

DOCKETED

Docket Number:	20-LITHIUM-01
Project Title:	Lithium Valley Commission
TN #:	246511
Document Title:	Vice Chair Kelley's Comments on the Draft Report of the Blue Ribbon Commission on Lithium Extraction in California
Description:	N/A
Filer:	Erica Loza
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	10/12/2022 3:07:06 PM
Docketed Date:	10/12/2022

From: Ryan Kelley <RyanKelley@co.imperial.ca.us>

Sent: Sunday, October 9, 2022 7:55 PM

To: Silvia Paz <silvia@alianzacv.org>; Carrillo, Deana@Energy <deana.carrillo@energy.ca.gov>; Palma-Rojas, Silvia@Energy <Silvia.Palma-Rojas@energy.ca.gov>

Cc: Karen Skelton <karen.skelton@hq.doe.gov>; Karen Douglas <Karen.Douglas@gov.ca.gov>; Eduardo Garcia <EduardoGarcia@co.imperial.ca.us>; Jesus Escobar <JesusEscobar@co.imperial.ca.us>; Miguel Figueroa <miguelfigueroa@co.imperial.ca.us>

Subject: South East California Economic Zone

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good Evening,

As discussed in the last Lithium Valley Commission meeting, I am sharing a concept for an Economic Zone that covers Imperial County and Eastern Coachella Valley. These items are inclusive of all development interests within the geographic area; which includes Lithium Valley.

Southeastern California Economic Development Zone (Public Private Partnership)

1. Special Economic Zone – tariff relief for Foreign Direct Investment in the zone (component and technology imports for finished goods manufacturing in the zone)
 - a. Reducing tariff costs for importing component parts for assembly of value added products in the zone.
 - b. Term of 5 years. (allowing time to domestically source or create component source in the United States)
2. Corporation Tax Relief
 - a. Reducing the Federal and State Corporate Tax rate for development within the zone.
 - b. Term of 10 years
3. Education Incentive - In-State Tuition for Employees
 - a. Modelled after Texas program – provides employees and household members of Development Zone Companies, in-state tuition without residency time requirement. Employee must live and work in the zone.
 - b. Term of 10 years
4. Enterprise Project

- a. Employment sales tax credit of \$5,000 per Full-Time Equivalency per year.
- b. Max number of 500 FTE, per corporate applicant.
- c. Capital Projects greater than \$150,000,000 is required.
- d. Term of 10 years.

Finally, the major development factors are location and proximity to large markets. Imperial County and Eastern Coachella Valley are blessed with access to transportation hubs (interstate, UP rail, Port of Long Beach and New Orleans). Foreign firms co-locating in the same sector and region significantly increase productivity and employment of local manufacturing firms. Industry clusters have shown to have an important positive impact on education, recreation and quality of life.

I am suggesting this package in whole or in part be included as a recommendation in the Lithium Valley Commission Final Report.

Thankfully, Ryan

Ryan E. Kelley

Imperial County Supervisor, District 4

940 West Main Street

El Centro, CA. 92243

760-336-9533