

# ANNUAL REPORT

2021  
SCVEDC



**SANTA CLARITA VALLEY**  
ECONOMIC DEVELOPMENT CORPORATION

Santa Clarita Valley  
Economic Development Corporation  
[scvedc.org](http://scvedc.org)  
661.288.4400



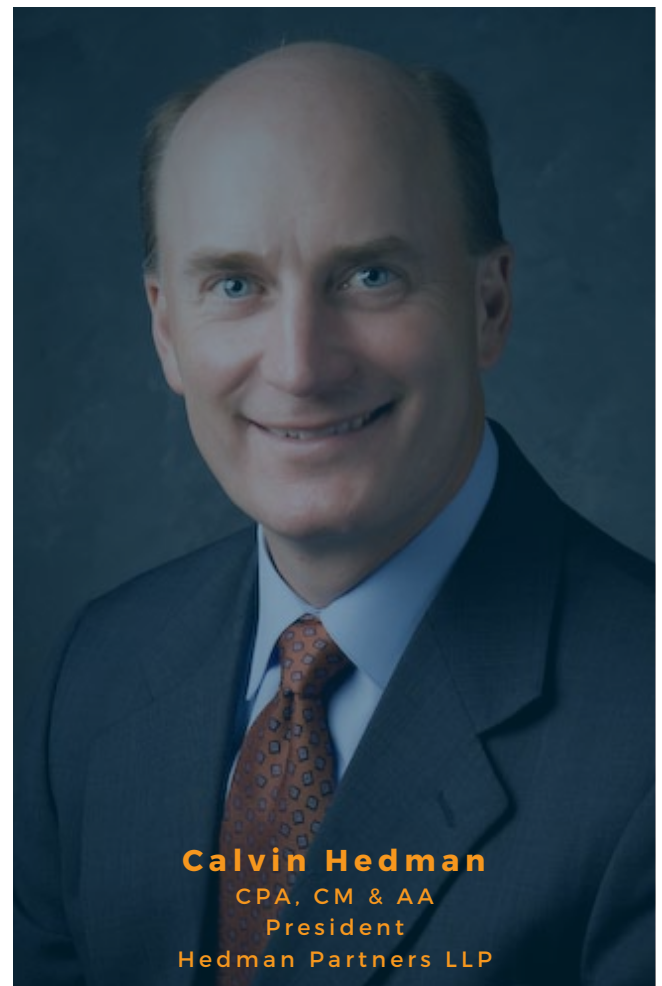
# A MESSAGE FROM OUR CO-CHAIRS

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As the COVID-19 pandemic continued into its second year, its disruptive effects appeared in predictable and surprising ways. SCVEDC continued its focus on supporting SCV businesses as they navigated public health orders, supply chain snarls, hiring challenges and the emergence of inflation. Economic information became vital. Simultaneously, businesses in many sectors thrived during the pandemic, and the industrial real estate market soared as never before. The Santa Clarita Valley was poised for success, as construction of industrial parks was already underway. SCVEDC continues to focus on business assistance, business attraction and retention, community marketing, and providing quality information and data. The vast diversity of businesses in the Santa Clarita Valley has established a strong foundation for its future economic security.

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The Santa Clarita Valley Economic Development Corporation is a unique public/private partnership representing the united efforts of regional business and government leaders. The SCVEDC utilizes an integrated approach to attracting, retaining and expanding a diversity of businesses in the Santa Clarita Valley, especially those in key business clusters including medical devices, aerospace & defense, advanced manufacturing, digital media and entertainment, information technology, and corporate headquarters.





Where we are  
**TODAY**



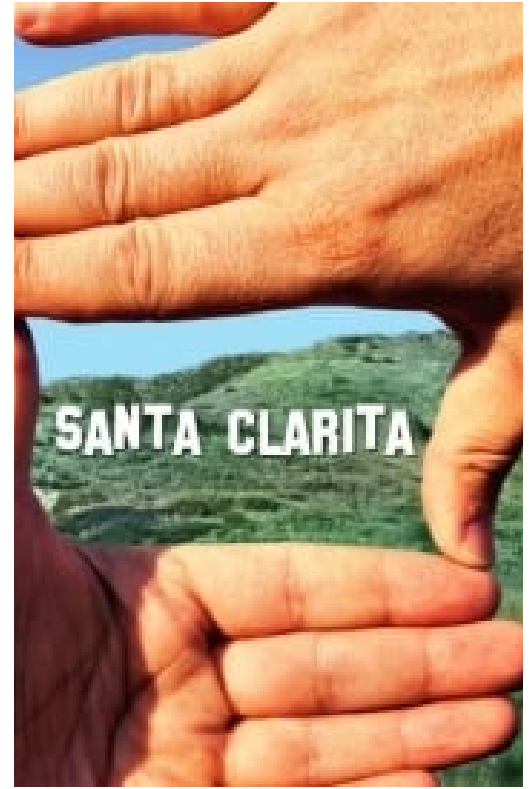
## **THE FASTEST GROWING SECTOR COMES TO SCV**

Pandemic-related shut downs caused an explosion in demand for e-commerce support companies. COVID-19 accelerated adoption of ecommerce by both consumers and businesses by 4 to 6 years, according to experts. Logistics, warehousing and distribution companies expanded nationwide. The SCV was well positioned to take advantage of this trend due to its proximity to the Los Angeles marketplace, convenient freeway access, and high quality industrial space.

