



IMPERIAL COUNTY
 COMPREHENSIVE **ECONOMIC DEVELOPMENT STRATEGY**
2014 – 2015 ANNUAL UPDATE

EFFECTIVE 2014-2015



Acknowledgements

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Section 1. Background

1-1 Introduction

Imperial County, located near the major metropolitan areas of San Diego, Los Angeles, Phoenix and Mexicali, Baja California, Mexico, has emerged as one of the world's leading agriculture and renewable energy production and export regions.

Rich in natural beauty and local history, Imperial Valley pioneers from the Midwest settled in the Imperial Valley with a quest to create a new life in the desert. Transporting Colorado River water through the newly constructed All-American Canal opened the door for agricultural success. The precious water resource, combined with 360 days of relentless annual sunshine and a mild winter climate, transformed the desert into a rich, year-round producer of food and forage for the world. Today, Imperial County sees economic growth through foreign investment, retail industry, and a boom of renewable energy projects.

Imperial County's economy is based on agriculture and the cross-border family and trade relationships with neighboring Mexico; however, its abundant and diverse renewable energy resources offer an opportunity for the region to diversify and strengthen its economy and reduce its skyrocketing unemployment rate, which is among the highest in the nation.

The recent population increase in the Imperial and Mexicali valleys has also stimulated growth in the retail sector. In 2005, the Imperial Valley Mall opened; attracting a high volume of shoppers from surrounding areas, including cross-border consumers from Mexicali that greatly contribute to the county's retail sales. In 2013, the Imperial Valley premiered the first phase of Gran Plaza Outlets in the border city of Calexico. Its strong opening showcased the vigorous purchasing power of Mexicali shoppers allowing designer outlets, such as Michael Kors, DKNY, Old Navy and GAP to experience their best ever opening and Black Friday sales in the nation, according to Gran Plaza representatives. Receipts from general consumer goods were boosted, in part, by the addition of the new outlets in the women's, men's and family apparel categories. Shoe, family and women's

apparel all had over 100% sales gain in the second quarter. (Source: Hinderliter de Llamas & Associates (HdL) Companies, Third Quarter Receipts for Second Quarter Sales, April-June 2014).

Phase 2 of Gran Plaza development will consist of approximately 1,069,400 square feet of floor area comprised of approximately 25 buildings and will be constructed in two phases. There will be a total of 22 tenant spaces in the two phases (Phase 2A and Phase 2B). The first phase (Phase 2A) would consist of approximately 277,000 square feet of floor area. Phase 2A would be located adjacent to the completed portion of the project site. The second phase (Phase 2B) will consist of approximately 16 buildings with a total floor area of 792,400 square feet.

The County of Imperial of the 21st Century strives to be the nation's leader in renewable energy projects. Touting 42,000 megawatts of renewable energy resource potential, Imperial Valley has become a "hot-bed" for renewable energy projects employing current solar, geothermal, wind and biofuels technology. The pursuit of renewable energy is driven by California's mandate established in 2002 under Senate Bill 1078 to generate 33 percent of its electricity from renewable sources by 2020. The Valley's highly sought-after resources, available workforce, proximity to large population centers and large tracts of available land have attracted mega-investments for renewable energy development. With 2,000 MW of untapped geothermal resources, Imperial County is still the second largest geothermal energy producing county in the nation, generating over 500 megawatts. The Imperial Valley encompasses nearly 500,000 acres of some of the world's most productive farmland and possesses the largest single water right on the Colorado River. The abundant agricultural resources, combined with a year-round growing season, make this area prime for biofuel production. Proposed initiatives to address local economic concerns while capitalizing on renewable energy assets will further enhance Imperial Valley's economic future.

Imperial County, due to its proximity to major metropolitan cities, makes it attractive for tourism and investment for all types of industries.

1-2 Location

Imperial County covers 2.94 million acres of rural desert and farmland, and forms the southeast corner of California. Imperial Valley is surrounded by Riverside County to the north, San Diego County to the west, Arizona to the east and Mexico to the south. The eastern border of Imperial County is marked by the Colorado River. Imperial is the ninth largest county in California, covering an area of 4,597 square miles. The City of Calipatria, located in the northern portion of the Imperial Valley, has an elevation of 180 feet below sea level, the lowest of any city in the Western Hemisphere.

In 2013, the county's population was estimated at 175,201¹. More than three-fifths of this population lives in the cities of El Centro, Calexico, and Brawley. The county's proximity to the city of Mexicali, capital of the Mexican state of Baja California, will continue to provide an economic advantage. Mexicali, a metropolitan area with a population of approximately 996,826, is an education hub, with many post-secondary educational opportunities and universities. The city is also known for the wide range of medical services offered and enjoyed by Mexican and American citizens, alike. In addition, Mexicali hosts hundreds of factories, or *maquiladoras*, across a multitude of industries, including aerospace.

Three-quarters of the county topography is desert land, made of sand and rugged mountains, with an average annual rainfall of less than three inches. Nevertheless, Imperial County is one of California's major agricultural producers. Farming area in the Imperial County encompasses an 830-square-mile area that extends from the U.S.-Mexico border north to the Salton Sea. This immense farmland is served by an extensive irrigation system, which is supplied by the Colorado River through the All-American Canal.

The following table provides provisional population estimates from current census counts.

¹ This number may include inmates residing in Centinela and Calipatria State Prisons, as well as residents living outside of town sites.

Table 1 ■ Imperial County Population

CITIES	2012 POPULATION	2013 POPULATION	2012 TO 2013 (%) CHANGE
Brawley	24,971	25,191	.88%
Calexico	38,193	39,216	2.67%
Calipatria	7,532	7,574	.55%
El Centro	42,514	42,888	.87%
Holtville	5,948	5,969	.35%
Imperial	14,689	15,205	3.51%
Westmorland	1,603	1,606	.18%
Unincorporated	12,895	12,499	-3.07%
Total	148,345	150,148	1.21%

Source: U.S. Census Bureau, 2012 and 2013 ACS Demographic and Housing 5-Year Estimates

Section 2. Overall Economic Development Commission

2-1 Overall Economic Development Commission (OEDC)

The U.S. Department of Commerce Economic Development Administration (EDA) makes annual grant awards to eligible recipients to help support economic development initiatives of an area. To compete for these funds, an approved Comprehensive Economic Development Strategy (CEDS), must be prepared, maintained and formally submitted to EDA. The purpose of this document is to satisfy this requirement and maintain the eligibility for the county, cities, special districts, and nonprofit organizations to apply for and receive EDA grant assistance.

The federal government designated the County of Imperial as the Economic Development District for the entire county. In 1965, the Imperial County Board of Supervisors

established the Overall Economic Development Commission (OEDC), to develop its Comprehensive Economic Development Strategy (CEDS). Agencies seeking funding from the Economic Development Administration (EDA) are advised to present their projects to the OEDC at regularly scheduled meetings to include their projects as part of the CEDS. A Comprehensive Economic Development Strategy (CEDS) is the result of a local planning process designed to guide the economic growth of an area. The terms “area,” “region” and “community” are often used interchangeably to refer to an appropriate political, economic, geographic, or environmental entity for addressing economic development. The CEDS process will help create jobs, foster more stable and diversified economies, and improve living conditions. It provides a mechanism for coordinating the efforts of individuals, organizations, local governments, and private industry concerned with economic development. A CEDS is required to qualify for Economic Development Administration (EDA) assistance under its public works, economic adjustment, and most planning programs. It is also a prerequisite for designation by EDA as an Economic Development District (EDD). The CEDS must be the result of widespread community participation, containing the following:



- an analysis of economic and community development issues and opportunities including incorporation of any relevant materials or suggestions from other government sponsored or supported plans;
- background and history of the economic development situation of the area covered, with a discussion of the economy, including as appropriate, geography, population, labor force, resources, and the environment;
- a discussion of community participation in the planning efforts;
- a section that sets forth goals and objectives for taking advantage of the opportunities;

- strategies for solving the economic development problems of the area serviced;
- a plan of action, including suggested projects to implement objectives and goals set forth in the strategy; and
- performance measures that will be used to evaluate whether and to what extent goals and objectives have been or are being met.

The Imperial County Board of Supervisors established the OEDC as the acting agency for economic and community development, to continue the operations, which include initiating new activities and building economic development within the area.

The membership shall reflect representation from local government (County, City and District), business industry, finance, agriculture, tourism, organized labor, utilities, public health, education, racial or ethnic minorities and the underemployed or unemployed. In accordance with EDA regulations, membership will be increased as needed to meet the 51 percent private sector for-profit membership. The Commission meets quarterly, or as needed, and is open to the public.

To prioritize economic development in the County, in 2010, the Imperial County Community and Economic Development Department (ICCED) was merged with the Imperial County Executive Office. The focus of the original department remains the same: to promote community and economic development throughout Imperial County.

The OEDC through the CEDS committee is the principal coordinator of the economic development planning process. The commission is responsible for developing and implementing strategies, programs and projects that encourage new industry development, business expansions and recruitment in Imperial County. ICCED staff coordinates the OEDC meetings, maintains all record keeping functions and submits the CEDS document.

2-2 Organization and Management

In accordance with the requirements of the Public Works and Economic Development Act of 1965, as amended, the County of Imperial established the Overall Economic Development Commission to formulate an Economic Development program consistent with the County's agrarian economy. In compliance with the Economic Development

Commission bylaws, the (18) members that make up the OEDC are appointed in the following manner:

- One (1) member nominated and appointed by each of the five (5) members of the Imperial County Board of Supervisors.
- One (1) member appointed by each of the seven (7) incorporated cities in Imperial County.
- Five (5) members appointed by members of the leading minority groups or organizations of the area. One (1) appointment to be representative of the Quechan Indian Tribe. If minority appointments are not filled by the leading minority groups or organizations of the areas, appointments are to be made by the Imperial County Board of Supervisors.
- One (1) member appointed by the County of Imperial.

The Commission is well represented from a geographical standpoint and includes the major economic segments of Imperial County. The OEDC Executive Committee includes the Chairperson, Vice-Chairperson and Secretary and they serve for a period of one year. The Chairperson has the authority to appoint other committees and subcommittees, which are deemed necessary to accomplish the purposes, tasks and responsibilities of the OEDC.

2-3 Minority Representation of the OEDC Commission

The following information is to provide data to determine compliance with EDA Directive 7.06 on minority representation on OEDC Committees. The aspects of compliance are as follows:

1. Every effort shall be made to have minority representation, on the OEDC Commission, in proportion to the population of the County.
2. Minority representation should be selected by representatives of the leading minority groups or organization of the area.

2-4 Overall Economic Development Commission Membership

The overall Imperial County Overall Economic Development Commission for 2014-2015 is as follows:

OEDC VOTING MEMBERS		
<i>CITY REPRESENTATIVES</i>	<i>PRIMARY</i>	<i>ALTERNATE</i>
CITY OF BRAWLEY 383 Main St. Brawley, CA 92227 T:(760) 427-2940 F:(760) 351-3088	Sam Couchman CITY COUNCILMEMBER	Donald L. Wharton MAYOR PRO-TEM
CITY OF CALEXICO 608 Heber Ave. Calexico, CA 92231 T:(760) 768-2177 F:(760) 357-3831	Richard Warne CITY MANAGER	Julia Osuna ECONOMIC DEVELOPMENT MANAGER
CITY OF CALIPATRIA 125 N. Park Ave. Calipatria, CA 92233 T:(760) 348-4141 F:(760) 348-7035	Romualdo Medina CITY MANAGER	Mindy Hernandez ADMINISTRATIVE ASSISTANT
CITY OF EL CENTRO <i>(SECRETARY)</i> 1249 W. Main St., El Centro, CA 92243 T:(760) 337-4543 F:(760) 352-4867	Marcela Piedra COMMUNITY SERVICES DIRECTOR	Deborah Harrold COMMUNITY DEVELOPMENT SPECIALIST II
CITY OF HOLTVILLE 121 W. Fifth St. Holtville, CA 92250 T:(760) 356-4685 F:(760) 356-4574	Nick Wells CITY MANAGER	
CITY OF IMPERIAL <i>(CHAIR)</i> 420 S. Imperial Ave. Imperial, CA 92251 T:(760) 355-4373 F:(760) 355-4314	Marlene Best CITY MANAGER	Jorge Galvan CITY PLANNER
CITY OF WESTMORLAND 355 S. Center St. Westmorland, CA 92281 T:(760) 344-3411 F:(760) 344-5307	Sally Traylor CITY CLERK	
<i>COUNTY REPRESENTATIVES</i>	<i>PRIMARY</i>	<i>ALTERNATE</i>
COUNTY OF IMPERIAL 940 W. Main St. El Centro, CA 92243 T:(442) 265-1101	Ralph Cordova, Jr. COUNTY EXECUTIVE OFFICER	Andy Horne DEPUTY CEO
<i>BOARD OF SUPERVISORS</i>		
<i>APPOINTEES</i>	<i>PRIMARY</i>	<i>ALTERNATE</i>
DISTRICT 1	Yolanda Cordero CUSTOMER SERVICE REPRESENTATIVE NEW YORK LIFE INSURANCE COMPANY	

