

From: anngadfly@aol.com
Sent: Tuesday, April 1, 2025 2:28 PM
To: CityClerk
Subject: Item 25, 4/1/25 Queen Mary Amphitheater

-EXTERNAL-

Dear Decision Makers:

I urge a No vote on this item for the following reasons:

1. Although it is unclear from the site-plan map, it appears that this amphitheater will extend into Harry Bridges Park. You may remember that Harry Bridges Park was mitigation for the taking of the downtown Marina Park to build the Aquarium of the Pacific about 25 years ago.
2. In the last few years, colonies of nesting shore birds, including herons and egrets, are using the now mature trees in the park. These birds are considered coastal resources by the CA Coastal Commission and must be protected from lights and noise during breeding season, January through August.
3. There needs to be an Environmental Impact Report done to study the effects of an amphitheater on Noise, Light, Biological and Traffic in this location, either by the City or by the Harbor Department.
4. Previous traffic studies have shown that this location is not suitable for large crowds. Buses and shuttles have not worked in the past. At least a new traffic study should be done before approval.

Please do not waste precious, needed Tidelands funds on this bad idea.

Respectfully,
Ann Cantrell

From: Melinda Cotton <mbcotton@hotmail.com>
Sent: Sunday, March 30, 2025 9:06 PM
To: Rex Richardson; Roberto Uranga; Council District 1; Council District 3; Council District 2; Council District 4; Council District 5; Council District 6; Council District 8; Council District 9; CityClerk; Tom Modica; Laura Doud
Subject: Unwise \$15+ million Tidelands Fund expenditure for the QM Amphitheater on the April 1st Agenda(Item #25)
Attachments: \$15+ million Tidelands Funding for Queen Mary Amphitheater Coun Agenda 4-1-2025-staff report.pdf

-EXTERNAL-

Dear Mayor Richardson, Vice Mayor Uranga and Long Beach Councilmembers,

I urge the Council to turn down the recommendation to transfer more than \$15 million in Tidelands Funds to the Economic Development Dept. to fund a 'temporary' Queen Mary Amphitheater - the Tidelands Funds are needed to fulfill a multitude of existing critical commitments! It's inconceivable that "idle cash" is available.

However the QM Staff Report (*attached*) insists that's the case, stating: "...the Tidelands Funds has sufficient idle cash now to allow the City to pay for the estimated \$14 million project and the facility pre-opening services in an amount up to \$1.5 million." (*underline added*)

The City is already depending heavily on Tidelands Funds (largely generated from Tidelands oil production) for current and future projects, such as the LA28 Olympics, the crumbling Naples Sea Walls, the aging Belmont Pier, the Queen Mary repairs and preservation costs, disposal of the rusting, listing QM adjacent Submarine "Scorpion", the Colorado Lagoon Open Channel project, the Belmont Plaza Pool, Oil Well Abandonment Costs, protecting the Peninsula from flooding due to high tides and ocean surge, and the list goes on.

At the same time, the City is facing a serious loss of its major Tidelands revenue source. City Auditor Laura Doud in her June 2024 'Decline in Oil Revenue' Audit stated:

"The report [conducted by Consulting Petroleum Engineers] found the City is projected to have a decline in oil revenue up to \$301 million by 2035 due to oil production decline and the potential passage of Senate Bill 1137 (SB1137)." (*SB1137 was passed and signed by Gov. Newsom*)

<https://www.cityauditorlauradoud.com/wp-content/uploads/2024/06/Long-Beach-City-Auditor-Laura-Doud-Reveals-a-Projected-Drop-in-Oil-Revenue-Up-To-301-Million-by-2035-.pdf>

The City is relying on "special events" (mainly musical acts), and the projections of ASM Global Convention Center Management, LLC (ASM Global) to repay the City's costs. However the City will be

competing with numerous established event centers throughout LA and Orange County for talent and audiences. And there appears to be no guarantees of cost recovery.

Please say NO to this drain on Tideland Funds.

