

We launch
everything from
satellites to start ups



ELSEGUNDO

Where big ideas take off.

www.elsegundobusiness.com



1. Overview

2. Data-Driven Metrics

- Why El Segundo is the Most Important Five Square Miles, Economically, in Southern California

3. Cost Advantage

THE CITY OF EL SEGUNDO is a thriving coastal community in Los Angeles County that is centrally located and a hotspot for new companies to relocate or expand. Traditionally known as a hub for aerospace, El Segundo is also home to many Fortune 500 companies as well as tech startups, bioscience giants and creative media firms. The City is renowned for maintaining a quaint, small town atmosphere coupled with a vibrant and diverse economy that includes leaders in aerospace and defense, biotech, professional sports, design, information technology, energy, entertainment, real estate and creative media.



A diverse economy, high-skilled talent pool, cutting-edge commercial real estate, ideal South Bay location, and a business-friendly tax structure attract start ups and major corporations alike to El Segundo.

El Segundo is Innovative, Vibrant and Growing



El Segundo is a city that designs, creates and manufactures cutting edge technology and is known as an ideal location “Where Big Ideas Take Off”.

Named twice as the “**Most Business Friendly City**” by the Los Angeles County of Economic Development Corporation, El Segundo offers among the best real estate values in the region, significantly lower business tax rates, highly-skilled talent pool, and unequal connectivity to greater LA, the metro and major freeways, in addition to beautiful residential neighborhoods and a vibrant downtown, stunning ocean views, and award-winning school districts.



Big Business City with Small Town Charm



El Segundo is a coastal town with a South Bay vibe. The City offers all the natural elements of fun and adventure you'd expect from a beach city. Residents enjoy classic California living with ocean breezes and a healthy outdoor lifestyle.

The city has a mile long beach located between El Porto and Dockweiler. El Segundo has preserved its small town roots with its charming parks, sprawling athletic fields, and an architectural landmark as its high school.



Close to All LA Has to Offer, but Feels Worlds Apart



There are tree-lined neighborhoods with award winning schools, parks, athletic fields, as well as a wealth of dining and retail experiences that range from historic Main Street to modern lifestyle centers. All of which are set within a thriving business community that offers a variety of modern and well-designed commercial spaces.

Great schools, safe neighborhoods, and plenty of recreational activities make El Segundo one of the best places to live in SoCal.

Highly-Skilled, World-Class Talent



With over 900 PhDs that work at the Aerospace Corporation alone, El Segundo is home to the brightest minds across industry sectors, including leading experts in aerospace and defense, biosciences and emerging technology.



Why Top Companies Build and Move Their Headquarters to El Segundo



LOW COST TO OPERATE

- Lower Commercial Lease rates
- Lower Business Tax Rates than Neighboring Cities
- No City Adopted Sales Tax
- 3% Utility Users Tax
- 2% Telecommunications

INCENTIVES & RESOURCES

- Sales and Use Tax Credit
- Expedited Permitting
- Site Selection Assistance
- After Hours and On-Call Inspections
- Market Data Resources
- Dedicated Business Liaison

A **40% sales and use tax credit** based on sales and use tax generated in one year is available. This credit may be used to offset up to 100% of the business license tax liability in the year after being reported.

Business License Tax Money-Back Guarantee Program refunds one year's worth of business license tax, if the business decides to leave the City within one year.

El Segundo is the Most Important Five Square Miles, Economically, in Southern California



Here's why...



1. Large Employers

- Major Contributors to the SoCal Economy

2. Top Employers are Global Market Leaders

3. Fastest Growing Companies in the Nation & County

4. Hub for Innovators, Entrepreneurs & Startups



El Segundo is a Major Contributor to SoCal's Diverse Economy.

~LA Business Journal

Home to several of the nation's most prominent corporations. **Seven of LA County's Largest Employers** in the private sector are in El Segundo.



13 of LA's Largest Private & Public Companies are in El Segundo

~LA Business Journal



Fortune 500 Leaders Thrive in El Segundo



Booz | Allen | Hamilton



Four of TIME's
100 Most
Influential
Companies are
in El Segundo

~TIME Magazine 2021 List



BEYOND MEAT®

S A V A G E  F E N T Y

LINGERIE BY RIHANNA

Seven of the Fastest Growing Companies in LA County are in El Segundo

~LA Business Journal

Several of the region's fastest growing private companies call El Segundo home.

