



EL SEGUNDO

A smart  
business  
move

2018

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Thank you to Chevron Products Company for their support of economic development in El Segundo.



## EL SEGUNDO

Over the last 100 years, no other city or the contributions of its corporate citizens can match the creative, cutting edge technology and manufacturing of El Segundo. We are the aerospace capital of the world and home to many Fortune 500 companies including Mattel, one of the world's largest toy manufacturers, and AT&T, one of the world's largest communications companies.

Consistently over the years, our city has followed a hands-on and active approach in partnering with our businesses. El Segundo makes it their business to help yours. In the following pages, you will learn more about how the city offers among the best real estate values in the region, lower tax rates, lower rents, a skilled workforce, and an experienced city staff that welcomes you with open arms.

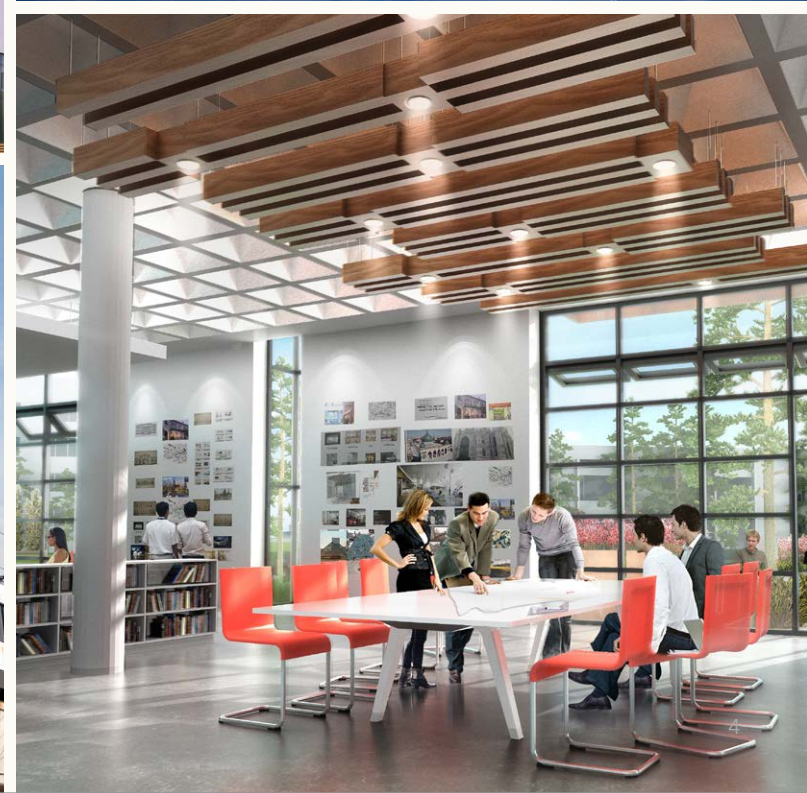
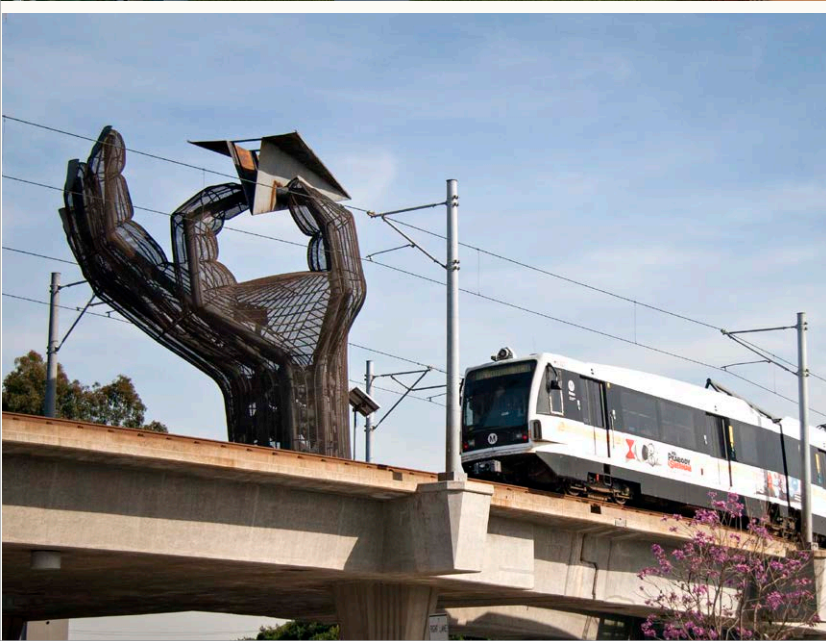
El Segundo is poised for a new generation of entrepreneurial excitement, energy and invention, inspired by the success and magnitude of their predecessors. Business thrives here. It always has. It always will. And while some of the companies in El Segundo will continue to lead the world, others have set out to change it.

