



MEMO




Economic Development Department

November 27, 2018

TO: Gary Halbert, City Manager 

VIA: Maria Kachadoorian, Assistant City Manager 

FROM: Eric Crockett, Director 

RE: United Technology Aerospace Systems (UTAS)

In October 2018 United Technology Aerospace Systems (UTAS) announced plans to begin winding down its manufacturing portion of its facility beginning in 2019. The elimination of manufacturing will be done over a two-year period to allow the approximately 265 sheet metal workers and supervisors, purchasers and other salaried positions time to find new employment. The layoffs are anticipated to impact approximately 300 workers at the facility. The stated reason for the elimination of manufacturing at the facility is, "*due to a decrease in production volumes as we near completion of sunset several legacy aircraft programs*". UTAS plans to continue to provide after-market spare parts distribution, engineering test labs and administrative jobs in Chula Vista. The site will transform from a manufacturing facility to a facility that focuses on engineering, research and development and after-market parts distribution. The facility will maintain approximately 1,500 jobs in the City and remain one of Chula Vista's largest employers. Our partners at South County Economic Development Corporation (SCEDC) and South County Career Center (San Diego workforce Partnership) continue to coordinate with UTAS and their impacted employees to find employment opportunities within the San Diego region. City staff remains in close communication with the leadership of UTAS so we can support their transition to a professional engineering research and development company in Chula Vista.