Seven of the 100 companies on the Los Angeles Business Journal 2021 list are based in the City.



El Segundo is Home to 13 of The Fastest Growing Companies in the U.S.

~Inc. Magazine



thinklogic



mission



BELLWETHER 

The City is home to several of the nation's fastest growing private companies, **13 of the 5,000 US companies on the Inc. 2020 list are based in El Segundo** - 5 more than Culver City, Hawthorne, Manhattan Beach, and Beverly Hills combined.

67%

of all South Bay tech and media firms are located in El Segundo

1,624,000 SF

Total tech footprint with E-commerce as the top category occupying 425,000 SF

MEDIA & TECH

The largest hub for the media and tech industry in the region



Big Door



Big Block



The concentration of technology and creative media firms in El Segundo has been on the rise in recent years.

Source: CBRE's 2020 Tech & Media Book

\$2.3B

in economic output by
creative industries

5,888

creative industry
workers

ENTREPRENEURS, STARTUPS & CREATIVE ECONOMY THRIVE



Source: Beacon Economics

36%

creative industry
growth, triple the
pace of LA County &
California

1.4%

of all creative
industry workers in
LA County are based
in El Segundo

ENTREPRENEURS, STARTUPS & CREATIVE ECONOMY THRIVE

El Segundo outperforms
LA County and California
in overall industry growth

Source: Beacon Economics

GLOBAL + REGIONAL IMPACT ON AEROSPACE

"A huge part of our nation's space industrial base, our innovation, our capability to field the systems that we do, is right here."

~Lt. Gen. John F. Thompson, SMC Commander, LAFB

El Segundo is headquarters to the new **U.S. Space Force Space Systems Command** at Los Angeles Air Force Base.



\$9B

annual budget

\$1.8B

annual economic impact

11,000

jobs

"This is a critical investment in California's vital aerospace and defense industries, and it represents a slew of good-paying jobs as we continue to rebuild our economy better than before."

~ CA Gov. Gavin Newsom

DEVELOPING LIFE-SAVING TREATMENTS THAT WILL HAVE A GLOBAL IMPACT

Groundbreaking research, cancer therapies and a COVID-19 vaccine are being developed in El Segundo

"Unless we vaccinate the entire planet, we won't get rid of this pandemic."