On behalf of the city, it is an honor to welcome you to this thriving place. We hope to see you soon.

Sincerely,  
Suzanne Fuentes

A handwritten signature in black ink, appearing to read 'Suzanne Fuentes', with a long horizontal flourish extending to the right.

Mayor



# II. BUSINESS

El Segundo is a town that means business. Its origins are rooted in business as “The Second” Standard Oil Refinery took shape, followed by the nearby airport and a booming aerospace and defense industry. El Segundo is a place for serious business. And just as important, it’s a place where the braintrust of the country has been centralized. With over 800 PhDs that work at the Aerospace Corporation alone, El Segundo is home to the brightest minds across all technology sectors. It’s part of its culture. It reflects well on the image of a company to stake its claim here. A town that is serious about its business, and serious about yours.

**Notable Fortune 500 Companies:**



HEALTHY & BALANCED



★ BRACE YOURSELF FOR SUCCESS

# TeleVox

*and Wpromote make a great team*

*In 2004*

WPROMOTE HAD ONLY 3 EMPLOYEES

ALL NAMED MIKE

ALL 3 ARE STILL HERE AND

\*\* CEO, COO &



BOWLING CHAMP

*Alison Quinn Angel*

HOLDS A RECORD SCORE OF 202!

Passion

LY ECLIPSED

OUR CLIENTS SUCCEED

KLIST

OUR FIRST

offered

Mike Mothner, Founder & CEO  
Wpromote

# Entrepreneurial Spirit

El Segundo is an economic powerhouse. The synergy of a unique mix of industries, the local entrepreneurial spirit, and an abundance of highly-skilled labor accounts for the business success found in this truly one-of-a-kind business environment.

Aerospace and defense, information and emerging technologies, creative services, sports, media, and financial and professional service industries are all well represented and positioned for success in El Segundo. Excellent infrastructure plus an ideal location with convenient access and worldwide connectivity top off the list of factors that make El Segundo the perfect place to conduct business.

## Notable Companies:





**Vince Reno**, President and **Stan Dubyn**, Chairman & CEO  
Millennium Space Systems

# World-Class Talent

Competition is fierce in the business world. Firms across all industry sectors are challenged to find and retain experts and find resource partners to build business capabilities and compete. El Segundo is the place to be; whether you're an employer in search of world-class talent or a professional seeking a cutting-edge job opportunity. With our sizable Fortune 500 corporate base and high concentration of start-up and creative sector firms, El Segundo has an entrepreneurial and highly-experienced labor force working on some of the latest, most complex and challenging programs in the world.

## Top 20 Employers:





## III. INCENTIVES

As a full-service city with approachable staff that puts its constituents first, El Segundo is able to deliver superior business-friendly services with a proactive, personalized focus and attention to the needs of businesses and residents alike.

### **TAXES**

El Segundo has a favorable tax structure that not only features some of the lowest business taxes in the region, but also offers unique tax credit incentives that can reduce those fees even further. Furthermore, city departments provide streamlined permitting and plan check processing that avoid delays typical in many other municipalities.

Currently, a 40% tax credit based on sales tax generated in one year is available. This credit is based solely on the 1% local sales and/or use tax allocated to the city. This credit may be used to offset up to 100% of the business license tax liability in the year after being reported.



