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## Industry doing well in SCV

Business friendly policies help balance local economy

City officials said Santa Clarita's business-friendly policies keep local unemployment rates significantly lower than the gloomy rates in the rest of the state and county.

Santa Clarita's unemployment rate rose to 5.8 percent in December while county and state rates soared above 9 percent, said local officials Thursday.

"We have a very diverse business climate here," said Jason Crawford, economic development and marketing manager for the city of Santa Clarita. "So we're not tied to just one industry. We've definitely seen job losses in retail. We've seen job losses in residential development. But at the same time, we're in a position where we also have some industries doing well."

Among those thriving trades are the biomedical, aerospace and film industries, he said.

Those industries still need qualified, highly educated, skilled employees, he said.

"Luckily for us those are jobs that are high-paying and really make a difference to the residents here and to the quality of life," Crawford said.

One of those local companies is Stellar Microelectronics Inc. in Valencia, an engineering, design and production services company for electronics in the biomedical, aerospace and military markets, a recent company news release said.

Stellar increased its workforce from 200 to 300 in 2008 and anticipates doubling the workforce in the next few years, said Alex Richardson, Stellar's vice president of business development.

"Every since I've been on the city council, the goal has been to try and get a balance between housing and jobs," said City Councilwoman Marsha McLean. "To go after clean, good industries in order to make it possible to have people live and work here."

Crawford said employees who live locally might also be happier and boost company productivity.

"I know a lot of people that are here and work in the industrial center are much happier being able to spend time with their families," he said. "Happier people lead to more productive employees, and I know that helps businesses succeed."

For instance, almost half of Princess Cruises' 2,100 employees here are SCV residents, Crawford said.

"As far as businesses go, we make it easy for them to go through the process to relocate here and we have no business tax which has, ever since we became a city, that's been the policy," McLean said. "And ever since I've been on the council, I strongly believe that is an incentive to bring good quality businesses."

An additional city goal was to provide ample transportation for employees to travel from their local homes to work, she said.

"Another part of it is these companies look for a whole package," she said.

"They look for a place where people can find good homes, good schools and a good quality of life and our city provides that."

Senior Vice President Mark Boyle of the growing medical, scientific research company Cellestis Inc., in Valencia, said a significant reason the company originally moved to Santa Clarita in 2002 was because it was a nice place for its employees and their families to live.

"Everything about it was attractive, including the family environment" he said at a company re-location celebration in October.

But while many of Santa Clarita's workers might be happier and living locally, the unemployment picture is still grim.

The number is up from its historic unemployment rate of about 3 percent.

The hardest-hit industries in Santa Clarita are small retail stores and construction, Crawford said.

California's unemployment rate hasn't been at its level since January 1994, when the state was coming out of its recession in the early part of that decade, said Stephen Levy, senior economist for the Center for Continuing Study of the California Economy.

Excluding farm workers, California lost 78,200 jobs in December as employers sliced payrolls to deal with the slowing economy. California's rate topped the nation's rate of 7.2 percent in December.

"California, like the nation, is in the midst of a terrible and deepening recession," Levy said. "We all expect the job losses to continue, and unemployment rates to go higher."

California has lost nearly 152,000 jobs in the last two months. The state's unemployment rate was 5.9 percent a year ago.

"The state's numbers encompass all of the cities, suburbans, urban, rural areas," Crawford said.

"California is a huge state with different economic conditions that run the gamut throughout the state. Where as the Santa Clarita market, while able to be self-sustaining, is able to better weather the storm."

Former Councilman TimBen Boydston, who often criticizes the council, said people and businesses here also have savings, the ability to borrow money and other employed family members.

But if the economy continues downward, the city can't dodge the inevitable, he said.

"Santa Clarita lags other areas because it has resources," he said. "Because those resources are there, those businesses are able to hang on longer. But there's a lag time and you will see this unemployment rate go up. We are not immune ... "

*(The Associated Press contributed to this report.)*

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