DISTRICT 2	Eusebio Arballo PUBLIC AFFAIRS SPECIALIST <i>SAN DIEGO GAS AND ELECTRIC</i>	
DISTRICT 3	Mark Gran PRESIDENT <i>STRICTLY BUSINESS CONSULTING</i>	Steven Honse ATTORNEY AT LAW
DISTRICT 4	Tim Kelley CHIEF EXECUTIVE OFFICER <i>I.V. ECONOMIC DEVELOPMENT CORPORATION.</i>	Cynthia Mancha <i>I.V. ECONOMIC DEVELOPMENT CORPORATION</i>
DISTRICT 5	Eric Reyes EXECUTIVE DIRECTOR <i>INSTITUTE FOR SOCIO-ECONOMIC JUSTICE</i>	
MINORITY APPOINTMENTS		
	<i>PRIMARY</i>	<i>ALTERNATE</i>
CAMPESINOS UNIDOS, INC. <i>(VICE-CHAIR)</i> 1535 Main St. Brawley, CA 92227 T:(760) 370-5100 F:(760) 344-0322	Jose M. Lopez EXECUTIVE DIRECTOR	Guadalupe Ponce SOCIAL SERVICES DIRECTOR
NEIGHBORHOOD HOUSE OF CALEXICO 506 E. Fourth St. Calexico, CA 92231 T:(760) 357-6875 F:(760) 357-2248	Ricardo Ortega PROGRAM DIRECTOR	
CLINICAS DE SALUD DEL PUEBLO, INC. 1166 K St. Brawley, CA 92227 T:(760) 344-9951	Yvonne Bell CHIEF EXECUTIVE OFFICER	Gloria Santillan CHIEF FINANCIAL OFFICER
SMALL BUSINESS DEVELOPMENT CENTER 301-B N. Imperial Ave. El Centro, CA 92243 T:(760) 312-9800 F:(760) 312-9838	Carlos Figari DIRECTOR	

OEDC COMMUNITY MEMBERS

(non-voting)

	PRIMARY	ALTERNATE
EMPLOYMENT DEVELOPMENT DEPARTMENT 1550 W. Main St. El Centro, CA 92243 T:(760) 339-2712	Dania Luna EL CENTRO CLUSTER MANAGER	
HEBER PUBLIC UTILITY DISTRICT 1078 Dogwood Rd., Ste. #103 Heber, CA 92249 T:(760) 482-2400 F:(760) 353-9951	Laura Fischer GENERAL MANAGER	Graciela Lopez FINANCE MANAGER
I.C. OFFICE OF EDUCATION 1398 Sperber Rd. El Centro, CA 92243 T:(760) 312-6133		
I.C. DEPT. OF SOCIAL SERVICES 2695 S. Fourth St. El Centro, CA 92243 T:(760) 353-9858 F:(760) 336-4051	Araceli Lopez PROGRAM MANAGER	Enrique Nunez STAFF SERVICES ANALYST
I.C. WORKFORCE DEVELOPMENT OFFICE 2799 S. 4th Street El Centro, CA 92243 T:(760) 337-5507 F:(760) 337-5005	Miguel Figueroa DIRECTOR	Camilo Garcia EMPLOYMENT COORDINATOR
I.C. PLANNING AND DEVELOPMENT SERVICES 801 W. Main St. El Centro, CA 92243 T:(442) 265-1736 F:(760) 353-8338	James Minnick PLANNING AND DEVELOPMENT SERVICES DIRECTOR	Michael Abraham ASSISTANT PLANNING AND DEVELOPMENT SERVICES DIRECTOR
I.C. TRANSPORTATION COMMISSION 1405 N. Imperial Ave., Ste. #1 El Centro, CA 92243 T: (760) 592-4494	Mark Baza EXECUTIVE DIRECTOR	Virginia Mendoza REGIONAL TRANSPORTATION PLANNER
IMPERIAL IRRIGATION DISTRICT 333 E. Barioni Blvd. Imperial, CA 92251 T:(760) 398-5812 F:(760) 398-5848	Rosa Maria Gonzales MARKETING AND ECONOMIC DEVELOPMENT	
IMPERIAL VALLEY COLLEGE 380 E. Aten Rd. Imperial, CA 92251 T:(760) 355-6249 F:(760) 355-6172	Efrain Silva DEAN OF ECONOMIC AND WORKFORCE DEVELOPMENT	Patricia Robles ADMINISTRATIVE SECRETARY

I.V. JOINT CHAMBERS OF COMMERCE 1095 S. 4th St. El Centro, CA 92243 T:(760) 352-3581 F (760) 352-3246	Les Smith CHAIRMAN	
I.V. HOUSING AUTHORITY 1401 D St. Brawley, CA 92227 T:(760) 351-7000 F:(760) 344-9712	Bill McNees DIRECTOR OF ASSET MANAGEMENT	Andrea D. Roark EXECUTIVE DIRECTOR
I.V. REGIONAL OCCUPATIONAL PROGRAM 687 State St. El Centro, CA 92243 T:(760) 482-2600 F:(760) 482-2751	Edwin P. Obergfell SUPERINTENDENT	
MASTERS CONSTRUCTION 1610 Main St. Brawley, CA 92227 T:(760) 344-7400	Valerie Smith OFFICE MANAGER	
SALTON COMMUNITY SERVICES DISTRICT 2098 Thomas R. Cannell Rd. Salton City, CA 92275 T:(760) 394-4446	Mitch Mansfield GENERAL MANAGER	Tim Roberts FIELD FOREMAN
ROOK PUBLIC RELATIONS 920 Adler Ave. Calexico, CA 92231 T:(760) 562-9549	Mario Conde CHIEF EXECUTIVE OFFICER	
VOLUNTEER CITY OF BRAWLEY 383 Main St. Brawley, CA 92227 T:(760) 427-2940 F:(760) 351-3088	Rosanna Bayon Moore CITY MANAGER	

CEDS COMMITTEE MEMBERS

<i>PUBLIC SECTOR</i>	<i>PRIMARY</i>	<i>ALTERNATE</i>
<i>PUBLIC OFFICIAL</i> CITY OF IMPERIAL 420 S. Imperial Ave. Imperial, CA 92251 T:(760) 355-4373 F:(760) 355-4314	Marlene Best CITY MANAGER	Jorge Galvan DIRECTOR OF PLANNING AND DEVELOPMENT
<i>COMMUNITY LEADER</i> I.C. TRANSPORTATION COMMISSION 1405 N. Imperial Ave., Ste. #1 El Centro, CA 92243 T:(760) 592-4494	Mark Baza EXECUTIVE DIRECTOR	Virginia Mendoza REGIONAL TRANSPORTATION PLANNER
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<i>MINORITY/LABOR GROUP</i> CAMPESINOS UNIDOS, INC. 1535 Main St. Brawley, CA 92227 T:(760) 370-5100 F:(760) 344-0322	Jose M. Lopez EXECUTIVE DIRECTOR	Guadalupe Ponce SOCIAL SERVICES DIRECTOR
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CALENERGY 551 West Main St., Suite 1 Brawley, CA 92227 T:(760) 351-3050 F: (760) 351-3058	Diane Cason VICE PRESIDENT REAL ESTATE ASSETS & COMMUNITY RELATIONS	
RABOBANK 1448 W. Main St. El Centro, CA 92243 T:(760) 337-3228 F:(760) 337-3231	Randy Taylor VICE PRESIDENT IMPERIAL VALLEY MARKET MANAGER	
ROOK PUBLIC RELATIONS 920 Adler Ave. Calexico, CA 92231 T:(760) 562-9549	Mario Conde CHIEF EXECUTIVE OFFICER	
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Esperanza Colio Warren DEPARTMENT MANAGER
--

Stefanie Siqueiros ECONOMIC DEVELOPMENT COORDINATOR

2-5 Method by which minority representation selected

Pursuant to the OEDC's Bylaws and EDA's regulations, minority groups in Imperial County are being provided the opportunity to select their own representative to the commission. The following minority organizations are periodically notified for appointments to the Overall Economic Development Commission (OEDC):

- Calexico Neighborhood House
- Campesinos Unidos, Inc.
- Clinicas de Salud del Pueblo, Inc.
- Small Business Development Center

Should the minority organizations not choose to appoint a representative to the Commission, the OEDC's Bylaws provide for the Board of Supervisors to appoint a minority representative to fill the vacancy.

Section 3. Population Demographics

3-1 Demographics

According to the California Department of Finance, the 2014 population of California was estimated to be 38,340,000 and 180,672 for Imperial County.

Table 2. Population Trends 2000 – 2020				
	Imperial County		California	
	Total	Annual Average % Change	Total	Annual Average % Change
2000	143,151	1.65	34,000,835	1.74
2001	144,726	1.10	34,512,742	1.51
2002	147,185	1.70	34,938,290	1.23
2003	150,909	2.53	35,388,928	1.29
2004	153,937	2.01	35,752,765	1.03
2005	157,657	2.42	35,985,582	0.65
2006	162,532	3.09	36,246,822	0.73
2007	166,894	2.68	36,552,529	0.84
2008	170,104	1.92	36,856,222	0.83
2009	173,241	1.84	37,077,204	0.60
2010	174,528	1.16	37,253,956	0.79
2011	175,712	0.68	37,427,946	0.47
2012	179,138	1.95	37,688,804	0.70
2013	180,061	0.52	37,966,471	0.74
2014	180,672	0.33	38,340,000	0.98
2020	222,920	2.98	40,643,643	0.88
Source: California Department of Finance April 30, 2014 Most Recent Data Available				
2020 Data Revised January 2013				

According to the U.S. Census Bureau, families in Imperial County face considerable hardship, due in large part to family composition. In 2013, the average household size in the county was 3.4 people, compared to an average of 2.9 people for the state of California, and an average of 2.6 people for the nation. Seventy-eight percent (78%) of households in the county were families in 2013, compared to 68 percent statewide. Forty-four percent (43.9%) of Imperial County households headed by a female with no husband present had

incomes below the poverty level, compared to 31.8 percent nationally and 29.2 percent statewide. Twenty percent (20.2%) of all families in Imperial County had incomes below the poverty level, compared to 12.9 percent statewide, and 11.8 percent nationally.

3-2 Employment

The number of jobs in Imperial County industries is projected to grow at a rate of 11.2 percent over a 10-year period (2012-2022). According to the Employment Development Department Labor Market Information Division, the total number of projected job growth is 7,300. This projection is below the expected statewide growth rate of 14.9 percent.

It is estimated that nonfarm industries will grow at a rate of 13.8 percent for a total of 6,800 new jobs in this time period. While traditionally agriculture (farm) has been the primary industry in the county, it is expected to grow at a rate of 4.9 percent. Actual industry projections are listed below.