While giants such as Amazon are often the center of attention in this sector, their presence also creates jobs for many small logistics companies who support them. SCV now has three Amazon facilities and many office facilities supporting direct-to-consumer trends.







## **NEWCOMERS AND ESTABLISHED BUSINESSES ALIKE GREW IN 2021**

### **Consumer Product Demand Aids Growth**

Continued demand for consumer products benefits SCV companies. Recent transplants such as DrinkPAK expanded to create a nearly 600k square foot campus. Longtime resident Lief Labs continued its rapid growth into a new facility and landed on the Inc. 5000 list once again. In addition, Logix Federal Credit Union began occupying its new headquarters in the Valencia Commerce Center. With this move, Logix became one of SCV's largest employers.

### **Digital Media and Entertainment Takes Off**

After severe restrictions and modifications in 2020 were finally lifted, the digital media and entertainment industry exploded in 2021 with major soundstage expansion. Santa Clarita is home to more sound stage space than the entire country of Australia, and still growing!





## INCENTIVES & RESOURCES

SCVEDC helps businesses discover local, state and federal tax credit and cost saving programs, and resources for hiring, upskilling, and other business support services in SCV.

## EMPLOYEE RETENTION TAX CREDIT (ERTC)

Although the ERTC was introduced in 2020 under the CARES Act, changes in the program for 2021 made this much more valuable to qualifying businesses, and easier to qualify for the tax credit. SCVEDC helped scores of companies determine eligibility, facilitating generation of millions of dollars in tax credits to SCV businesses.



## LA COUNTY CONNECT

SCVEDC continued its support in connecting LA County officials with developers to quickly address issues around permitting, fire and safety, or other challenges to project completion.

## AEROSPACE & DEFENSE FORUM

The A&D Forum community consists of industry senior executives and professionals who share news, information and analysis through their website and monthly chapter meetings.

## WEBINAR SERIES

From legal considerations to social distancing protocols and testing requirements to sanitizing spaces, this series offered vital support and information to SCV businesses.

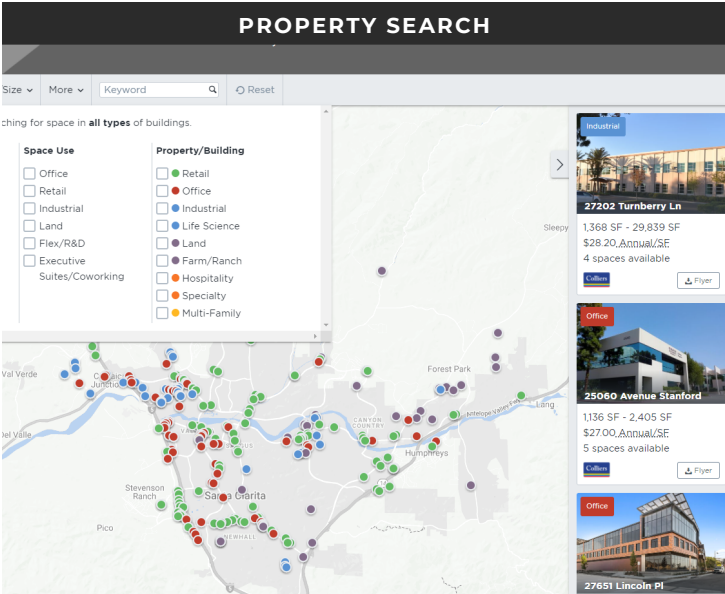




# HELPING BUSINESSES FIND SOLUTIONS TO NEW PANDEMIC DISRUPTIONS

The challenges facing companies continued as the pandemic dragged on, but new resources, grants and tax credits became available throughout the year. SCVEDC helped companies become aware of these programs, and assisted employers who qualified for them.

SCVEDC made connections between companies, and facilitated their ability to find and use local vendors and suppliers. As the SCV business community grows and more new companies come to the area, these connections are important and create depth in our local economy.



SCVEDC partners with commercial brokers to support business attraction and provide tools to present the business advantages of the Santa Clarita Valley.

