we should not be as healthy as we are.

Those of us who have lived in our neighborhood long enough to remember the lawsuits and conflicts surrounding the noise ordinance do not want to risk reliving these ghastly battles. We know that everyone on the Council and the Mayor have pledged to keep the noise ordinance as is and we appreciate that. Our worry is that everyone on the Council and the Mayor cannot guarantee the ordinance will not be challenged again. If we can learn anything from our history,

it is that eventually the ordinance will be challenged and the odds of this happening are increased exponentially with the addition of a Customs Facility at our Airport.

Long Beach is located less than 25 miles from two airports that offer international flights. We are not in great need of international flights out of our Airport. We are also concerned about the expense of the facility and the liability the City will assume if it is built. Residents are constantly told about the looming 7.9 million dollar budget shortfall for fiscal year 2017. How will the City afford the development of the Customs Facility? Is it wise to overextend the City's finances and risk eventually losing property tax revenue if the noise ordinance is successfully challenged? Is it worth it when, according to Mario Rodriguez, the former Airport Director, "Future revenues from a [Customs Facility] will only serve to mitigate the cost of the facility and will not further enhance the Airport's financial position?" The former Airport Director also mentions, "Any other benefit, such as marketability, is negated by the fact that all flight slots are currently assigned." Why should the City put its wonderful neighborhoods at risk when only existing airport operators will benefit from a new Customs Facility?

Our three neighborhood associations represent over 3,000 homes in Long Beach. We have worked hard to re-build our business corridors and enhance the stability of our neighborhoods. Since property tax revenue accounts for almost 25 percent of the General Fund, we respectfully ask that you stand in support of Long Beach neighborhoods and politely decline Jet Blue's request for a Customs Facility at Long Beach Airport. While we enjoy the existing Airport and appreciate Jet Blue's reputation and involvement in Long Beach, our opinion is that opening up our noise ordinance to any potential challenge is not worth the risk to the overall financial health of Long Beach.

We feel the risk to Long Beach's financial health comes from the nearly inescapable conclusion that, if challenged by an airline that wants a piece of Jet Blue's action, the Noise Ordinance will lose strength, as it has in the past. There is nothing to protect us from devastating consequences of the loss of the ordinance as measured by increased flights, and loss of the existing Airport noise control measures. Our neighborhoods will no longer be places where people want to move to spend the rest of their lives – but instead will become territory to flee. Property values, perhaps even city wide, will begin to decline, and the City's revenue will begin to decline accordingly.

Thank you for your thoughtful consideration of our concerns. If any of you would like to discuss the matter, please contact us. We are committed to Long Beach and our neighborhoods.

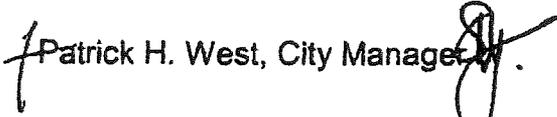
Best Regards,

California Heights Neighborhood Association
Country Club Manor Neighborhood Association
Los Cerritos Neighborhood Association



4100 E. Donald Douglas Drive, Floor 2
Long Beach, CA 90808
Tel 562.570.2619
Fax 562.570.2601
www.lgb.org

Memorandum

Date: November 14, 2013
To: Patrick H. West, City Manager 
From: Mario Rodriguez, Director, Long Beach Airport 
For: HONORABLE MAYOR AND CITY COUNCIL
Subject: FEDERAL INSPECTION SERVICE FACILITY

As a follow up to the memo dated August 1, 2013, pertaining to the development of a U.S. Federal Inspection Service (FIS), Airport staff has worked within the bounds of the Noise Ordinance and developed a feasibility study that analyzes the benefits and disadvantages of this type of facility and evaluates whether or not it would enhance or reduce the value of the Airport to the City. The Airport's main focus is to retain the integrity of the Noise Ordinance, while developing a financially sustainable model that will not affect current or future financial forecasts.

It is staff's opinion that, since additional debt and operating expenses could negatively affect the financial solvency of the Airport and thus the ability to remain competitive, guarantees (e.g. partial airline funding or airport/airline residual agreements) should be obtained from the user airline(s) to mitigate the Airport's financial exposure. In other words, the facility will need to be sustainable by generating additional revenues within the bounds of the Noise Ordinance. Any and all deficits should be mitigated by the user airline(s), regardless of the airline's actual yield in the market.

It should be noted that your Airport is financially stable, allowing the enterprise to retain cash in an amount equivalent to a full year of total operation, in order to mitigate any future uncertainties. Future revenues from an FIS will only serve to mitigate the cost of the facility and will not further enhance the Airport's financial position. Any other benefit, such as marketability, is negated by the fact that all flight slots are currently assigned, though not all are currently being operated pursuant to the language in the Ordinance and Resolution.

Benefits from an FIS include enhancements to our route structure, allowing Long Beach passengers to access more non-stop destinations such as Cabo San Lucas, Mexico, a potential increase in economic impact from international travel/tourism accessing Southern California through Long Beach, and this amenity can be used by our Fixed Base Operators (FBOs) not only to clear their existing international customers but to increase their market share. Disincentives

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November 14, 2013

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include not only increasing the Airport's financial exposure but also increasing the exposure to international threats.

It should be noted that the process of developing an FIS is arduous, ordinarily taking more than three years to complete and usually beginning with a request to U.S. Customs and Border Protection (CBP) to establish the Airport as a "port of entry". Should a user airline submit a proposal to the City, staff will evaluate and return to the City Council with a recommendation.

Should you have any questions, please contact Mario Rodriguez, Airport Director, at extension 8-2605.

MR:CCL:KG:km
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Attachment

cc: Suzanne Frick, Assistant City Manager
Tom Modica, Deputy City Manager
Jyl Marden, City Council Liaison