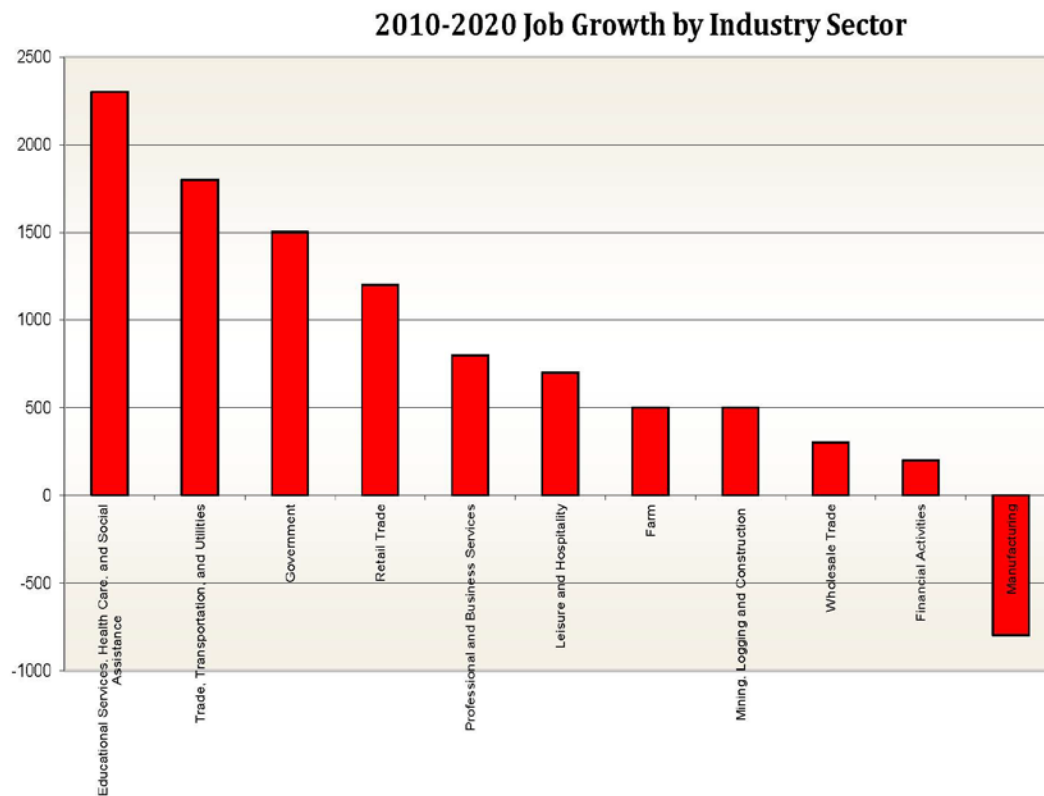


Chart 2

- Educational Services, Health Care and Social Assistance: 2,300 jobs, a 33.8% increase
- Trade, Transportation, and Utilities: 1,800 jobs, a 16.1% increase
- Government: 1,500 jobs, a 8.4% increase;
- Retail Trade: 1,200 jobs, a 15.6% increase
- Professional and Business Services: 800 jobs, a 29.6% increase
- Leisure and Hospitality: 700 jobs, a 19.4% increase
- Farm: 500 jobs, a 4.9% increase

- Mining, Logging and Construction: 500 jobs, a 33.3% increase
- Wholesale Trade: 300 jobs, a 17.6% increase
- Financial Activities: 200 jobs, a 15.4% increase
- Manufacturing: -800 jobs, a 30.8% decrease

According to the Employment Development Department (EDD), the 50 occupations with the most job openings are forecasted to generate 14,000 total job openings in the county for the period 2010-2020. The top three occupation areas with median hourly wages ranging from \$9 to \$10 are: 1) farm-workers and laborers, crop nursery, and greenhouse, 2) cashiers, and 3) retail salespersons. Higher-skilled occupations, requiring a bachelor's degree or higher, include general and operations managers; teachers (elementary, and secondary); compliance officers; and accountants and auditors.

The 48 fastest growing occupations are expected to grow at an average annual rate of 1.1 percent or higher. Twenty-nine percent of the fastest growing occupations are either in office and administrative support or sales and related fields. Occupations range from cashiers that require less than high school education and earn \$9 per hour to computer system analysts that require a bachelor's degree and pay median wages of nearly \$39 per hour.

Table 3 – Unemployment						
	Imperial County			U.S.		
	Labor Force	Unemployed (UE)	UE Rate	Labor Force	Unemployed (UE)	UE Rate
2013	76,600	17,200	22.5%	154,408,000	9,984,000	6.5%
2014	80,200	19,000	23.6 %	146,305,000	9,617,000	6.2%
Source: California Employment Development Department http://www.labormarketinfo.edd.ca.gov						

Table 4 - Wage and Salary Employees in Agriculture				
Year	Imperial County		California	
	Wage	Salary	Wage	Salary
2009	\$8.89	\$18,496	\$9.14	\$19,001
2010	\$9.09	\$18,908	\$9.34	\$19,431
2011	\$9.27	\$19,275	\$9.47	\$19,693
2012	\$9.61	\$19,988	\$9.39	\$19,551
2013	\$9.31	\$19,368	\$9.26	\$19,259
Source: California Employment Development Department http://www.labormarketinfo.edd.ca.gov				
*Most recent data available				

Seasonal agricultural changes and the associated employment levels of the various occupations reflect changes in the area's overall level of economic activity. Also, differences in the rate of growth or decline among the various industries, and changes in the occupational needs within the individual industries in demand for widely used occupations. Only the growth of employment in specific industries will increase the demand for other, less widely used occupations.

For Program Year 2014-2015, the Imperial County Workforce Development Board has funded the following in demand occupational training programs:

- Medical Clerical
- Security Guard (Guard Card, Baton, Weapon)
- Truck Driver (Class A)
- Certified Nurse Assistant (CNA)
- Electrical Apprenticeship
- Welding
- Retail Operations Specialist
- Construction Trades Training
- Home Health Aid
- Emergency Medical Technician
- Electrical Trades Training
- Office Assistant/Technician

Funding for these training programs is just below \$1 million. In recent years, the operational budget for the Imperial County Workforce Development Office (ICWDO) has decreased; however, the annual allocation for training funds has not fluctuated and continues to be consistent. These Occupational Training Programs are currently administered through the Imperial County Workforce Development Office and the Imperial County One-Stop Centers.

3-2-1 Business Closure/Dislocation

On May 2014 National Beef ceased operations dislocating approximately 1,300 people causing a huge impact to the local economy and workforce. As a result of this event, the Imperial County Workforce Development Office applied for a grant through the Workforce Investment Act Dislocated Worker Additional Assistance Project and was awarded \$825,000. This funding was used to provide pre-vocational services in English as a Second Language (ESL), Vocational English as a Second Language (VESL) and basic computer skills training. Local certified training providers also offered training in the areas of: Truck Driving, Security Guard, Medical/Clerical, Welding Fabrication, Certified Nursing Assistant, Retail Operations Specialist and Forklift Operator.

3-3 Income and Poverty

Economic indicators consistently place Imperial County near the bottom when compared to other communities. According to the 2013 American Community Survey 1-year Estimates, the average per capita income in Imperial County was \$16,107. In that same period the National Level per capita income was \$28,184 as shown in Table 5 below.

	Table 5 – 2013- Per Capita Income	
	Imperial County	U.S.
	Total	Total
2013	\$16,107	\$28,184
	Source: U.S. Census Bureau, 2013 American Community Survey 1 year estimates	

The county's proportion of the population with an income below the federal poverty level far surpasses the national proportion. According to the American Community Survey 1-Year Estimates approximately 22.1% of the county's population fell below the poverty level, compared to a national average of 15.8% (Table 6).

Table 6 - Poverty, 2013- American Community Survey- 1 Year Estimates		
	Imperial County	U.S.
Median Household Income	\$43,310	\$52,250
Median Family Income	\$47,116	\$64,030
Population with income below poverty level	22.1%	15.8%
Source: U.S. Census Bureau, 2013 American Community Survey 1 year estimates		

In 2013 the median household income in Imperial County averaged \$43,310, well below the national average of \$52,250. The county's median family income averaged \$47,116, compared to the national average of \$64,030.

Source: U.S. Census Bureau, 2013 American Community Survey (ACS) 5-Year Estimate				Source: U.S. Census Bureau, 2012 and 2013 ACS 1-Year Estimates			
City	Census Tract(s)	Unemployment	Per Capita	United States			
Calipatria	101.01	13%	\$ 1,875	Unemployment		Per Capita	
	101.02	15%	\$ 14,818	2012	9%	2012	\$ 27,319
Brawley	104	31%	\$ 10,342	2013	8%	2013	\$ 28,184
	105	19%	\$ 17,896	24-Month Average		24-Month Average	
	106	11%	\$ 34,357				
	107	19%	\$ 12,086				
Westmorland	102	17%	\$ 14,966	Imperial County			
Imperial	110	16%	\$ 23,397	Unemployment		Per Capita	
El Centro	112.01	15%	\$ 23,993	2012	20%	2012	\$ 14,833
	112.02	22%	\$ 11,678	2013	16%	2013	\$ 16,107
	114	22%	\$ 9,879	24-Month Average		24-Month Average	
	115	22%	\$ 10,177				
	116	31%	\$ 15,055				
	117	16%	\$ 19,495				
	118.01	6%	\$ 39,971				
	118.02	11%	\$ 21,081				
	118.03	9%	\$ 28,943				
Holtville	109	23%	\$ 18,080				
Calexico	120.01	39%	\$ 10,974				
	120.02	16%	\$ 14,518				
	121	32%	\$ 9,053				
	122	19%	\$ 13,667				
United States		8%	\$ 28,184				

Source: U.S. Census Bureau, 2012 and 2013 ACS 5-Year Estimates

Calipatria			
Unemployment		Per Capita	
2012	12%	2012	\$ 12,285
2013	14%	2013	\$ 12,089
24-Month Average		24-Month Average	\$ 12,187

Holtville			
Unemployment		Per Capita	
2012	21%	2012	\$ 18,660
2013	21%	2013	\$ 18,083
24-Month Average		24-Month Average	\$ 18,371

Imperial			
Unemployment		Per Capita	
2012	17%	2012	\$ 22,047
2013	16%	2013	\$ 23,397
24-Month Average		24-Month Average	\$ 22,722

Westmorland			
Unemployment		Per Capita	
2012	19%	2012	\$ 12,773
2013	19%	2013	\$ 12,562
24-Month Average		24-Month Average	\$ 12,667

Source: U.S. Census Bureau, 2012 and 2013 ACS 3-Year Estimates

Brawley			
Unemployment		Per Capita	
2012	20%	2012	\$ 16,147
2013	18%	2013	\$ 17,139
24-Month Average		24-Month Average	\$ 16,643

Calexico			
Unemployment		Per Capita	
2012	20%	2012	\$ 12,897
2013	21%	2013	\$ 12,057
24-Month Average		24-Month Average	\$ 12,477

El Centro			
Unemployment		Per Capita	
2012	18%	2012	\$ 17,865
2013	16%	2013	\$ 17,467
24-Month Average		24-Month Average	\$ 17,666

3-4 Health and Safety

Imperial County residents face many challenges in meeting basic health needs. Local demographic and socioeconomic characteristics are indicative of some of the challenges. A higher proportion of Imperial County residents live at or below the Federal Poverty Level compared to other counties in California. During 2009-2013, 23.3 percent of Imperial County residents on average were living at or below poverty, compared to 15.9 percent of the statewide population during the same period. Imperial County continues to report the highest concentration of Hispanic/Latino population of all counties in California. Nearly 82 percent of Imperial County's population is Hispanic/Latino.

Imperial County has a broad spectrum of health-care services. Two public hospitals, city-owned El Centro Regional Medical Center and the Pioneers Memorial Hospital and Healthcare District in Brawley, anchor the health-care delivery system. Clinicas de Salud del Pueblo, Inc., is a federally qualified health center with six clinics located throughout the county. Clinicas provides comprehensive primary-care services to a large number of residents. Both hospitals also operate rural health clinics in the community. Much of Imperial County is designated as a medically underserved area. The county has a shortage of medical providers, in particular those that provide primary care and mental health services. In 2012-2013, there was one primary-care physician for every 4,170 Imperial County residents, compared to one for every 1,341 residents statewide. Imperial County has one dentist for every 3,318 residents, compared to one for every 1,417 residents in California overall, and one mental-health provider for every 17,514 County residents, compared to one for every 1,829 residents statewide.

Access to health care remained elusive for many Imperial County residents. Among the civilian, non-institutionalized population in Imperial County, 79 percent had health insurance coverage while 21 percent did not have health insurance, according to the 2009-2013 American Community Survey Five-Year Estimates. Imperial County has transitioned to a Medi-Cal Managed Care System and the Affordable Care Act has expanded the number of individuals that now qualify for health insurance coverage. One of the challenges that

are being observed is the existence of individuals that are unable to take advantage of the programs due to not having the appropriate documentation status or are undocumented. Additionally, groups continue to exist that are reticent to enroll in programs due to being unfamiliar with the process. Receiving timely prenatal care is believed to result in better pregnancy outcomes, reducing the risk for preterm delivery and low birth weight babies, in addition to reducing maternal and infant sickness and death, according to the Centers for Disease Control and Prevention (CDC). Fifty-eight percent of pregnant women in Imperial County received adequate prenatal care on average in 2010-2012, compared to 79.5 percent of pregnant women statewide during the same period.