Cost Comparison Chart					
	Los Angeles	Palmdale	Pasadena	San Fernando	Santa Clarita
Overall Cost Rating	\$\$\$\$\$	\$\$	\$\$\$\$\$	\$\$\$\$\$	\$\$\$\$\$
Business Taxes	None	Gross Receipts	Gross Receipts + # EMPL	# EMPL	Gross Receipts



## WEB RESOURCES

As the pandemic continued, SCVEDC continued to offer robust resources through its website. Often cited as a place to find comprehensive information about the Santa Clarita Valley, [scvedc.org](http://scvedc.org) houses data about the business advantages and quality of life in the SCV.

## TELLING THE STORY OF SCV BUSINESS LEADERS

Our podcast series SCV Means Business continued to highlight the success and achievements of numerous local companies. These stories illustrate the wide diversity of companies in the SCV and the depth of the business leadership and workforce in our community.

## BROKER PORTAL

SCVEDC's Broker Portal provides critical economic data on everything from new and existing developments, business incentives, community and workforce activity, and so much more!

## CASE STUDIES

SCVEDC prepares economic impact analyses and case studies to show the important contributions resulting from company expansions in the SCV. This year's case study on DrinkPAK was widely read by local leaders and national site selectors.



DrinkPAK is a premiere West Coast contract manufacturer of premium alcoholic and non-alcoholic beverages, providing comprehensive operational services including procurement support, complex batching and processing, filling, packaging, and on-site storage and distribution. DrinkPAK chose the Santa Clarita Valley to create a 572,410 SF state-of-the-art contract manufacturing campus.



### COMPANY NEED

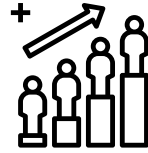


### SOLUTION

After exhausting possibilities in Ventura, they turned attention to the Santa Clarita Valley, looking at numerous 90,000 – 140,000 SF site options in SCV. DrinkPAK landed on a building in the new Center at Needham Ranch as the optimal location for their project. SCVEDC worked closely with DrinkPAK and the Needham Ranch developers Trammel Crow and Clarion Partners, helping to facilitate meetings and introductions to many agencies in SCV. As a result, DrinkPAK was able to address needs of expedited permit processing with the City of Santa Clarita and County of Los Angeles, and rapidly connect with SoCal Gas for gas line routing, Sanitation District for discharge requirements, and LA County Fire Dept. for truck loading/parking modifications to the site under consideration, and the County Health Department for permitting of the production facility. SCVEDC also



**8th** safest city  
in the US



**13th** fastest growing city  
in the US



**Top 6%** fiscally  
healthy city



**4th** most ambitious  
business city in America

In 2021, SCVEDC continued to promote the business-friendly SCV's many accolades and desirability as a prime location to live and work to site selection professionals and business leaders who are considering expanding or relocating their companies. The SCV's quality of life is unmatched and the community is well positioned for growth in both the commercial and residential sectors for years to come.



**SEE WHO'S  
HIRING!**

FULL-TIME, COMPETITIVE PAY, CAREER  
OPPORTUNITIES AVAILABLE.

**LIVE ♦ WORK ♦ SCV**  
POWERED BY SCVEDC

Find job openings online and apply today  
at [LIVEWORKSCV.COM](https://LIVEWORKSCV.COM)

**APPLY NOW!**

## LIVE WORK SCV FREE JOB BOARD

SCVEDC free resource that connects SCV companies and talent on LiveWorkSCV.com, and has been a vital resource as companies wrestle with staffing shortages.



**SCV  
MEANS  
BUSINESS**

The podcast where we meet the leaders of great companies  
making a difference in the Santa Clarita Valley

**LISTEN & SUBSCRIBE!**

**SANTA CLARITA VALLEY**  
ECONOMIC DEVELOPMENT CORPORATION

## SCV MEANS BUSINESS PODCAST SERIES

The SCVEDC podcast is where we meet the leaders of great companies making a difference in the Santa Clarita Valley.





## ECONOMIC OUTLOOK

### ECONOMIC INFORMATION BECOMES EVEN MORE ESSENTIAL

Due to the tremendous uncertainty in the economy, SCVEDC hosted not one but two Economic Outlook events. The spring, virtual Outlook featured Economist Dr. Mark Schniepp.



In the fall, SCVEDC hosted one of the first events for the business community that included an in-person component. Hosted for the first time at the College of the Canyon's Performing Arts Center, this hybrid event featured a business panel of SCV business leaders who discussed the challenges of the pandemic and their vision for the future.

Again, Dr. Mark Schniepp provided his forecast for the Santa Clarita Valley, confirming the recession to be long over, and the economy in full recovery.

Reopening economy resulted in a surge of growth, led by consumer spending, job and income creation, leisure travel and tourism, and strengthening demand for public gatherings such as concerts, conferences, and sporting events.

