

Wednesday, July 15, 2009, 1:09pm EDT

L-3 tech firm eyes more space

Business Courier of Cincinnati - by Jacob Dirr Courier Contributor

West Chester officials have been working for the past two months to retain a technology research company, as it threatens to move to Indiana or Kentucky. L-3 Communications Nova Engineering is seeking to lease 65,000 square feet of space and consolidate two facilities it currently runs in the township, where it has about 140 employees, according to state documents.

The defense contractor is one of the leading sensor and wireless communications researchers in southwest Ohio and is a subsidiary of New York-based L-3 Communications Holdings Inc., one of the country's biggest federal contractors.

Nova Engineering plans to invest at least \$2.5 million in its new facility, and create another 60 jobs, according to the Ohio Department of Development. Brad Evans, West Chester business retention and expansion manager, said the township has provided several possible locations to the company, and is awaiting the company's decision to stay or go.

The Ohio Department of Development announced last month it is offering a \$599,500, six-year tax credit "in support of the company's expansion project at a site to be determined." A company spokesperson said the new location likely will be "in the region" but would not go into more detail, because no decision had been made. An ODOD spokesperson said the state has no information and it is up to the company to disclose the information.

The company has several connections to the Dayton region, where it works with the Air Force Research Laboratory at Wright-Patterson Air Force Base. Nova Engineering also was a significant partner with the University of Dayton and the newly established Center for Unmanned Aerial Vehicles Exploitation in Dayton, said Larrell Walters, the center's founder.

In May, the state said it is funding the center with a \$3 million Third Frontier grant. Walters said Nova Engineering has taken a keen interest in improving technology to increase the wireless data transfer from flying drones to ground receivers. "They are heavily involved in the center," he said.

Evans would not disclose if the company is looking at other municipalities in Ohio and did not provide an estimate on when the township will know Nova Engineering's plans. Mike Juengling, Butler County economic development chief, said he heard the company also is looking at sites in Warren County. He also said Butler County officials provided a list of possible sites outside of West Chester, but within its county borders. However, he did not know if they were being considered.

IN THE NEWS

State documents said West Chester has offered an Enterprise Zone real property tax abatement, but Evans said the township is still working through the details of the abatement.

If Nova Engineering accepts the offer, the tax credit will begin January 2010 and will end December 2015. In keeping with state guidelines, the company would have to maintain operations for twice the term of the credit.

The company plans to hire primarily research and development staff, with a small portion of operational, administrative, and back office staff, according to state records. The average wage of the new jobs will be \$43.00 per hour, plus \$15.00 per hour in benefits.