Asthma is a chronic condition that inflames the airways of the lungs and causes recurrent wheezing, coughing, difficulty breathing, and tightness of the chest. Asthma attacks can range from a mild episode to a life-threatening event. An asthma diagnosis can contribute significantly to missed days of school and work, increased visits to the emergency department, and reduced daily activities, according to the California Health Interview Survey (CHIS). In 2011-2012, 8.6 percent of Imperial County residents reported having active asthma, compared to 8.3 percent of all California residents, according to CHIS. Hospitalization rates for asthma in Imperial County remain among the highest in the state, most notably for children. The rate of emergency department visits for asthma (91.0 per 10,000 residents) was double that of California as a whole (46.1).

Imperial County continues to report the highest rates of tuberculosis in California. Imperial County's tuberculosis incidence rate – 16.7 cases per 100,000 population – is more than double the statewide TB incidence rate of 6.4 cases per 100,000 population. The Imperial County Public Health Department's Tuberculosis Control Program follows up on reported cases of active TB disease and their contacts and conducts Directly Observed Therapy (DOT) to ensure compliance and completion of treatment.

Teenage pregnancy and subsequent pregnancy has been identified as a priority issue in Imperial County's Maternal Child and Adolescent Health Five-Year Needs Assessment. Over the past decade, Imperial County has seen a statistically significant trend in the increasing percentage of births to girls and young women between the ages of 12 and 19

years who were already mothers, according to data provided by the Family Health Outcomes Project. Teenage mothers have a higher incidence of premature births and low birth weight babies than mothers aged 20 to 35. Teen mothers are less likely to complete high school, more likely to remain on state assistance, and their families are more likely to remain in poverty.

Chronic diseases—such as heart disease, stroke, cancer, and diabetes—are the leading causes of death and disability in the United States. A significant proportion of Imperial County’s population suffers from one or more chronic diseases. In 2011-2012, 5.8 percent of adults reported being diagnosed with diabetes (not related to pregnancy), according to the findings of the California Health Interview Survey (CHIS). Diabetes is the fourth leading cause of death in Imperial County and diabetes death rates are higher than the statewide or national rates. Nearly 7 percent of County residents reported being diagnosed with heart disease in 2011-2012, compared to 6.3 percent statewide, according to CHIS findings. Several projects have been initiated in Imperial County to target key risk factors for chronic diseases, including reducing tobacco use, improving nutrition, and increasing physical activity to help reduce the high rates of overweight and obesity among children and adults. Obesity is a growing problem that has proven especially difficult to contain. Nearly 71 percent of Imperial County adults reported being overweight or obese, compared to 55.4 percent statewide, according to the findings of the 2011-2012 CHIS. Forty-two percent of Imperial County adults were obese (BMI >30), a significantly higher percentage than for California overall (24.8 percent), according to CHIS. Scientific surveys recently conducted throughout California to assess product marketing and the availability of healthy and unhealthy options offered in stores revealed that Imperial County has the highest number of stores that have unhealthy exterior advertising than any other area in the state.

Local efforts to reverse the obesity epidemic are multi-faceted. The Childhood Obesity Prevention Alliance (COPA) is working towards standardizing obesity prevention and treatment strategies based on current recommendations with the goal of optimizing growth and development of children, as well as preventing adverse short- and long-term health consequences caused by inappropriate intervention methods. Since 2014, the Public

Health Department has worked with fifteen child care centers on nutrition and physical activity-related activities aimed towards children 5 years of age and younger and their families, as well as child care provider staff. Activities included gardening at child care sites, nutrition education presentations, and cooking demonstrations. The activities for children are meant to increase their preference for fruits and vegetables and to help them reach some of their developmental milestones. Additionally, activities conducted provide child care center staff and parents with basic gardening skills and general nutrition and physical activity information they can adopt, to ultimately help them live a healthier lifestyle. In addition, the Imperial County Public Health Department's CA4Health Program has collaborated with the City of Holtville and the Quechan Indian Tribe Ft Yuma Indian Reservation to adopt Safe Routes to School (SRTS) Resolutions. Safe Routes to School is an effort to encourage walking or biking to school which helps children develop a habit of physical activity. This habit can yield healthy benefits throughout their lives. The City of Holtville adopted a SRTS resolution on January 13, 2014 while the Quechan Indian Tribe Ft Yuma Indian Reservation approved a SRTS Resolution on February 27 of that same year. The Yuma Indian Reservation proclaimed February 27, 2014 as "Wellness Fair Day" and urged the citizens of the reservation to "Be More Active" and to "Rethink Your Drink". Both these messages encourage individuals to be more physically active and consume less sugary beverages and drink more water.

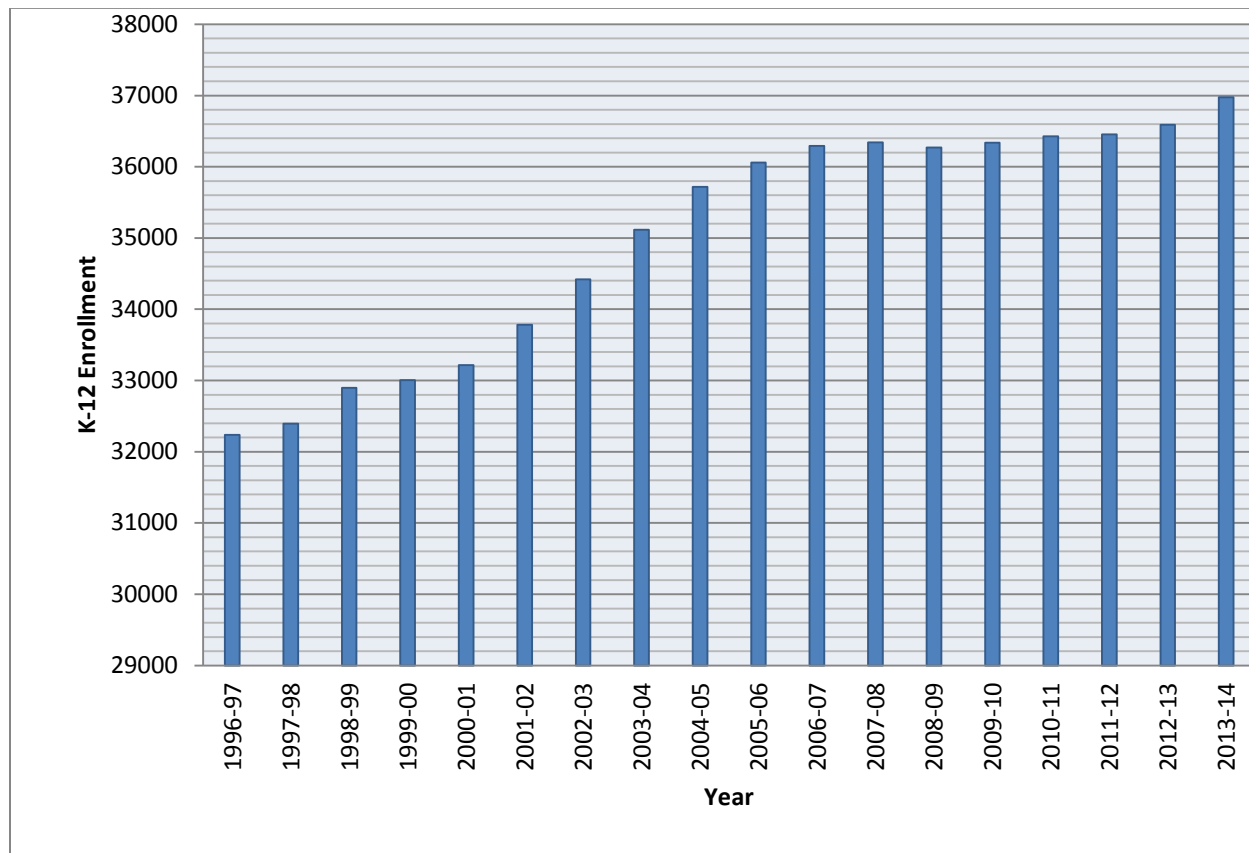
3-5 Education

Imperial County leaders have identified the need for an educated workforce as the single most important issue in the economic development of the county. For this reason it is imperative to take a closer look at the local educational and career technical opportunities available for our residents.

Imperial County is served by sixteen independent school districts providing services from kinder garden to high school, the Imperial County Office of Education (ICOE), providing services through alternative education and special education programs, the Imperial Valley Regional Educational Program (IVROP), providing services in Career Technical Education (CTE) programs for youths and adults, Imperial Valley College (IVC), providing services to adults in a wide array of CTE certificates and Associate degrees as well as transfer

programs to four year colleges and universities. San Diego State University (SDSU) – Imperial Valley Campus, provides lower and upper level courses allowing students to complete selected Bachelor Degrees without leaving Imperial County. The University of Phoenix is a private university with a campus in Imperial Valley offering Bachelor degrees.

3-5-1 Enrollment

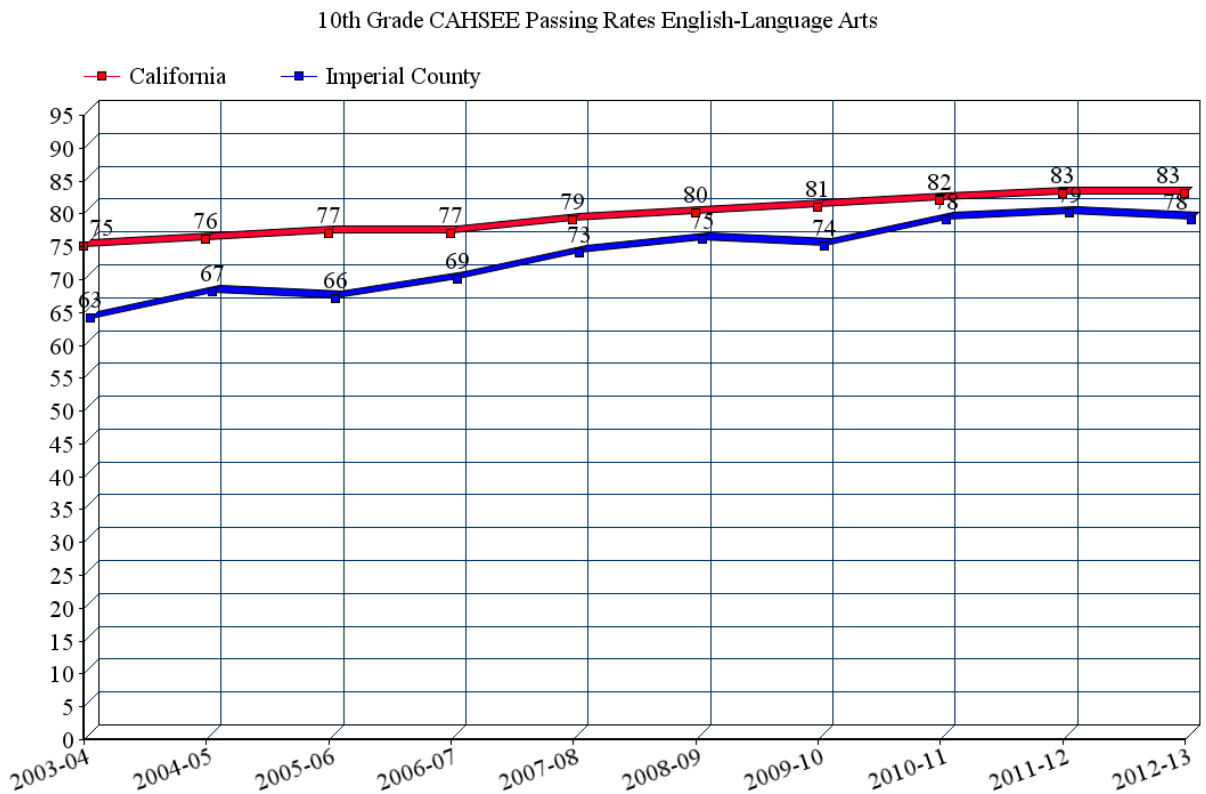


The California Department of Education reports that the 2013-2014 student enrollments were 36,976 in 16 school districts and an Office of Education in Imperial County. School districts ranged in size from 84 to 9,147 enrolled students. Student enrollment in public schools has increased 5.3% in the last ten years. Imperial County has the highest concentration of Latino students of any county in California, 91%.