\$14,246



\$45,000



\$67,500



\$75,000

El Segundo

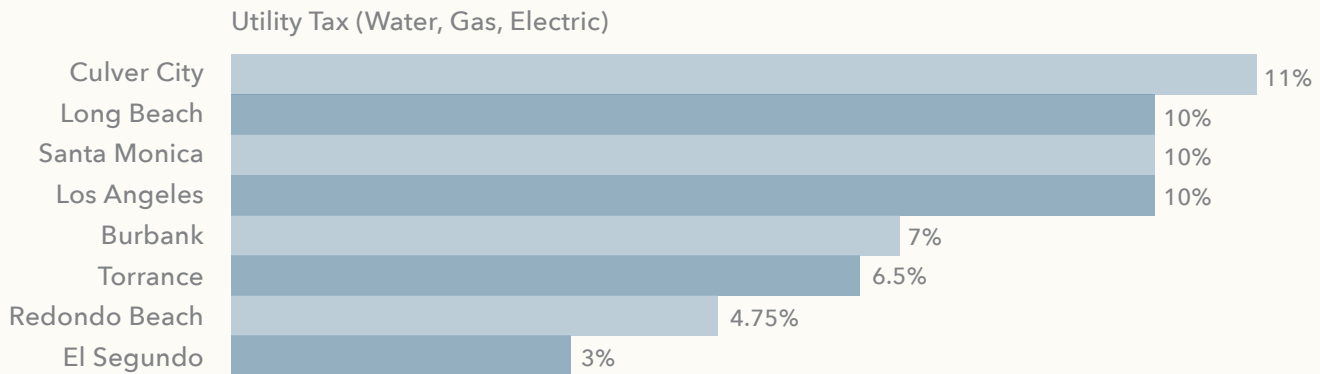
Culver City

Los Angeles

Santa Monica

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

**Utility User Tax Comparison:** The following chart illustrates comparable utility user taxes among notable communities within 30 minutes of El Segundo:



**No Property or Parking Taxes:** As a no/low property tax city, El Segundo does not and has never levied its own municipal property tax. El Segundo’s allocation from the County is 6.4% of \$1.00 per \$100.00 of assessed valuation. The City has also never levied any parking taxes.

**Sales and Use Tax Credit:** You may be entitled to a sales tax credit if sales tax is collected and apportioned to the City of El Segundo.

This credit is based solely on the 1% local sales and use tax allocated to the City and is calculated on the actual amount of sales and use tax received by the City. This credit may offset up to 100% of the business license tax. You may also be eligible for a use tax credit if use tax is paid to the State Board of Equalization using a Direct Pay Permit. For information on applying and establishing a Direct Pay Permit, contact the Business Services Manager at 310.524.2332.

**Business Taxes:** Listed below are general business license fees only. These fees will not necessarily apply to all business types. Additionally, there may also be other required permit or inspection fees depending on your business activity. Contact the Business License Department at 310.524.2317 for help in determining your exact business license tax.

General Business, Office, Retail, Wholesale, Manufacturing & Personal Service:

Base Tax	First 10 employees & 5,000 sq ft	\$104.40
Employee	Per employee over 10	\$129.35
Square Footage	Per sq ft over 5,000	\$0.25
Home Occupation	Flat fee	\$24.90
Contractors (General)	Engr(A), Bldg(B), Elec(C), Plmb(C36)	\$151.90
Contractors (Specialty)	All classifications (except C35)	\$104.40

## PERMITTING

El Segundo offers businesses a streamlined permitting process that includes a range of plan review services intended to meet our customers' expectations. Planning and Building Safety staff serve as the customer advocate; the person that assists customers in completing the development process.

In El Segundo, customers are not required to submit plans to each of the departments separately. Plans are submitted through a single point of contact, Planning and Building Safety. Several departments are involved in the plan check and approval process, but one permit is issued with approvals from all of the departments.

Along with over-the-counter and regular plan check, El Segundo offers two additional types of plan check services:

**Appointment Plan Check (APC):** This process involves scheduling an appointment to review plans with the City's development team made up of representatives of all the City departments involved in the development review process. The concept is to bring the City to the customer rather than the traditional approach of having the customer navigate through the organization by going from department to department, waiting an unknown period of time for feedback and being uncertain of the status. During the appointment, City staff benefits by being able to coordinate requirements. Customers benefit by being able to hear from all of the departments, all at once, which removes possibilities of conflicting corrections between departments, as well as being able to make necessary changes to the plans.

