

LAEDC Assists Aerospace Manufacturer as It Expands to Fulfill New Federal Contract



When a major corporation landed a new federal contract, LAEDC made the case why much of the work should be done in Northridge, and then helped ease the way to the expansion that allows it to retain 225 employees and hire 90 more.

Industry Cluster: Aerospace manufacturer

Location: Los Angeles County, Northridge

LAEDC's Assistance: Helped a local facility make the case why its parent company should expand in Northridge and then facilitated quick permit approval for needed tenant improvements.

Outcome: The aerospace manufacturer has expanded its facilities and has begun hiring 90 new employees to supplement its existing 225-person workforce.

Nearly a year ago a major aeronautics corporation with facilities all over the United States, including Northridge, got a major new federal contract. Expansion at some facilities and consolidation at others would be required and the corporation systematically went through the company to find the right place to focus the activities for the new contract. One of the most important factors it planned to consider was the cost of whatever move it decided to make.

Representatives from the California Governor's Office of Business and Economic Development (Go-BIZ) and the LAEDC went to work to help the Northridge facility – which already had 225 employees and, if selected, would hire 90 more – make the best case why it should be the site of the company's expansion.

LAEDC's representative, regional manager Benjamin Brus, along with Go-BIZ and a private consultant, prepared a potential package of state tax incentives,

training programs and workforce development resources that the company could take advantage of.

The good news came in mid-August.

“The company did decide to expand in Northridge,” Brus said, “and beat out the other potential sites.”

But Brus’ work was just beginning. With the clock ticking on approaching deadlines to fulfill the federal contract, the company had a tight schedule to make tenant improvements and structural modifications to accommodate the expansion.

Company officials knew that the city permit approvals they would need could take as long as eight to 10 weeks. They also knew that schedule would not work if they were to meet their federal contract obligations.

“They told me, ‘We need a liaison to help us with the city,’” Brus said, “and I told them that’s exactly what I do.”

Brus secured the cooperation of the local city council representative and worked closely, sometimes on a daily basis, with the Los Angeles Building and Safety Department.

“Fortunately,” he said, “the city was very responsive.”

City officials worked overtime to complete the permitting process on the tenant improvements and that eight- to 10-week timeline was cut in half. The company was up and running and ready to work full time on the new contract by early January.

At the same time, Brus and LAEDC, Go-BIZ and the company’s consultant were working through state tax incentives and workforce development and training initiatives that would make it easier to add those 90 new jobs to the 225 already in place.

As a result, the company has already received a \$2.1 million tax credit from the California Competes Tax Credit program and a \$300,000 state Employment Training Panel contract to help with workforce development training for the 90 new employees (each of which carries a job multiplier of 2.5 to 3.0, meaning suppliers and subcontractors will also hire that many new employees for each one the aerospace manufacturer does).

Although the expansion is complete, Brus is still working with the company to find additional benefit and workforce development options.

“Your assistance and advocacy has helped us sustain our strong presence in the San Fernando Valley and the 225 employees we currently employ here in Northridge,” the company’s senior facilities operations manager said, “and add to that number throughout our expansion.”