

## **Press Releases**

**05/16/2009 | City Auditor Laura Doud Releases Queen Mary Capital Improvements Audit**

Audit warns that operators have fallen behind on agreement with City Long Beach City Auditor Laura Doud has released the Queen Mary Capital Improvements Audit. The purpose of the audit was to ensure that operators of the City-owned ship complete certain capital improvements required under its agreement with the City. The audit found that Save the Queen (STQ) completed \$2,039,000 of \$2,800,000 in capital improvements required through December 31, 2008.

“This audit serves as a warning that Save the Queen has fallen behind on its obligation to improve the ship,” said City Auditor Laura Doud. “However, they have represented that they will expedite improvements to this important City asset so as to meet the next deadline of December 31, 2009.”

In November 2007 the City of Long Beach signed an agreement with STQ in which they agreed to make \$5,300,000 of capital improvements through December 31, 2010 in exchange for the City’s waiver of the percentage portion of their rent. The agreement required STQ to perform a minimum of \$2,800,000 of these approved capital expenditures by December 31, 2008, and \$4,300,000 by December 31, 2009.

The Queen Mary Capital Improvements Audit has been agendaized for the City Council meeting on June 23, 2009.