**Accelerated Plan Check:** This offers customers an optional expedited plan check service. The process is conducted by staff after regular business hours and requires additional fees. With accelerated plan check, staff from each of the departments complete their plan checks usually within 2 to 3 weeks.

Additionally, the City of El Segundo allows concurrent processing of planning entitlements and plan check review, which can reduce processing time by as much as 50%. Furthermore, the City provides one-day inspection service for all projects under construction and even provides night and weekend inspection service if needed for very large-scale, time-sensitive projects (additional fees may apply).

## IV. COMMERCIAL REAL ESTATE

El Segundo is a well-planned, well-defined business community.

There's something for everyone – big companies, small companies, red brick, steel and glass, tall buildings, small buildings, new offices and re-use industrial. You can start small and expand, or start big and keep growing.

With attractive space, rents significantly lower than the competing West Los Angeles submarket, and a reputation for being truly business-friendly, El Segundo is well-positioned to show healthy gains in its office, industrial, and retail market sectors. A large number of key commercial real estate and investment firms also have heavily deployed resources throughout El Segundo, including CB Richard Ellis, JLL, Cushman & Wakefield, Newmark Grubb Knight Frank, Continental Development Corporation, and Mar Ventures.

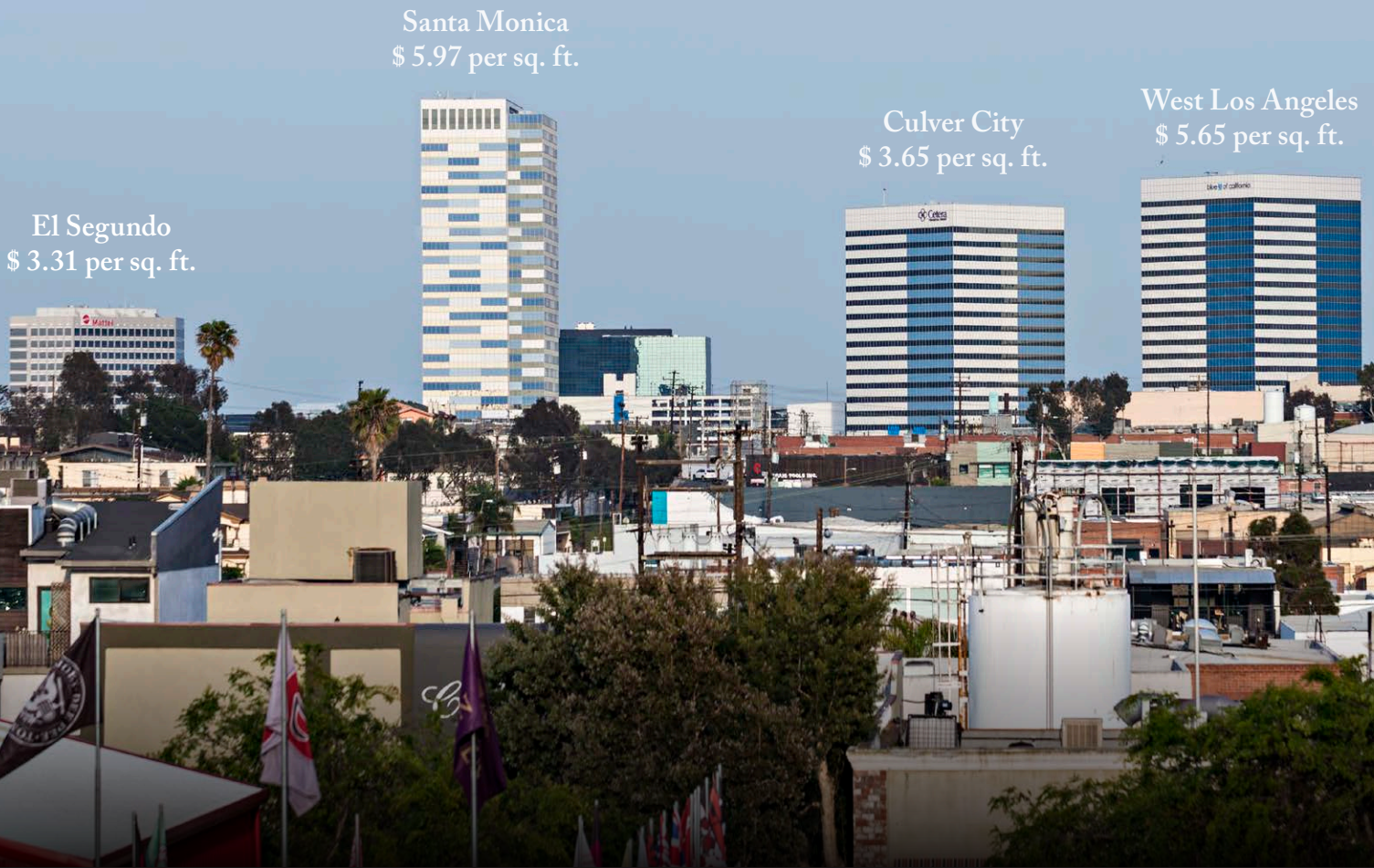
Currently, El Segundo boasts more than \$1 billion in recent and planned development. The new creative office spaces and campuses coming out of the ground are smart, state-of-the-art, and architectural works of art.