~ Dr. Patrick Soon-Shiong,
executive chairman and
founder of ImmunityBio

Chan Soon-Shiong
Institute for Medicine
Immuno-Oncology Network
Mariposa





El Segundo's Cost Advantage

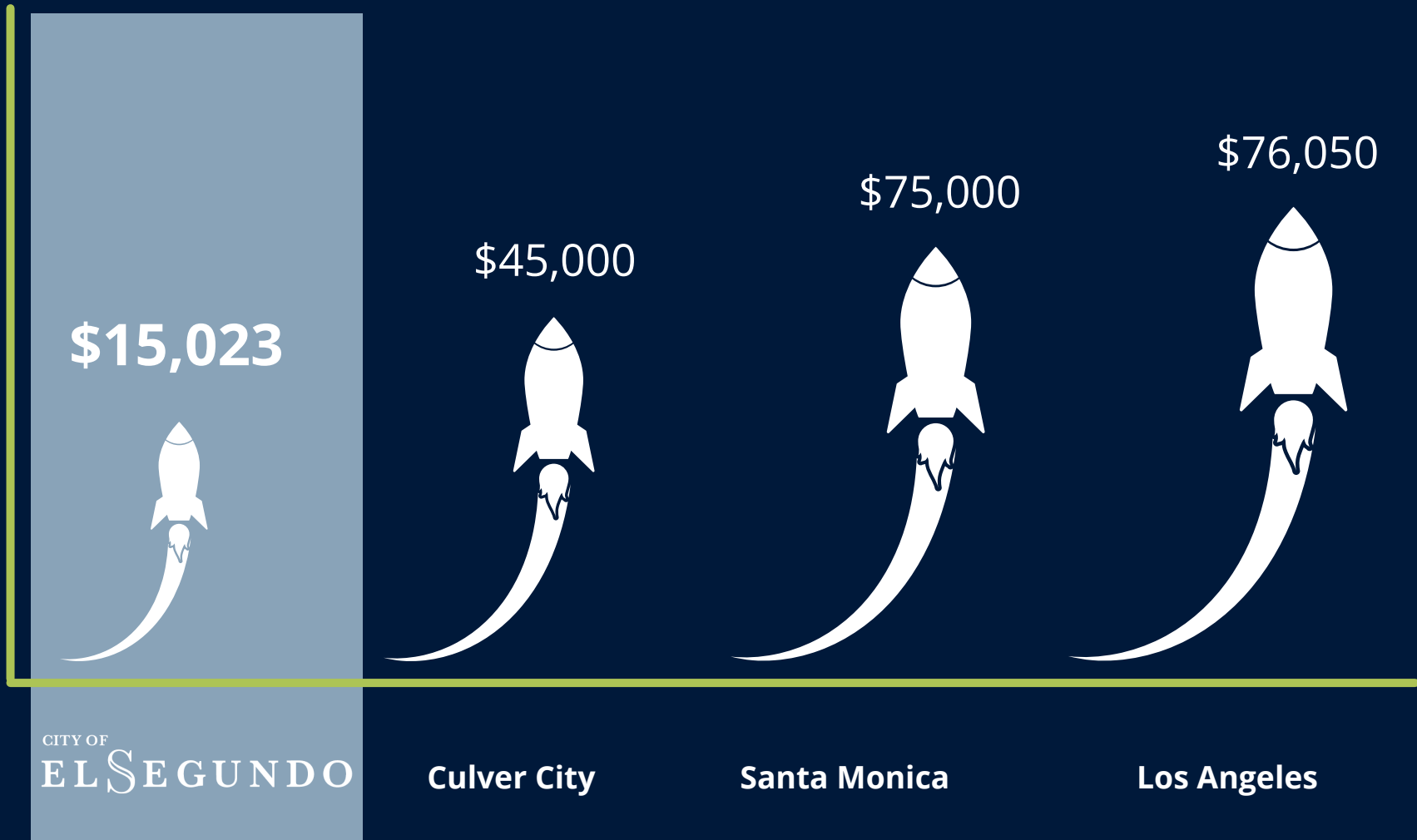
An aerial photograph of a city, likely El Segundo, California, showing a dense urban landscape with various commercial buildings, parking lots, and a prominent green field with a large 'H' logo. The text is overlaid on the top half of the image.

This award-winning City offers businesses a great value compared to neighboring cities.

The City offers a unique sales and use tax credit that can reduce business license fees even further. With a range of commercial office space options, lower lease rates than the competing neighboring cities, and a favorable tax structure, El Segundo has become a preferred alternative to the pricier and denser West LA and Downtown LA markets.

With NO gross receipts tax, El Segundo's business-friendly climate makes it one of Los Angeles County's hottest & fastest growing hubs for businesses.

Business Tax Comparison



Annual tax for the first \$15MM in receipts for companies of 100 employees and 15,000 SQ FT.

The City Boasts One of the Most Favorable Corporate Tax Structures in LA.

~CoStar



Office Market is 18% More Affordable than the Westside ~ JLL

El Segundo has been one of the more active locations for office development in recent years, and the current construction pipeline is also robust.

The City has been one of the most active locations for office sales in recent years.

Although recently volumes in office sales have been modest and vacancies steadily rising due to the challenges posed by the pandemic, El Segundo is likely to recover quicker than other markets due to diversity in tenant makeup. El Segundo's core economic sectors include aerospace and defense which remain stable.

El Segundo is an Affordable Alternative to the Pricier Westside, both Before and During COVID-19

Santa Monica
\$5.53

Culver City
\$4.51

West Los Angeles
\$4.29

El Segundo
\$3.81

Average Asking Rents by Submarket for Class A Office Buildings



Leading the Region in Commercial Development

El Segundo boasts
-10MM SF office
space in 2SQ MI

-1 M SF of office
space is currently
under construction





El Segundo's Diverse & Cutting-Edge Commercial Real Estate Remains Unrivaled

In 2020:

- The only South Bay city with new office space in development, showing strength and resilience amid COVID-19 economic turbulence.
- The only city in the South Bay that gained more rented office space than it lost.
- The largest contributor to the South Bay's significant positive net absorption.

Source: CBRE



El Segundo has many more opportunities for development than other South Bay cities. It's rich in opportunity for repositioning old buildings that have great bones to create amazing spaces.

Commercial developers continue to select El Segundo as the ideal spot for exciting new projects. Several new creative office campuses and key expansions are currently in the works, with more on the way.



For any questions about business development in El Segundo,
please contact us or visit our website.

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