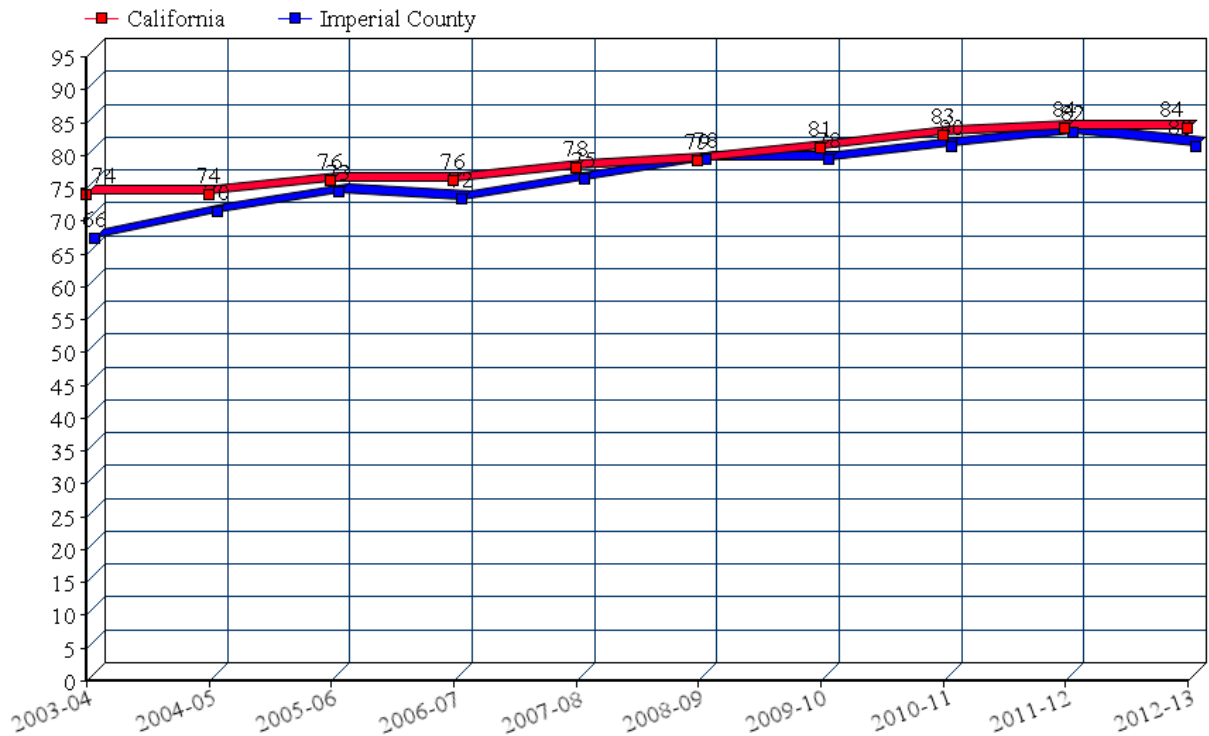
3-5-2 Assessments

The California High School Exit Exam (CAHSEE) was designed to improve student achievement in high schools. The CAHSEE ensures that students that receive a public high school graduation diploma can demonstrate basic competency in reading, writing, and mathematics skills.

Imperial County CAHSEE passing scores are below California's CAHSEE passing rates. In 2012-2013, 78% of high school sophomores passed the English Language Arts section of the CAHSEE compared to 83% in California. During this same year, 80% of sophomores passed the mathematics section of the CAHSEE compared to 84% in California.

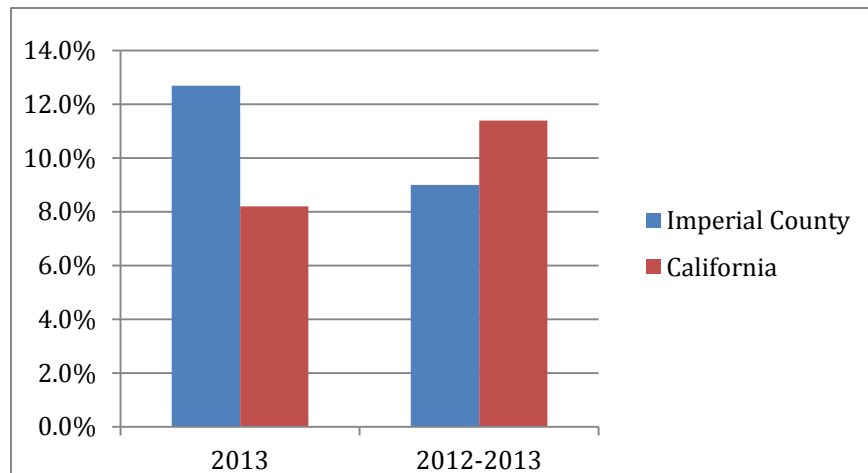


10th Grade CAHSEE Passing Rates Mathematics



The Scholastic Aptitude Test (SAT) is an exam required for admission to most universities in the United States. Imperial County students taking the SAT continue to have an achievement gap compared to students statewide. In 2012-2013, about 33% of our seniors in the county took the SAT, compared to 40% in California. The results show that our local scores continue to be lower than the averages in California in all three areas of the SAT.

District	Grade 12 Enrollment	Number Tested	Percent Tested	Critical Reading Average	Math Average	Writing Average	Total >= 1,500 Number	Total >= 1,500 Percent
Imperial County Office Of Education	54	0	0				0	0
Brawley Union High	459	139	30.28	449	455	458	39	28.06
Calexico Unified	682	214	31.38	438	440	444	41	19.16
Calipatria Unified	91	26	28.57	444	455	445	5	19.23
Central Union High	907	322	35.50	468	474	458	105	32.61
Holtville Unified	133	52	39.10	430	427	427	12	23.08
Imperial Unified	188	86	45.74	478	509	471	35	40.7
San Pasqual Valley Unified	26	1	3.85	*	*	*	*	*
County: (Imperial)	2,540	840	33.07	455	462	454	237	28.21
Statewide:	496,859	200,543	40.36	492	508	489	93,136	46.44



As shown in the table above, according to the 2013 U.S. Census American Community Survey 1-Year Estimates, 12.7 % adults over age 25 have not completed high school in Imperial County, compared to 8.2 % in California. California Department of Education reports that in 2012-2013, Imperial County had a dropout rate of 9% compared to California's 11.4 %. Imperial County's graduation rate was at a higher rate at 83.1 % compared to California's 80.4 %.

The drop-out rate decrease in Imperial County could be attributed to the following factors: a) schools targeting at-risk students at an earlier age; b) schools focusing efforts on scoring higher on testing skills and passing the CAHSEE; and c) accountability standards established for schools, such as the Academic Performance Index (API) and Annual Yearly Progress (AYP), due to the No-Child-Left-Behind.

3-5-4 Post-Secondary Institutions

Residents of Imperial County have a variety of opportunities for post-secondary education. The three primary institutions of higher education are Imperial Valley College (IVC), San Diego State University (SDSU), and University of Phoenix. Through the availability of online education, residents can also complete degree



programs with a number of online colleges throughout the nation.

Each college/university offers distinct services to accommodate the individual education needs of our residents. Imperial Valley College offers a wide variety of transfer and career technical programs. San Diego State University offers a variety of degrees typically for 3rd and 4th year students accepting transfer students from IVC. The Imperial Valley University Partnership (IVUP) program allows incoming freshmen to complete their Bachelor's Degree locally through a partnership between IVC, SDSU, and the Imperial County Office of Education (ICOE). The University of Phoenix is a private university also offering a wide range of educational opportunities for residents. Imperial County residents interested in career technical education can also attend a number of accredited institutions that offer a variety of vocational training programs.

Imperial Valley College

IVC is a two-year community college offering a total of 71 degree programs, including 8 transfer majors and 55 certificate programs and is accredited by the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges. IVC enrolls approximately 8,000 students each semester. 80% of students are Hispanic and many are first generation college students. Approximately 62% of graduating seniors enroll at IVC immediately after graduation. Through its wide-ranging transfer majors, IVC has trained generations of local professional and technicians. Career technical opportunities at IVC include the traditional programs, such as Automotive Technology, Building Construction Technology, and Welding Technology; but IVC has also developed new programs related to the burgeoning renewable energy industry including solar technicians and energy appraisers. Twelve apprenticeship programs with the Imperial Irrigation District are training the new generation of journeymen in electrical trades.

The average age of the full-time students at IVC is twenty-three and the average age of the part-time student is twenty-seven. Students declare their educational goal when they apply to IVC. As of the fall 2010, 88% of students were Latino. An average of 42.8% of students expressed their desire to transfer to a four-year college after IVC; 14.1% of students expressed a wish to pursue technical field career; 10.1% seek an AA/AS degree;

and 6.6% desire to increase their basic skills, GED, etc. The remaining 26.4% did not express any educational goals.

San Diego State University – Imperial Valley (SDSU-IV)

San Diego State University - Imperial Valley (SDSU-IV) is accredited as an integral division of SDSU and operates under the same academic calendar. With locations in Calexico and Brawley, SDSU-IV currently enrolls 900 students in bachelor and master degree programs, including a teacher education program, plus a number of certificate and credential programs. SDSU-IV's undergraduate offerings, originally designed for students transferring from community colleges, were recently expanded to include the four-year IVUP, an innovative educational collaboration between SDSU-IV, Imperial Valley College, and the Imperial County office of Education. The IVUP offers majors in criminal justice, psychology, liberal studies, public administration, history, and Spanish; and in the years ahead the plan is to expand enrollment and include new majors in areas such as nursing, social work, business administration, and sustainability studies. Just six blocks from the Mexican border and Mexicali, a city of more than one million people, SDSU-IV's Calexico campus provides an ideal location for involvement in a truly bicultural community. A number of collaborative initiatives with Mexican educational partners are currently underway, and others are in the advanced planning stages. SDSU-IV's 200-acre Brawley campus is now being transformed into a nationally-recognized Center for Energy Sustainability (CES). CES achievements to date include a power plant control room simulator for academic and industry training, and the development of renewable energy courses. Several major renewable energy companies have deployed demonstration, proof-of-concept, and R&D projects in Brawley. The CES positions SDSU-IV at the cutting edge of renewable energy research and development, provides academic and professional education relevant to California's energy future, and contributes directly to the social and economic development of the region.

Imperial Valley Regional Occupational Program (IVROP)

The Imperial Valley Regional Occupational Program (IVROP) supports Career Technical Education (CTE) training programs for youth and adults; developmental assets and

services that support youth and students in the region; employment and career readiness services; industry and employer engagement; and family stabilization services that support and strengthen individuals and families. IVROP is recognized as a Local Educational Agency by the state of California. Originating in 1981, IVROP is the product of a Joint Powers Agreement (JPA) between the seven high school districts in the Imperial Valley and the Imperial County Office of Education. More information about IVROP can be found at: <http://www.ivrop.org/>.

IVROP convenes local business, civic, and education partners to implement a regional plan for Career Technical Education (CTE), which focuses on preparing all students for post-secondary challenges (college, career, and life). Driven by identified workforce needs, IVROP provides instructors with up to date industry expertise and instructional assistance and students with meaningful career explorations, work experience, and - through the IVROP Community Foundation - scholarships that support post-secondary success. IVROP supplements its core CTE services through the use of State and Federal funds, which include grant funded programs that further support the success of students. For more information about CTE and IVROP's Educational Services, please visit: <http://www.ivrop.org/educational-services/>.

IVROP distinguishes itself from other educational entities in the region and the State through a variety of family stabilization and student/youth support services and programs for Imperial County residents. The IVROP Family Stabilization Unit looks at the needs, barriers, and risks of an entire family. IVROP has comprehensive and multifaceted services and programs and linkages to a network of partners that provide support, guidance and skill development for each member of a familial unit and for the family as a whole. From occupational training to effective parenting and many services in between, IVROP's emphasis on family stabilization is intended to propel families, individuals and the entire community forward on pathways of success. For more information about IVROP's Family Stabilization Unit, please visit: <http://www.ivrop.org/adult-services/family-stabilization/>.

Imperial County Office of Education (ICOE)

The Imperial County Office of Education (ICOE) is the lead entity in providing other local education agencies with technology support and infrastructure management. ICOE provides and manages the broadband fiber optic network for 32 public agencies in the county. ICOE is also the lead for the K-12 High Speed Network (K12HSN). K12HSN enables educators, students and staff across California to access a reliable high speed internet, which delivers high quality online resources to support teaching and learning and promote academic achievement. K12HSN facilitates videoconferencing for distance learning throughout the state for K-12 and for California State University campuses. The program is also currently engaged in distributing state funding to solve “last mile” connectivity issues for school sites having difficulty obtaining sufficient connection speeds. The University of Phoenix opened its campus in 2004 and the latest information that has been provided is that it’s offering 16 undergraduate majors and three graduate degrees. As of summer 2007, University of Phoenix had 188 students enrolled in its local campus.