Melinda Cotton

42-year Belmont Shore resident

April 1, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to increase appropriations in the Tidelands Area Fund Group in the Economic Development Department by \$14,000,000 to fund design, permitting, engineering, project management services, infrastructure and site improvements, and furniture, fixtures, and equipment for the development of a temporary amphitheater, offset eventually by the venue's future net operating profit. (District 1)

DISCUSSION

The City has selected ASM Global Convention Center Management, LLC (ASM Global) to operate and manage a temporary amphitheater, a key initiative in advancing Long Beach's vision to become a premier national and international destination for music and entertainment. The amphitheater will span approximately five to six acres along Queens Highway, adjacent to the Queen Mary and Harry Bridges Memorial Park. Planned to accommodate 10,000 to 11,000 attendees, the venue will feature a mix of floor, grandstand, and box seating, a pit configuration, VIP sections, and food and beverage concessions. In line with the City's commitment to accessibility and sustainability, plans for shuttle services and dedicated ride share amenities will be implemented to enhance transportation options for attendees.

Staff have initiated the development of conceptual site plans, architectural designs, engineering drawings, and technical studies for the amphitheater project. Staff have also conducted research to obtain preliminary cost estimates for consulting services, infrastructure and site improvements, and furniture, fixtures, and equipment (FF&E). The project budget for the temporary amphitheater is estimated at \$14 million. Of this amount, an estimated \$10 million is required to develop the amphitheater and \$4 million is required for essential parking lot improvements, many of which are required to maintain public accessibility and maximize the use of the Queen Mary site regardless of the amphitheater project. Additionally, it is expected that an amount up to \$1.5 million will be funded by the City to fund facility pre-opening services provided by ASM Global, including operations, sales, general, and administrative expenses, and monthly management fees.

Below is a non-exhaustive summary of planned expenses for the amphitheater's development:

Consulting Services

- Design, construction, and inspection services
- Project management and oversight

- Permitting, technical studies and plans, and regulatory compliance

Site Improvements

- Asphalt improvements
- Storm and drainage infrastructure
- Parking lot signing, striping, and wheel stops
- Security bollards
- Curb and sidewalk improvements
- Utility upgrades

FF&E

- Performance stage
- Grandstands and seating
- Artist VIP rooms
- Accessory modular buildings
- Portable restrooms
- Audio and visual systems
- Lighting, fencing, and shade structures

Staff are developing a strategy to procure the necessary FF&E and complete essential site improvements. Under the Amphitheater Operator Agreement, ASM Global will contribute an additional \$1 million toward the amphitheater project. The City and ASM Global will work together to develop a plan for allocating these funds, with priority given to food and beverage equipment needs, followed by FF&E costs as applicable. Upon approval of the amphitheater project budget, staff will begin the process of securing contracts for consulting services, site improvements, and FF&E.

The majority of site improvements are expected to begin in July 2025. Many of these upgrades are necessary regardless of the amphitheater project to improve the condition of the area's parking lots and address liabilities such as tripping hazards from uneven and deteriorating asphalt. The purchase and installation of the amphitheater's performance stage, grandstands, and other FF&E are tentatively scheduled between May 2025 and Spring 2026. The performance stage and grandstands are tentatively planned for installation by November 2025, with all remaining FF&E completed by Spring 2026. If special events are held before the amphitheater is fully developed and operational, any necessary FF&E will be rented as needed. Additionally, if the City plans concerts or special events before the Spring 2026 season, a separate budget request may be required to cover costs such as artist bookings, equipment rentals, staffing, and other related expenses.

Preliminary financial projections provided by ASM Global estimate that the amphitheater will

generate a net operating profit of \$981,434 for the City in its first year, increasing to over \$2.8 million by its third year of operations as event volume and attendance grow, with steady growth around 3 percent every year after. Over the first five years, the preliminary net operating profit for the City is projected to reach approximately \$12 million. Although the project is a temporary venue, the expected lifespan could be around 10 years. Over a ten-year period, the operating revenue could exceed \$26 million. Additionally, new parking revenue to City-owned assets is estimated at \$6 million, and additional sales tax and transient occupancy tax could produce another \$11 million in revenue.

The projection is strongly linked to the actual design of the venue, number of events it hosts, along with other factors including but not limited to turnout and ticketed sales price, which will have a direct impact on sales, concessions, parking, and other revenues. The current projections are based on an average \$23.80 per person spent on food and beverage. A \$5 increase in that average per person spend could increase the amphitheater's net operating profit to over \$15 million over five years. The national average food and beverage spending in 2024 was \$31 per concert attendee.

This matter was reviewed by Deputy City Attorney Ashleigh Stone on March 13, 2025, and by Budget Management Officer Nader Kaamoush on March 17, 2025.