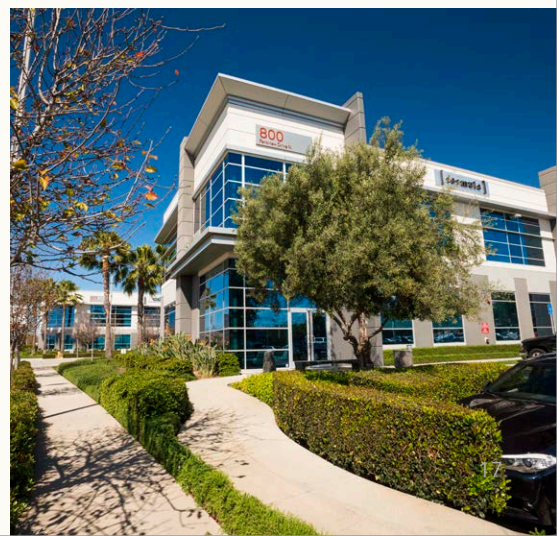
**Retail Market Profile:** There is a vibrant downtown corridor, featuring a wide array of restaurants, retail, entertainment and local arts and crafts. The most significant change to El Segundo's retail sector has been the recent development of The Point, an \$80 million shopping and dining complex located directly south of Plaza El Segundo. El Segundo's primary retail trade area encompasses a thriving and affluent market that includes the coastal communities between Marina del Rey to the north and Palos Verdes to the south.

**Office Market Profile:** Continental Park, a 100-acre business center defining the South Bay's Rosecrans Corridor, developed and owned by Continental Development Corporation is home to dozens of nationally, regionally and locally prominent firms, spanning the entire economic spectrum, and is one of the largest office parks in the Metropolitan Los Angeles area. Pacific Corporate Towers, a beautiful 1.5 million square foot, 10-acre complex anchors the Tower District; elevon, at Campus El Segundo, a \$100 million executive office complex featuring 210,000 sq. ft. of office space complemented by 13,500 sq. ft. of high-end retail.

**Industrial Market Profile:** El Segundo is a well-established aerospace manufacturing hub, and is increasingly the location of choice for bioscience R+D and manufacturing facilities. El Segundo has become the preferred hotspot for data centers such as Equinix, T-5 Data, and Digital Realty (all located east of Sepulveda Blvd) thanks to its prime location, sophisticated infrastructure, extensive fiber network, and reasonably priced commercially zoned properties. This increased infrastructure caters to the growing demand from creative office users that require large internet bandwidth as well as cloud applications.