3-6 Housing

Imperial County faces a major challenge in providing for the development and maintenance of an adequate supply of affordable housing for all segments of the population, consisting of single-family homes and multi-family units. Programs funded by the Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP3), HOME, and CalHOME can assist eligible residents by providing grants or loans for affordable housing to residents within the Imperial County.



The county’s most urgent housing need is rehabilitation and continued maintenance of the existing housing market, particularly the units occupied by low or moderate-income households. Low-income households lack the resources necessary to afford decent, safe, and sanitary housing. The lack of resources will lead to increased overcrowding and overpayment by the county.

According to the County of Imperial 2014-2021 Housing Element, prepared by Pacific Municipal Consultants, 48.9 percent of housing units in county unincorporated areas were identified as needing minor repair, needing a moderate level of repair, requiring substantial repair, or being dilapidated. More than one out of every six housing units requires substantial repairs or is in dilapidated condition. Typically, low-income households, both owner/occupants and renters, occupy most of these substandard units. Using the State Department of Housing and Community Development (HCD) criteria, the foundations, roofing, siding, windows, and the doors of the units were analyzed.

The results were as follows:

- 31.9 percent of housing structures required minor to moderate repair;
- 9.6 percent of the structures in the target area needed substantial rehabilitation if they are to remain in residential use; and
- 7.3 percent of the structures in the target area are considered dilapidated and need to be replaced.

The population is annually increasing county wide; the individual cities and unincorporated areas alike. There are a number of potential factors that may support an accelerated population growth in the near future, including growth of the government job sector, USA/Mexico border crossing, and growing retail industry.

The following chart illustrates affordable housing programs and projects available in Imperial County:

	First Time Home Buyer Program	CDBG Housing Rehab	Existing affordable apartments	Upcoming affordable apartments
County of Imperial	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
City of Brawley	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
City of Calexico	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
City of Calipatria		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
City of El Centro	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
City of Holtville			<input checked="" type="checkbox"/>	
City of Imperial	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
City of Westmorland				

It is essential to make every effort to provide affordable housing county-wide. All seven cities and the County maintain affordable apartment complexes for income qualified individuals. The cities of Brawley, Calexico, and Imperial are planning on developing additional complexes to their existing ones.

In addition to affordable housing, most cities and the County have implemented additional housing programs through utilizing grant funds. The cities of Brawley, Calexico, El Centro, Imperial, and the Imperial County offer the First Time Home Buyer (FTHB) Program. This program helps low-income families become first time home owners by providing a low interest deferred second mortgage loan giving them the opportunity to make their home-owning dreams a reality. Most of the cities also receive grants from funding sources, such as the California Department of Housing and Community Development, through its Community Development Block Grant (CDBG) program, to implement housing rehabilitation programs. These programs assist eligible homeowners in making improvement to their homes to create safe and sanitary environments, including solving overcrowded living conditions.

3-7 Transportation

Transportation and Logistics

Highway Network – The Imperial County region possesses a wide array of transportation and infrastructure assets and is uniquely located in proximity to major production, trade, and population centers of Southern California and Arizona. For shipping and logistics, the highway system in Imperial County handles



approximately 97 percent of total commodity flows across the county. There are four major north-south corridors handling freight within the county: Forrester Road, from I-8 to SR-78/86 in Westmorland; State Route 7 (SR-7) from the Calexico East Port of Entry to I-8 Freeway; SR-111 from the Calexico West Border Crossing to SR-86 in Riverside County;

Approximately \$200 million in funding has been designated for improvements to various segments of the Imperial County highway network for the following projects: I-8/Dogwood Road Interchange, I-8/Imperial Avenue Interchange Reconstruction; SR-98 Widening; Cesar Chavez Boulevard Widening; SR-7 (from Calexico East POE to SR-98) Concrete Resurfacing; and, I-8 Concrete Resurfacing (from SR-7 to the Yuma, AZ border). It is estimated that 3,500 jobs will be created over the next three to five years as a result of the regional highway improvement projects in Imperial County.



Ports of Entry – The County is connected to Mexico through three land Ports of Entry (POEs) at Calexico West/Mexicali I, Calexico East/Mexicali II and Andrade/Los Algodones. Across the Imperial/Mexicali POEs there are approximately 80,000 people that cross the U.S. through these POEs daily for work, school, shopping, entertainment and other socially related trips. As with most U.S./Mexico border communities, the residents of Mexicali, Mexico are an important part of Imperial County's community and economy. Mexicali is the state capitol of Baja California with an estimated population of over one million people.

The Calexico West/Mexicali I POE is located in the City of Calexico and is the primary port for daily person crossings into the U.S. by car or as pedestrians. This POE is the third busiest Land Port of Entry in California with 4 million northbound vehicle crossing each year, 4.8 million northbound pedestrians crossing each year, and it is the critical economic engine for Imperial and Mexicali region.

The Imperial-Mexicali region is pursuing a major renovation and expansion of U.S. and Mexico federal inspection operations. The Federal government has appropriated \$98 million for Phase I of the Calexico West POE Modernization and Expansion Project. Phase I includes ten northbound vehicle inspection lanes, the headhouse, and a bridge for southbound vehicle lanes. The U.S. General Services Administration (GSA) has scheduled the completion of Phase I for January 2018. Schedule for Phase II is contingent pending fund authorization from Congress.





Proposed Calexico West/Mexicali I POE Modernization and Expansion Project

The Calexico East POE is a passenger and commercial port located seven miles east of the Calexico West POE. The Calexico East port is the principal gateway for trade by truck through Imperial County and Baja California, Mexico. It is located roughly 130 miles east of San Diego and 60 miles west of Yuma, Arizona. The port includes eight passenger lanes, four pedestrian lanes, four commercial lanes, one FAST (Free and Secure Trade Program) lane, one bus lane, one SENTRI (Secure Electronic Network for Travelers Rapid Inspection) lane and one Ready lane that requires users to present Radio Frequency Identification (RFID) enabled cards. The FAST program allows U.S./Canada and U.S./Mexico partnering importers expedited release for qualifying commercial shipments. SENTRI cards are Western Hemisphere Travel Initiative (WHTI) compliant documents for entry into the United States by land or sea, and also provide expedited travel to approved members between the U.S. and Mexico Border. The Calexico East/Mexicali II POE is served by California SR-7, with direct connection to Interstate 8, about five miles to the north. Mexico is California's highest ranking trade partner and Imperial County processes an estimated 30% of this trade through its land POEs at Calexico East and Calexico West. In 2013, the Calexico East POE accommodated over 325,690 incoming trucks, transporting goods

valued at \$13.1 Billion (\$5.7 Billion in exports and \$7.4 Billion in imports). Previous origin and destination surveys by Caltrans estimates that 79% of these cross-border goods have origins and destinations throughout California and 21% to and from other U.S. states, Asia, Canada, Europe, and South America.

The Imperial – Mexicali region is pursuing a Binational Partnership – Toll Pilot Project to expand the northbound lanes for cars and trucks. The concept is to toll new lanes with existing lanes remaining as a free option.



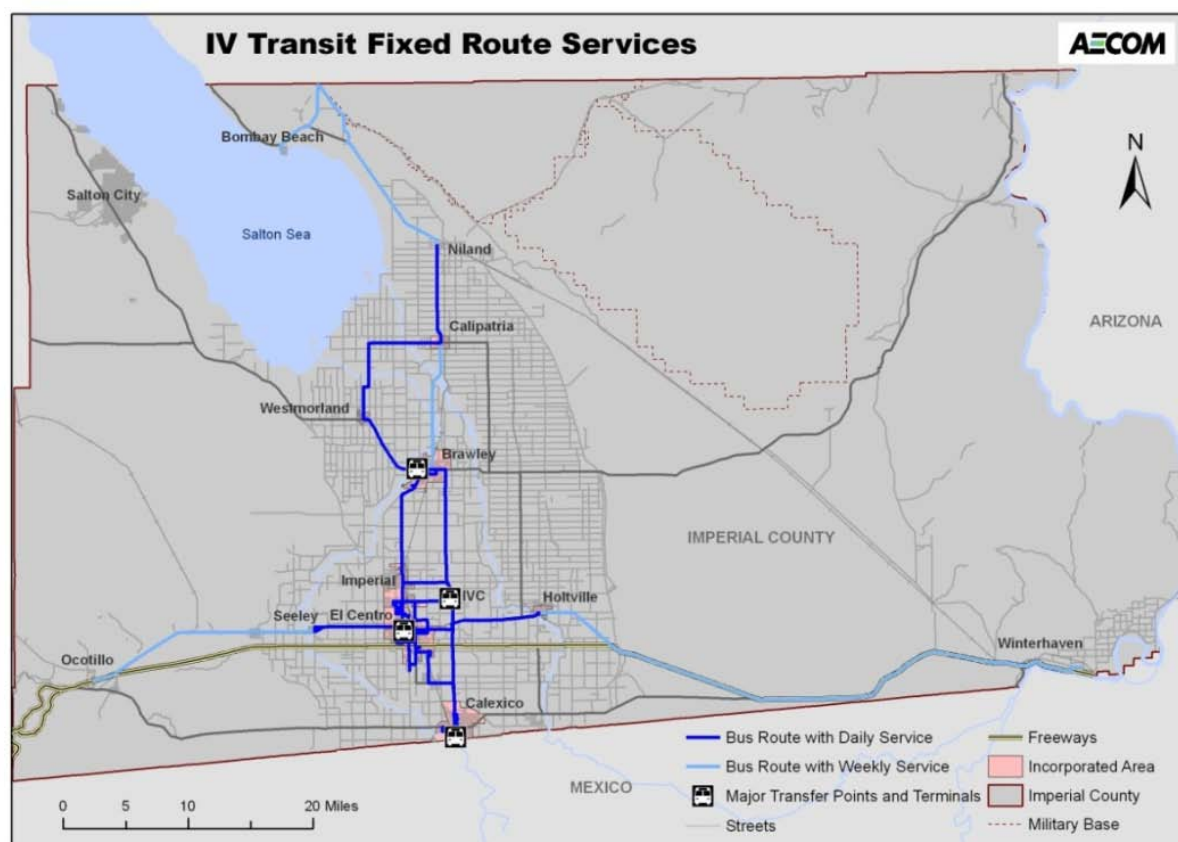
Calexico East/Mexicali II POE

The Andrade/Los Algodones POE is located near the California/Arizona border and is an important gateway for tourism – U.S. visitors traveling into the small Mexican community of Los Algodones for shopping and medical services. In 2013, 1.7 million pedestrians and 790,000 personal vehicles carrying 1.6 million passengers crossed at this POE. The majority of traffic occurs during the winter season, when “snow birds” from other states and Canada visit the area for recreation and medical services. In 2014, Caltrans completed a Pedestrian Improvement Project at the Andrade/Los Algodones POE.



Caltrans Pedestrian Improvement Project at Andrade/Los Algodones POE

Regional Transit System – Imperial Valley Transit (IVT) operates 11 fixed routes. These routes roughly form a north-south axis along SR-86 and SR-111 corridors from Niland to Calexico, continuing along the SR-111 corridor to Niland (Bombay Beach on Thursdays), and an east-west axis along I-8 and Imperial County S80/Evan Hewes Highway corridors from Seeley to El Centro and Holtville, extending to Ocotillo on Tuesdays, Winterhaven on Wednesdays and Bombay Beach on Thursday. The IVT operations are administered by the Imperial County Transportation Commission and are currently operated by First Transit, Inc.