### ECONOMIC SNAPSHOT

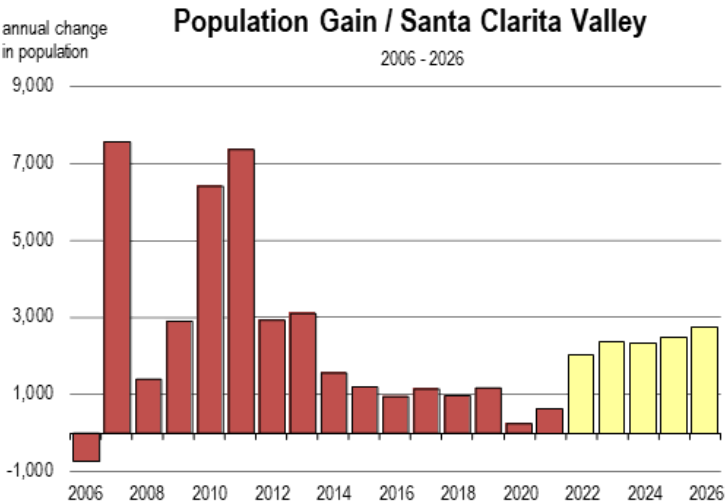
SCVEDC releases regular snapshots giving updates on key data for the valley. Sections include workforce & employment info, household income, changing trends in residential, commercial, and industrial real estate, as well as film activity and hotel vacancy numbers.



The challenges facing businesses will end as the pandemic recedes. Companies are working hard to resolve supply chain issues and rising costs. As millions of people left the workforce nationally, businesses are competing for workers. Talent attraction and training will be key issues. Fortunately, the SCV is a growing community, affording us the opportunity to bring more residents and workers to the area.

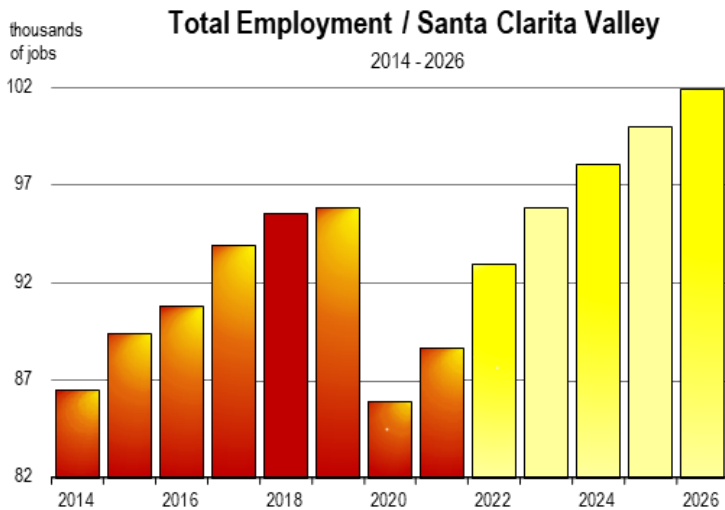
## NEW DEVELOPMENT

The growth of population is expected to modestly accelerate, entirely due to higher net-in migrating populations that are responding to (1) job formation, and (2) new housing development. New construction of both commercial and residential properties has carried on throughout the last 18 months, which will continue to spur the economic activity in our region.



## WORKFORCE

The forecast calls for rapid progress in the restoration of jobs in all sectors of the state and local economies through the remainder of 2021 and continuing through 2023. The restoration of jobs was vigorous beginning in the spring and summer of 2021. This pace is expected to continue throughout 2022, with the forecast calling for a surge of job creation next year and into 2023.




**63%**  
Working Age Population

**300k**  
Total SCV Population

With the abatement of the pandemic, a sustainable rebound in the economy is underway though a return to the normal we knew in 2019 will be delayed until later in 2022.





The rapid recovery of the industrial sector has helped improve the jobs situation in the Santa Clarita Valley. As we move forward, SCV will temporarily be challenged by a lack of industrial inventory, but new development projects in the pipeline will soon provide new opportunities. The recovery of the office real estate market is expected as the threat of the pandemic wanes, and employees return to the office.

With significant new construction planned and underway, the SCV will continue to offer unparalleled opportunities to companies looking for a business-friendly environment.

The Santa Clarita Valley remains one of Southern California's best places to live and work, as many new residents and employees are discovering.

As SCVEDC moves into its second decade of work, we will continue to grow high quality jobs here in the SCV, securing our economic future and providing opportunities for residents. We will continue to provide valuable resources to the business community as we hopefully put the disruption of the pandemic in the rear-view mirror.





# LOOKING FORWARD

Despite the challenges of the last two years, we are fortunate to live in a community that cares about supporting businesses and places an emphasis on ensuring a high quality of life for its residents. The Board of Directors of the Santa Clarita Valley Economic Development Corporation is steadfast in its commitment to support economic development efforts that will help the Santa Clarita Valley remain an ideal live/work/play location for years to come.

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