Average Asking Rents by Submarket for Class A Office Buildings:





# V. STATISTICS

El Segundo's population grew steadily from the town's inception, but spiked dramatically after World War II. With limited available space to build housing, the town's residential population eventually leveled off at just over 16,000. That number will increase slightly with construction of new housing units that is currently underway. While many families descending from the town's original settlers have lived in El Segundo through multiple generations, the city has seen a large influx of new residents in recent years; many of them younger, well-educated professionals. They choose El Segundo not just because they work here, but also because of the community's excellent schools, low crime, quiet neighborhoods, city services and small town charm. Meanwhile, El Segundo's daytime population peaks at approximately 70,000 people on a daily basis, thanks to the vast number of employees who work here.

### Population:

- Workforce Population = 70,000+
- Total Residential Population = 16,578
- Families = 4,105
- Family Income (median) = \$86,364
- Households = 7,410

### Age (Residents):

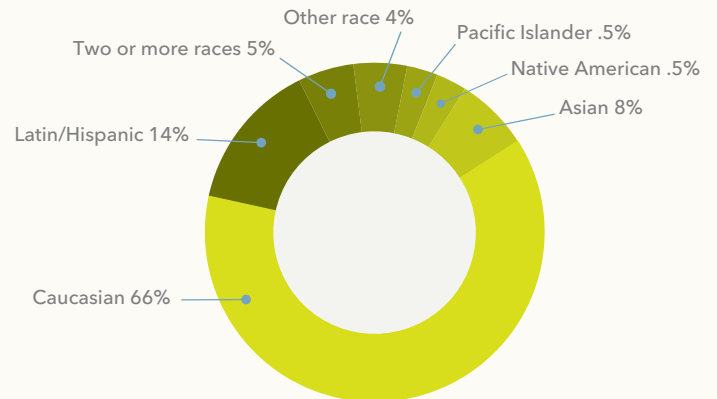
- 22.3% under the age of 18
- 6.7% from 18 to 24
- 31.1% from 25 to 44
- 29.8% from 45 to 64
- 10.1% who are 65 years of age or older.
- Median Age: 39.2
- For every 100 females there are 108.3 males.

### Educational Attainment

(Residents 18 years and over):

- High School Graduate or higher: 96.2%
- Bachelor's Degree or higher: 49%

### Ethnicity (Residents):



### Climate:

As is the case for much of the Los Angeles area, the weather in El Segundo features warm summers and mild winters, with close to ideal climate conditions in spring and fall. Annual precipitation averages less than 15 inches a year. The marine layer and gentle breezes from the adjacent coast help ease hot summer temperatures and minimize smog.

#### Average Temperatures

Period	Min	Mean	Max
Jan – Mar	46.2	55.3	64.3
Apr – Jun	51.9	59.2	66.5
Jul – Sep	62.6	68.8	74.9
Oct – Dec	65.8	65.9	66.0
Year	56.6	62.3	68.0

# STEVENSON FIELD

AT BAT	BALL	STRIKE	OUT	H	E
1 2 3 4 5 6 7 8 9 10					
RUNS			HITS		ERRORS



320

GEORGE  
BETT  
5  
HALL  
OF FAME  
1981

2009

77.sub

## Environment:

El Segundo is not only a business-friendly city, but also environmentally conscious. We're proud to note that more than half of the water used in El Segundo is reclaimed - cleaned and recycled for use, especially in industrial applications. As far as we know, El Segundo is the only city in California that can make this claim. In a time when worldwide concern about the state of the Earth's environment is at an all-time high, these are extraordinary accomplishments.

## Green Programs and Outreach:

El Segundo's commitment to reducing its carbon footprint and fostering environmental sustainability has spurred a number of innovative programs, outreach efforts and policies. Here are just some of our green achievements:

- Formed an Environmental Committee to address green goals and objectives in order to carry out El Segundo's Environmental Action Plan
- Adopted water conservation ordinances for both residential and commercial customers
- Received a Flex Your Power Award from Southern California Edison for recycling 50 percent of our water
- Received a commendation from the Water Replenishment District (for installing artificial turf at the Campus El Segundo Athletic Fields, saving two million gallons of water per year)
- Retrofitted City facilities with energy-efficient fixtures and systems
- Purchased five hybrid vehicles, two electric vehicles, one natural gas vehicle and five propane vehicles for City use
- Installed LED lights on traffic signals
- Established the online ReUseIt Network to connect community members and keep unwanted items out of landfills
- Held green building workshops in coordination with the South Bay Environmental Services Center
- Host annual Environmental Expo
- Host Community Shred Days
- Established an online carbon footprint calculator program