New Transit Transfer Stations have been completed in the Cities of Brawley and El Centro. The Brawley Transit Station was completed in August 2013 and the El Centro Transit Station was completed in January 2014. Both facilities serve local and regional transit needs. The implementation of both stations helped further enhance the town centers of each city and create future opportunities for sustainable improvements in the downtown business districts. Two additional transit transfer stations are planned in the Cities of

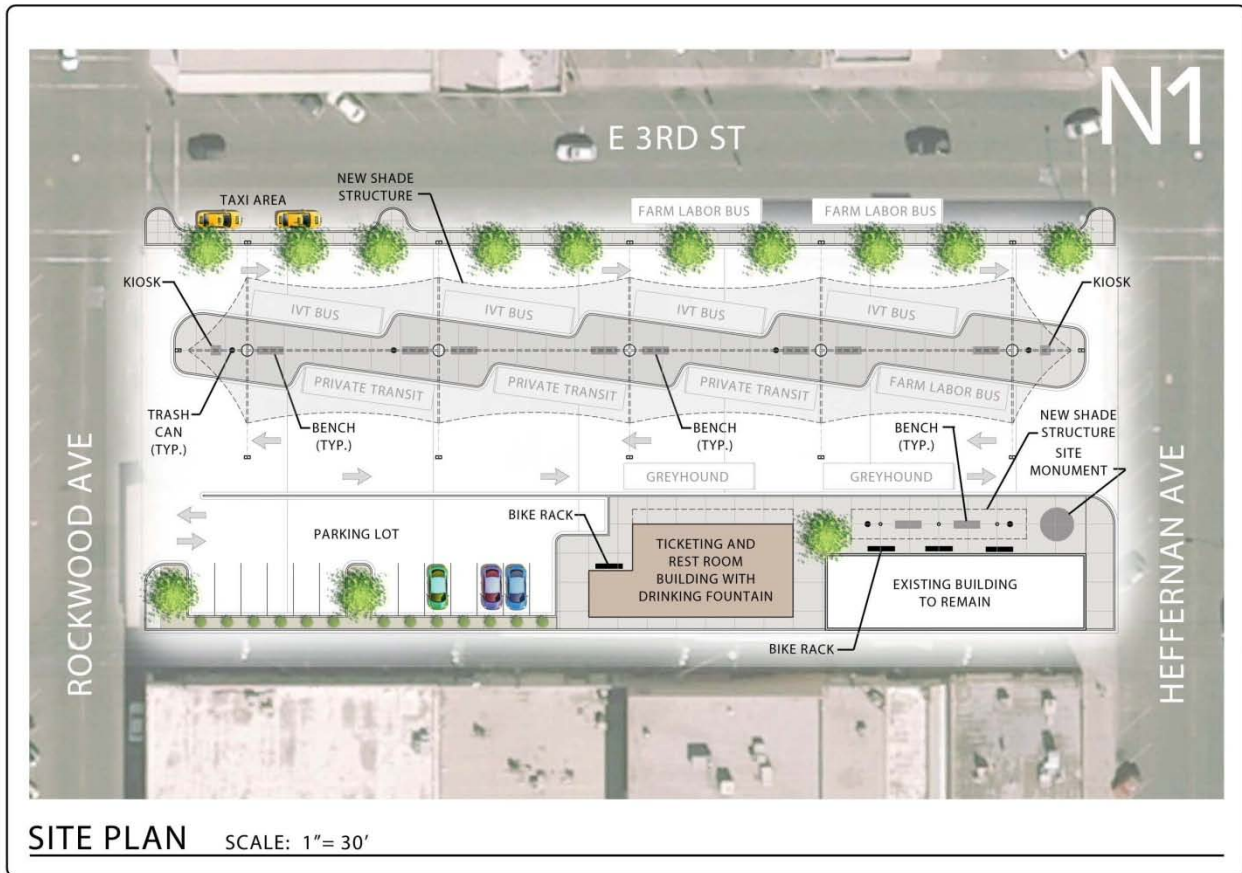
Imperial and Calexico. The City of Imperial is working on completing the design phase 2015 and a Feasibility Study was completed for the Calexico Intermodal Transportation Center in 2014.



City of Brawley Transit Transfer Station



City of El Centro Transit Transfer Station



Proposed Calexico Intermodal Transportation Center

Other public transit service in Imperial County includes the following:

- Urban circulator services, currently comprising the IVT Blue and Green Lines in El Centro and the Gold Line in the City of Brawley. The city circulators have timed connections with the intercity IVT routes. These routes are also operated by First Transit, Inc. as a part of Imperial Valley Transit, but are specially branded. Two additional circulators are planned for the Cities of Calexico and Imperial. Both are identified as high priority as funding is available.
- The Americans with Disabilities Act (ADA) complementary paratransit service, branded IVT Access, is operated throughout the IVT service area covering most of the Imperial Valley, and is also operated by First Transit, Inc.

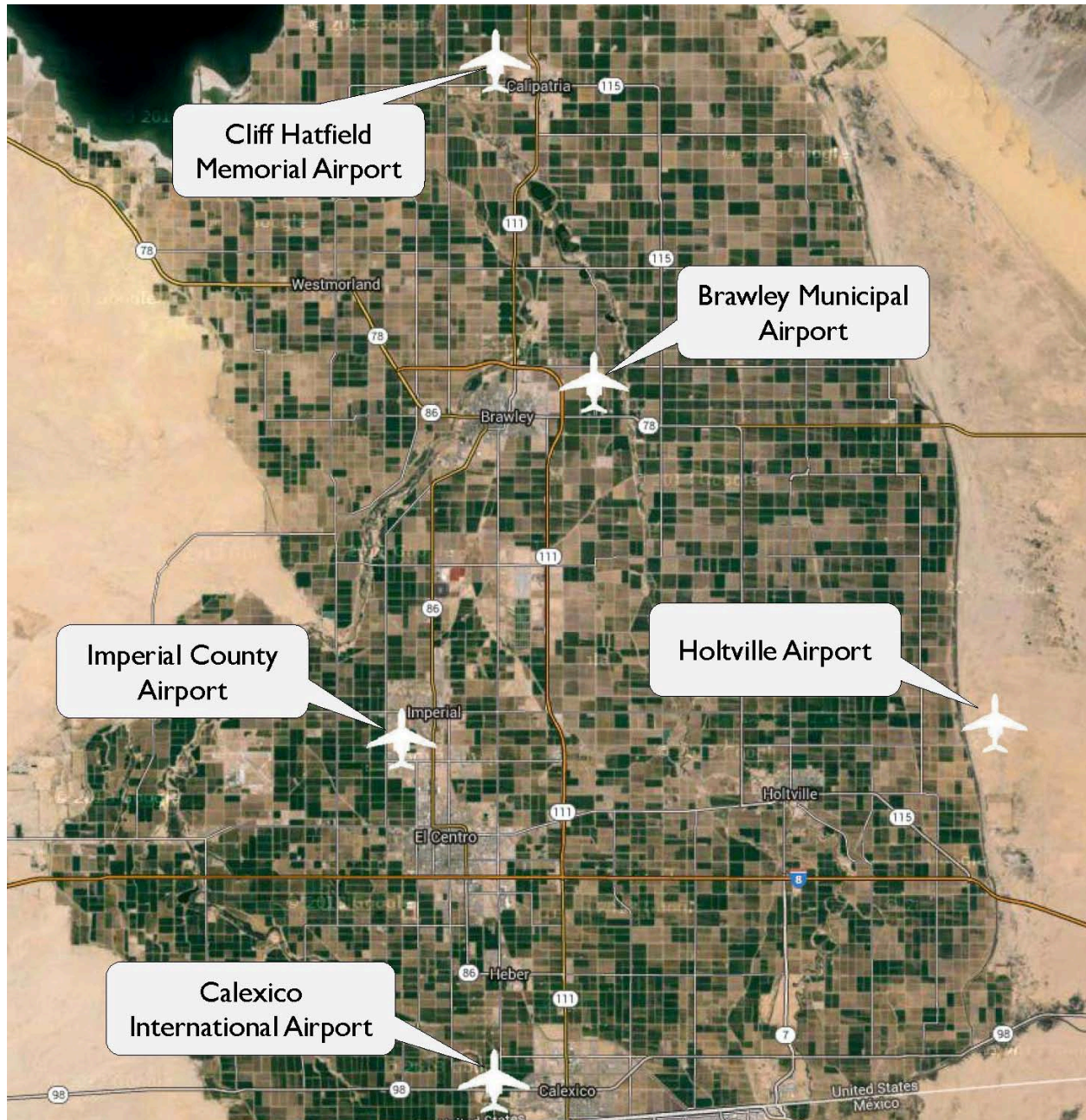
- Limited paratransit service, branded Med-Express, is operated between designated locations in Imperial Valley and medical facilities in San Diego County. The Imperial County Transportation Commission contracts this service and is operated by Association for Retarded Citizens (ARC) – Imperial Valley.
- Dial-a-Ride services provides curb to curb transit service in five defined areas, including the Cities of El Centro, Calexico, Brawley, Imperial; and the West Shores area (west side of the Salton Sea). Service in Brawley and the West Shores area is available to the general public; in El Centro, Calexico and Imperial it is limited to seniors and persons with disabilities.

Airport Infrastructure – The Imperial County Airport is a 139 Commercial Airport as well as the largest general aviation airport in the county. It is centrally located within the jurisdictional boundaries of the City of Imperial, along Highway 86, owned and operated by the County of Imperial. The Imperial County Airport provides air service for private and commercial passenger and freight transportation. Currently freight is transported through the courier services of Federal Express (FedEx) and United Parcel Service (UPS). At the Imperial County Airport, there are daily scheduled airline flights, air cargo, military operations, Department of Homeland Security aircraft as well as several business jets and private general aviation flights.

A hotel and several businesses are located on airport property providing additional revenue through land leases helping to fund the operation of the airport. Aviation services provided at the airport include: hangar rentals, aircraft fueling, flight training, business aircraft charters, aerial fertilizer and pesticide applications and aircraft maintenance. In May 2013 SeaPort Airlines began providing air passenger service to San Diego International Airport and the Burbank Bob Hope Airport.

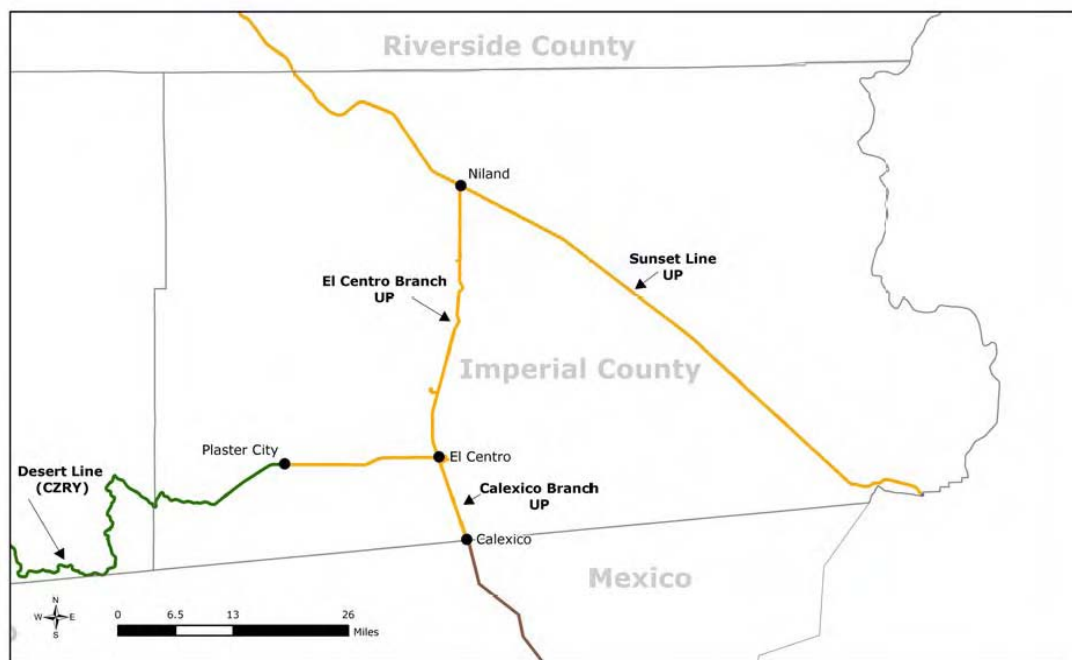
Additionally, there are four publicly owned general aviation airports located in the cities of Brawley, Calipatria, Calexico, and Holtville. The Brawley, Calipatria, and Calexico airports are for General Aviation use only. The Calexico International Airport does facilitate cross-border and international passenger travel, with U.S. Customs and Border Protection (CBP) Inspection Officers that are daily based at the airport. The Holtville Airstrip is currently

closed to civil aircraft operations but does have future economic development potential for a future regional air cargo facility and other non-passenger air service operations.



Regional Airport Map

Rail Infrastructure - Imperial County is also served by rail connections from Mexico, Riverside County, and Arizona. Commodity flows by rail account for about 3% of total commodity flows in the county. The Union Pacific Rail Road (UPRR) owns and operates a line originating at the Calexico West border crossing, extending north to El Centro and ultimately connecting with other UPRR tracks at Niland, heading north to Riverside County and southeast to Arizona (Sunset Line). UPRR also owns and operates the section between Plaster City and El Centro. That section is in service, and connects with other UPRR lines at El Centro. Finally, the Carrizo Gorge Railway (CZRY) owns the rights to operate on a small section of tracks in the western portion of the county between the San Diego County line and Plaster City. This section of the rail line is currently closed for operations; however, there are potential operators and investors exploring opportunities to re-open the line for freight movement between the San Diego-Tijuana region to and through the Imperial-Mexicali region. At the Calexico West POE, the rail line processed \$273 million in exports to Mexico in 2012.



