



Long Beach could get \$12-million for *Queen Mary* upgrades in deal with port

By Kristy Hutchings

The City Council will weigh the proposal on Tuesday, May 2

City of Long Beach and Port of Long Beach announced a partnership agreement that would provide support and investment for the Queen Mary.

Photo by Christina Merino, Press-Telegram/SCNG



A new proposed partnership between Long Beach and its port could provide \$12 million to fund ongoing investments in the *Queen Mary*, officials announced on Monday afternoon, April 24.

Under the proposal, the city would free up 13.9 acres of municipal-controlled land — which currently houses some of the city's oil operations — within the Port of Long Beach's jurisdiction, allowing executives there to lease the land to interested parties.

In exchange, the city would receive a \$12 million advance from the port to support the *Queen Mary's* return to the general public after a three-year closure — and half of any revenue created from future land leases.

"This is going to help expedite the *Queen Mary's* return to profitability," Mayor Rex Richardson said in a Monday press conference outside the ship. "The city's allocation of the new revenue share will be used to repay the advance — after which it will accrue to the city's tidelands operating fund to be used for various infrastructure projects in our shoreline area."

After the \$12 million is repaid, the additional new revenue could also be used to develop the 43 acres of land surrounding the *Queen Mary* to further promote two of Long Beach's core industries: Tourism and shipping.

"As the *Queen Mary* steadily generates more revenue from those attractions," said Councilmember Mary Zendejas, whose First District includes the legendary ship, "we will continue to be in a much better position to conduct additional future restorations and development for the ship and its surrounding 43 acres."

The deal still needs City Council approval. That body will weigh the proposal at its Tuesday, May 2, meeting. The Long Beach harbor commission last week authorized port Executive Director Mario Cordero to complete the deal with the city.

Long Beach won't completely end oil operations on the portions of land identified for the partnership. Instead, the city will scale back the magnitude of the operations in the 13-acre area.

"Some of the oil operations we have (are) underutilized, so we can shrink our footprint and create and open up new space," Richardson said. "Some of those operations that we are legally required to do still can operate, but they don't have to take up so much space."

The proposal, city officials said, serves several purposes, including aligning with the Grow Long Beach Initiative, which asked city staff to identify non-oil dependent revenue streams; securing a steady source of funds to support ongoing upgrades and preservation of the *Queen Mary*; and promoting Long Beach's tourism and shipping industries.

"This will also be a focused effort in the city's shift away from fossil fuels," Vice Mayor Cindy Allen said. "(The) 13.9 acres of former oil operating property will strengthen and grow transportation and logistics at the port, and, of course, new revenue streams will be created by private lease holders.

That \$12 million advancement will support our iconic *Queen Mary*," she added. "All of this together will, in turn, strengthen the broader tourism and hospitality sector here in Long Beach."

Port of Long Beach officials, meanwhile, said having access to additional acreage within their jurisdiction is invaluable: The land could be leased off to terminal operators, logistics companies or other interested parties once the deal is formally approved, said POLB Deputy Executive Director Noel Hacegaba.

"The real estate here at the port is one of the most highly desired — it's what we call prime real estate," Hacegaba said. "We believe that this land will attract many many suitors in the years ahead."



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Queen Mary has new boilers supporting the ship's environmental services which will help to increase tourism and hospitality, officials said.

Photo by Christina Merino, Press-Telegram/SCNG

The *Queen Mary* itself has already undergone a series of much-needed repairs, according to Public Works Department Director Eric Lopez.

A new bilge pump system has been installed and is expected to be fully operational within the next couple of months, he said, and a new emergency generator, heat boilers and exchangers are up and running. On top of that, the *Queen Mary* has also received a series of cosmetic, electrical and maintenance upgrades — with [some still ongoing](#) as the ship's operators prepare for a broader grand reopening in the coming months.

The *Queen Mary* reopened for public tours earlier this month after being shuttered for three years.

"It's a major improvement," Lopez said. "There's the critical safety, there's the bigger capital improvements, and then there's the maintenance or repairs that have all been going on in the last year.

"Sometimes," he added, "people don't realize how much work has been going on."

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The article is being shared with the SSHSA Southern California Chapter Membership as an update on the status of the *Queen Mary*.