## Follow the LEEDer:

Completed in December 2009, El Segundo's brand new state-of-the-art Fire Station 2 became the first public building in the South Bay to achieve LEED certification — the internationally recognized benchmark for the design, construction and operation of high performance green buildings. Through this and other projects, El Segundo has positioned itself as a leader in the quest for environmental responsibility and sustainability in commercial construction.

El Segundo's LEED buildings:

- AT&T (DirecTV): Platinum
- CBRE: Gold
- Fire Station 2: Gold
- NetApp: Gold
- Pacific Corporate Towers: Gold
- KARL STORZ Endoskope: Silver
- Whole Foods Market: Certified

## Housing:

In 2017, El Segundo's property values rose faster than anywhere else in the Los Angeles region, nearly 12%, according to the Office of the LA County Assessor. Thanks to its prime coastal location, excellent schools and many amenities, the community is in high demand. Median residential property values have increased significantly over the last decade, and continue to rise. El Segundo offers a mix of housing options from single family homes and condominiums to multi-family rental units, with architecture spanning from traditional to modern. The supply will grow in 2018 with the completion of the 24 new single-family homes and 34 new townhomes built by D.R. Horton.

### Housing Supply/Rented vs Owned

Total housing units	7,410
Owner-Occupied housing units	3,034
Renter-Occupied housing units	4,051
Homeowner vacancy rate (%)	0.4%
Rental vacancy rate (%)	4.1%
Avg household size of owner-occupied units	2.7
Avg household size of renter-occupied units	2.07

### **Crime & Public Safety:**

El Segundo takes pride in being one of the safest cities in Southern California with the lowest crime rate of any non-gated community in the County and one of the highest numbers of police personnel per capita of any Southland city. Emergency response is lightning fast, with dispatch less than one minute following a 911 call.

In recent years, the City of El Segundo has increased its commitment to public safety by investing in its own 1040 AM radio bandwidth to broadcast emergency information, implementing a mass notification system for emergency alerts, and instituting an Area Command Program to respond to quality of life issues.

The fire department features one of the region's most advanced emergency preparedness plans.

### **Travel & Transportation:**

Aside from its many community amenities, El Segundo is also prized for its strategic location. Businesses that locate here are just minutes away from LAX, the nation's third largest airport, a stone's throw from two major freeways, and can quickly access major bus and train lines. El Segundo is also stocked with hotels that cater to businesses, making it an ideal travel destination.

- **Downtown Shuttle:**

Employees on the east side of the community can enjoy lunch or shop in El Segundo's charming downtown area without getting into their cars. The City of El Segundo Lunchtime Shuttle runs every nine minutes on weekdays between 11:00 a.m. and 2:00 p.m., with stops at strategic spots in both downtown and busy commercial sectors.

- **Bus Lines:**

El Segundo is serviced by the LA Metro and the Torrance bus system.

- **Metro:**

The Green Line, a light railway/tram that is part of the Los Angeles County Metropolitan Transit Authority's Metro Rail subway system, conveniently runs through El Segundo with service in the heart of the city's busiest commercial sector. The Aviation/I-105 station provides free shuttle to and from Los Angeles International airport.

The line also passes through Redondo Beach, Manhattan Beach, El Segundo, Lennox, Inglewood, Watts, Lynwood, Downey and Norwalk. In September 2011, Metro certified the final EIR for the Crenshaw/LAX Transit Corridor Project, an 8.5-mile light rail line funded by Measure R dollars that will connect downtown Los Angeles and the Westside with the South Bay and LAX area, including El Segundo, while adding thousands of jobs to the region. The new line, with a completion date of 2019, will connect the Expo Line to the Green Line with six stations.



# EL SEGUNDO

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

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