TIMING CONSIDERATIONS

City Council action is requested on April 1, 2025, to appropriate funding for the amphitheater project.

FISCAL IMPACT

The estimated cost to develop the amphitheater project is \$14 million. The project budget will fund consulting services, site improvements, and furniture, fixtures, and equipment required to open the amphitheater. An appropriation increase in an amount of \$14 million is requested in Tidelands Area Fund Group in the Economic Development Department to set the project budget and begin development in efforts to complete the project by Spring 2026. As additional contracts and agreements are needed to complete the project, Staff will return to City Council to request approvals funded by the project budget. Additionally, it is expected that an amount up to \$1.5 million will be funded by the City to facility pre-opening services provided by ASM Global, including operations, sales, general, and administrative expenses, and monthly management fees. An appropriation request for pre-opening cost will be included as part of staffs request to award the amphitheater's operation and management agreement. If the City plans concerts or special events before the Spring 2026 season, a separate budget request may be required to cover costs such as artist bookings, equipment rentals, staffing, and other related expenses.

As a result of cash being held to ensure the timely funding of large City Council approved capital projects serving as a financial cushion until the expenditures are initiated, the Tidelands Funds has sufficient idle cash now to allow the City to pay for the estimated \$14 million project and the facility pre-opening services in an amount up to \$1.5 million. These costs would then be repaid to the Tidelands Funds from the projected net venue operating profit, thus obviating the need to issue debt for the relatively short-lived capital asset. This also eliminates the need for the City to

pay interest on issued debt. Based on preliminary financial projections provided by ASM Global on the venue's net operating profit, staff estimate a full reimbursement to the Tidelands Funds may take three to five years from the amphitheater's opening, though this timeline could be shortened if financial performance exceeds expectations. The amphitheater is a unique revenue generating opportunity for the City in the Tidelands, and will provide additional economic impact to the City in the form of increased sales tax, transient occupancy tax, and parking revenue as local businesses, hotels, and City-owned parking assets benefit from spending by amphitheater attendees. Funding this project with Tidelands funds is not expected to impact any currently funded Tidelands projects. In the event that additional resources are needed, the City will utilize future one-time dollars or Tidelands reserves to ensure that all prior commitments to existing budgeted projects remain unaffected.

Implementation of the amphitheater project is expected to require a moderate staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The project will provide continued support to Long Beach's economy by creating both permanent and temporary jobs for the development, management, and operation of the amphitheater. Additionally, it will generate indirect jobs through the economic multiplier effect created by spending from amphitheater attendees.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Bo Martinez
Director
Economic Development

APPROVED:



THOMAS B. MODICA
CITY MANAGER

ATTACHMENTS: AMPHITHEATER CONCEPTUAL SITE PLAN
AMPHITHEATER RENDERING 1
AMPHITHEATER RENDERING 2



March 31, 2025

Long Beach City Council
411 W. Ocean Boulevard, 11th Floor
Long Beach, California 90802

Subject: Letter of Support for Items 24 and 25

Dear Honorable Mayor Richardson and Members of the City Council,

On behalf of the Downtown Long Beach Alliance (DTLB Alliance), I write to express our strong support for Agenda Items 24 and 25 on the April 1, City Council agenda, which together represent a critical and forward-looking investment in a new waterfront amphitheater near the Queen Mary.

The DTLB Alliance is a non-profit organization that represents more than 1,400 businesses and 4,000 commercial and residential property owners within the two Business Improvement Districts (BIDs) in Downtown Long Beach. As one of the leading voices for the Downtown community, we believe this project will serve as a catalyst for sustained economic and cultural growth for downtown, the small business community and for our city as a whole.

This new venue is more than just a performance space—it is a strategic activation of our waterfront that aligns directly with the City's broader Entertainment Strategic Plan. Hosting 30 to 40 events annually, the amphitheater is expected to draw hundreds of thousands of new visitors to Long Beach each year. These audiences will translate to real, measurable benefits: increased hotel stays, more foot traffic in our business corridors, and added vibrancy throughout Downtown.

Investing in this infrastructure now is a smart use of Tidelands funds, one that will pay dividends for years to come. It also positions Long Beach to elevate its entertainment offerings and prepare for the global spotlight during the 2028 Olympic Games.

