



City of Long Beach

Working Together to Serve

Office of Gerrie Schipske, R.N.P., J.D.

Councilwoman, Fifth District

Memorandum

R-13

Date: November 19, 2013

To: Honorable Mayor and City Council

From: Councilmember Gerrie Schipske, Fifth District *JS*

Subject: **AGENDA ITEM: 1) Request City Attorney to Prepare a Resolution Expressing the City Council's Full Support for the Boeing Company to Bring the 777x Assembly work to Long Beach and 2) Direct the City Manager to Determine What the City Can Do to Encourage and Enable Boeing To Remain**

Background: The Boeing Company is the City's second largest employer, accounting for 2.89% of its jobs. Recently, the company announced that effective 2015 it would cease production of the C-17 and close its facilities and the City would lose approximately 5,000 jobs.

On November 4, 2013, Forbes magazine featured a column written by Loren Thompson, titled: Boeing Eyes Long Beach C-17 Plant For 777X Airliner Production (<http://www.forbes.com/sites/lorenthompson/2013/11/04/boeing-eyes-long-beach-c-17-plant-for-777x-airliner-production/>), in which the author notes that the Boeing Company is considering locating wing work for the 777x Airliner at the Long Beach plant. It is estimated that production of the 777x will result in 20 – 25 years of employment.

Over the years, the City of Long Beach has engaged lobbyists to advocate with the Congress on behalf of Boeing and the C-17. The decision to locate in Long Beach and to assemble the 777x wing will be made by Boeing and it is critical that the City Council express its total support for the company to remain here. Additionally, the City must be willing to offer whatever incentives it can to encourage and enable Boeing to bring the 777x wing work to Long Beach.

Recommendation: By motion of the City Council, request the City Attorney to prepare a resolution expressing the full support of the City Council for Boeing to bring the 777x Airliner assembly work to Long Beach and direct the City Manager to determine what the City can do to encourage and enable Boeing to remain.

Fiscal Impact: City Manager to determine.