While our primary support lies in the development and funding of the amphitheater, we would also like to express our confidence in ASM Global as the recommended operator. As the current managers of the Long Beach Convention & Entertainment Center, ASM Global has been a productive and reliable partner, and we look forward to seeing that relationship expand to this new venue.



**DOWNTOWN
LONG BEACH
ALLIANCE**

Thank you for your thoughtful consideration, and we urge your strong support for Items 24 and 25. The Downtown Long Beach Alliance looks forward to collaborating with the City to continue strengthening Long Beach's creative economy and waterfront destination appeal.

Sincerely,

A handwritten signature in black ink, appearing to read 'Austin Metoyer', with a long, sweeping horizontal line extending to the right.

Austin Metoyer,
President & CEO
Downtown Long Beach Alliance

From: Mike Kowal <mikekowal4you@aol.com>
Sent: Tuesday, April 1, 2025 2:33 PM
To: anngadfly@aol.com; CityClerk
Subject: Re: Item 25, 4/1/25 Queen Mary Amphitheater

-EXTERNAL-

I agree with you.

[Sent from the all new AOL app for iOS](#)

On Tuesday, April 1, 2025, 2:28 PM, anngadfly@aol.com <anngadfly@aol.com> wrote:

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Respectfully,
Ann Cantrell

From: Joe Weinstein <jweins123@hotmail.com>
Sent: Tuesday, April 1, 2025 2:56 PM
To: CityClerk; Mayor; Council District 1; Council District 2; Council District 3; Council District 4; Council District 5; Council District 6; Council District 7; Council District 9; Council District 8
Subject: Items 24 and 25 on LB City Council Agenda today 1 April 2025

-EXTERNAL-

For the public record:

Hello Long Beach City Council Members and others concerned:

Items 24 and 25 on your agenda propose a needlessly problematic way to realize what may (or maybe not) be a good idea.

Absent knowledge and commitments which are lacking both in the staff reports and in the actual proposals, the proposed outlays and approvals are at best premature.

Note that the items appear in reverse of their logical order. Item 24 makes sense only if Item 25 is approved.

ITEM 25 calls for APPROPRIATION NOW OF \$14 MILLION IN TIDELANDS FUNDS to fund planning, furniture and site development for a 'temporary' (i.e., episodically operated) amphitheater near the Queen Mary.

ITEM 24 calls also for UPFRONT PAYMENT NOW OF \$1.5 MILLION for 'pre-opening services' PLUS APPROVAL NOW FOR PAYING ANOTHER \$1.5+ MILLION for a 5-year contract for 'operations', 'sales', and other services.

Comment ON ITEM 25. The proposal to create such an amphitheater is based on two key premises: (1) The amphitheater's existence will result in additional local mass concerts. (2) Those extra concerts' revenues will eventually repay and profit the City more than the upfront costs.

The staff report emphasizes that the LA area is a prime venue for mass concerts. This fact in itself does not show that more concert sites are needed or would be profitable. The report anyhow goes on to project that a new amphitheater would result in agreeable numbers of extra local concerts and revenues.

However, the *actual proposals* (both items 24 and 25) before you contain *no hard commitments or contractual requirements* to support and implement the premises and projections, let alone justify any of the proposed outlays and approvals.

Comment on ITEM 24. *The payments proposed to be made or approved now would be for future expenses of an amphitheater which does not now exist and whose degree of use and profitability are now only rosily projected.*

Common Sense Question. Even if we assume optimistically that the amphitheater will likely eventually be profitable, *why should the City adopt the proposed role in project development: a cash-up-front risk-bearing role?*

Common Sense Observation. Are the projected concerts and their revenues such a sure thing to be a great cultural and financial bonanza?

If YES, then instead of the City bearing the risk and paying to promote concerts, it should be the other way around: promoters should be invited to - and will be keen to - pay the City to lease the site for concerts there.

CONCLUSION. There are serious issues of traffic and emergency exit related to staging any mass event at or near the proposed site.

A further serious issue is why the City should rush now to commit to a new use of Tidelands funds which are known (even in absence of a much awaited audit) to be already stressed to provide for agreed priority uses.

But even if these other issues are resolved, the above questions remain:

Why should the project be conducted as proposed?

Why should City taxpayers and Tidelands resident stakeholders be on the hook for payments now and risks down the road – payments and risks which are needless if the project really is such a great idea?

Cordially,

Joe Weinstein