Union Pacific Railroad Corridors in Imperial County

3-8 Conclusion

Overall, the economic and social areas in Imperial County are either keeping consistent with historical trends or improving. The State of California offers a variety of grant opportunities such as the Community Development Block Grant (CDBG), HOME, and CalHOME programs. The county and cities can enable communities to plan, coordinate, and assist in distressed times during a natural disaster, loss of jobs, or a high unemployment rate by providing affordable housing with grants available from the State. Every year the County of Imperial and Cities are notified of funding availability. State grants and local assistance can support businesses in local communities by providing technical assistance, low-interest loans, and referrals, among other resources. With the proper programs in place, the economic and socioeconomic factors in Imperial County will continue to improve.

The 1996 opening of the Calexico East/Mexicali II Port of Entry (POE) in Imperial County intensified economic development activity in the area and has been the catalyst to increase the County's participation in the international and regional trade area. According to the 2013 Bureau of Transportation Statistics an estimated 6.4 million passenger vehicles and 325,690 commercial vehicles entered the United States through the Calexico East/Mexicali II POE. There are commercial/industrial land use opportunities for warehousing in the surrounding area of the Calexico East POE.

The Gateway of the Americas, a project partially funded by EDA, is located on the new port of entry where industries in this area perform the following activities:

- supplying of raw material and components
- warehousing and distribution
- transportation services, and
- brokerage services

In 2003, the United States Department of Commerce granted a Foreign-Trade Zone (FTZ) designation to the County of Imperial, along with the Cities of Brawley, Calexico, Calipatria, and El Centro. Subsequently, the Cities and the County formed the Imperial Valley Foreign Trade Zone Joint Powers Authority (IVFTZ-JPA) in 2005. Through this joint venture,

Imperial County has been working diligently to attract business that would benefit from the FTZ designation. Currently, the IVFTZ-JPA is working with a consultant to attract and educate potential business that could benefit from FTZ incentives.

The passage of NAFTA dramatically increased foreign investment to the California/Mexico border region. NAFTA, combined with the region's business friendly local governments, available labor force, competitive wage rates, strategic location as the gateway to the Pacific Rim and Latin America, and proximity to a growing network of suppliers and service providers, makes the California border region the optimum location for an international manufacturer. At the same time, NAFTA has strengthened America's trading relationship with Mexico. All 50 states can now export to Mexico through the California gateway and there is every reason to believe that the Southern California border region is becoming a key worldwide manufacturing center and a prime export market for many U.S. and foreign companies.

The California/Mexico border region is positioned to capitalize on NAFTA and industrial development in Mexico. However, understanding the growth of industrial development in Mexico and the benefits that accrue to the U.S. begins with an understanding of the maquiladora industry. Traditionally, maquiladoras are foreign-owned assembly plants in Mexico that import raw materials duty-free and export final products to the U.S. and around the world. Industries most likely to take advantage of the maquiladora program are those which require high investments in labor cost such as aerospace, electronics, electronic components, industrial equipment and machinery, plastics, textiles, and furniture. Maquiladora operations are increasingly taking advantage of Mexico's free-trade agreements with countries in Central and South America.

Section 4. Analysis

4-1 SWOT Analysis

It is important to determine the key issues presently affecting Imperial County. As part of our strategic planning, the Overall Economic Development Commission is making consensus-building workshops at its semi-annual meetings a priority. OEDC members also plan to present this study to all city councils and the Imperial County Board of Supervisors and extend an invitation to be involved in the visioning process for Imperial County.

Mega-Region

The CaliBaja Bi-National Mega-Region is comprised of San Diego and Imperial counties, together with Baja California, Mexico, positioned to become a global powerhouse for commercial growth. This mega-region offers unique opportunities for business investment.

Poised literally on the doorstep of North America's largest consumer marketplace, CaliBaja offers global corporations easier access and distinct advantages because of its bi-national location and varied geography. There are intellectual and scientific resources, an established base of experienced, skilled production expertise, ample infrastructure and natural resources, business incentives from two nations, and room for major ongoing expansion. CaliBaja is the fast lane to North America that will expand with business for years to come.

CEDS Committee members utilized numerous local studies and publications including, but not limited to, the Imperial County Economic Development Strategic Plan (April 2006), Imperial Valley Renewable Energy Feasibility Study (April 2008), Imperial County Agricultural Crop and Livestock Report 2010, Naval Air Facility El Centro Economic Impact and Community Involvement Study FY 2010, and Imperial Valley Economic Development Corporation publications. These documents identified dozens of Community Strengths, Weaknesses, Opportunities, and Threats (SWOT). The SWOT analysis is a process by which Imperial County can track what is occurring or is about to occur. It provides critical information related to Imperial County's community and economic well-being.

The better the community's understanding of the environment in which it operates, the better its ability is to formulate its mission and to set realistic goals, objectives, and action plans. The following are the results of the community assessment process. They are the challenges and opportunities to be addressed by the OEDC within the next five years.

STRENGTHS

- Close-knit communities
- Positive rural business environment
- Growing community-based partnerships
- Large amount of vacant, affordable land
- Fertile available inexpensive land
- Established North American Free Trade Agreement (NAFTA) Corridors
- Border Economic and Community ties with Mexicali, Mexico
- Three Land Ports of Entry with Mexico
- Commerce between two countries
- Proximity to Mexico maquiladoras
- Available/trainable workforce
- Renewable energy resources
- Multicultural community
- Access to higher education: Imperial Valley College, San Diego State University – I.V., University of Phoenix
- Availability of state and federal resources for economic development
- Mega-Region
- Self-Help County – Measure D, 40 year local sales tax to improve roads in the County
- Business incentives: Foreign-trade zone, Manufacturing, Enhancement Area, Recycling Market Development Zone
- Accessible planning process
- Access/communication with local officials
- Favorable weather
- Naval Air Facility El Centro
- Border Area Economic Opportunities
- Pro-growth attitude
- Less expensive cost of living
- Affordable housing
- Transportation routes/freeway access
- Development of local industrial parks
- Low property taxes
- Regional recreation
- Collaboration among agencies
- Healthy agricultural economy
- Part 139 Airport Commercial Passenger Airport

WEAKNESSES

- Lack of infrastructure to support present/future development
- Congested border crossing traffic
- Lack of regional airport for large airfreight transport
- Limited public transportation services for large geographic area
- High unemployment
- Lack of diversified job opportunities
- Lack of high paying jobs
- Limited workforce skills
- Limited higher education attainment
- Lack of career opportunities for college graduates
- Need for improved quality of education in K-12 schools
- Air quality
- Lack of financial resources
- Need to diversify economy
- Technical assistance available, but not marketed
- Neighboring regions uninformed of this region's resources due to lack of marketing funds and resources
- Lack of medical specialists
- Drug and human trafficking
- Language barriers
- Regional partnerships
- Seasonal employment
- Salton Sea restoration
- Need for proactive planning
- Need for technical skills training

The region's advantages lie within a youthful population, location within the CaliBaja mega region, short commute times for workers and an affordable median home price. Additionally, the Imperial County is located along a major transportation corridor, which provides access for goods to travel to/from Mexicali, Baja California, Mexico, Yuma, AZ and San Diego, California; throughout California and beyond to other U.S. states and international markets.

4-1-1 Identifying Key Industries for Imperial County within Five Years

An analysis of the available demographic information matched with information gathered from key community leaders provides us a potential roadmap for key industries for which the Imperial County can prosper economically. Five of these industries are ones that the region can begin recruitment for expansion now.



4-1-2 Agribusiness

The largest industry in Imperial County is agriculture with the gross production valued at \$1,964,087,000 in 2011. This is an increase of \$365,553,000 (22.8%) compared to the 2010 figure of \$1,598,534,000. Field crops showed an overall increase of 44 percent in value compared to 2010, with the largest gains in Kleingrass hay, Bermuda grass hay, wheat and miscellaneous field crops. The overall gain in vegetable and melon crops were more than 11 percent with the largest gains in broccoli, cauliflower, market carrots and salad products. Gains were generally due to increases in acreage and price. Cattle again ranked as the number one commodity, with an increase of over \$57 million (21%).

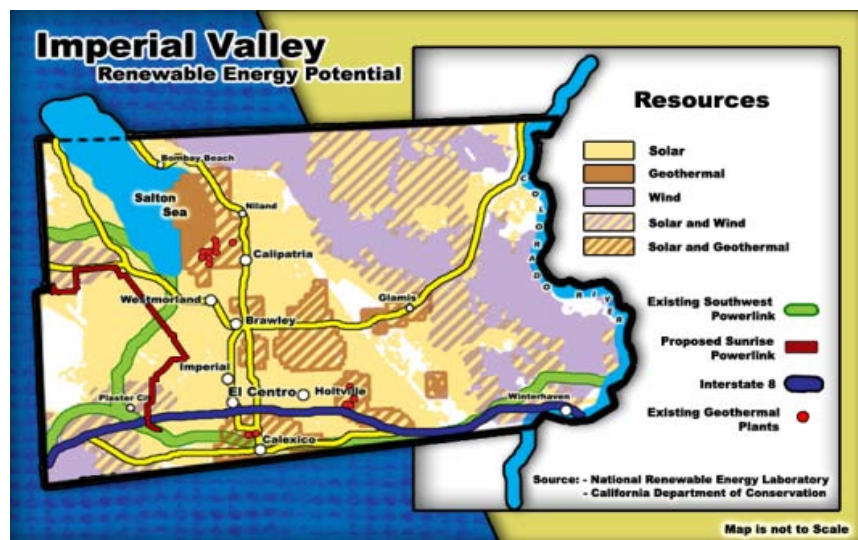
However, the Imperial County region must seize the opportunity to bring additional food processing facilities to Imperial County, specifically food processing involving crops/products grown and raised in the region. The availability of said products combined with available labor, abundance of water and electricity and access to major consumption markets provides an ideal opportunity.

In addition to food processing, there is an opportunity to collaborate with San Diego which has long hosted the biotechnology industry. Companies involved in research and development have flourished in the region for a number of reasons, including quality of life and access to higher education (research education). Originally the applied fields (i.e., bringing developed products to market via mass production) were also performed in the region. As global competition has increased, so has the need to find other avenues of production. While some production will continue to move overseas for economic reasons, Imperial County should explore alignment with the San Diego region to host applied biotechnology industries. The ability for these companies to utilize inexpensive land to create facilities and the availability of both water and energy provide a competitive advantage. The real advantage, that overseas and foreign competition cannot offer, is access for laboratory personnel to maintain quality control with a two-hour drive, rather than a fifteen-hour flight.

Labor will be an issue in attracting this sector, but the partner companies may have a labor force willing to relocate to take advantage of lower housing prices. This sector's long-term viability within the region will be predicated on addressing both quality of life and educational achievement within the Imperial County.

4-1-3 Energy Generation

Imperial County is rich in renewable resources that have only been tapped to a limited extent. The demand for renewable resources has been growing dramatically nationwide in recent years, driven by concern about greenhouse gas emissions, higher fuel



prices, and energy security. The dramatic increase in demand has been particularly pronounced in California, where the state's renewable portfolio standard (RPS) requires

energy utilities to acquire 33 percent of electricity from renewables by 2020. Governor Jerry Brown's recent proposal to increase California's RPS to 50 percent by 2030; reduce petroleum use in cars and trucks by up to 50 percent; and double the efficiency of existing buildings has been met with much enthusiasm. Two pieces of legislation now under consideration, Assembly Bill 197 (Garcia) and Senate Bill 350 (De León), if passed, would ratchet California's RPS upward to 50 percent. In addition, new activity with the Global Warming Solutions Act of 2006 is likely to further improve the economics of renewables, which are relatively emission-free. Senate Bill 32 (Pavley), which requires California's State Air Control Board to approve a statewide greenhouse gas emission limit equivalent to 80 percent below the 1990 level (currently mandated by AB 32) by 2050, is being reviewed. Coincidentally, the richness and diversity of resources coupled with the dramatic increase in demand for renewable energy, provides an excellent opportunity for renewable development for the county. As the provider of electricity in the county and as a publicly-owned utility, the Imperial Irrigation District (IID) is interested in both serving its customers' load with these resources and the economic development potential related to generation for loads outside of its service territory.

The total technical potential is 42,283 megawatts for the county's renewable energy resources. As points of reference, the IID has a yearly peak load of approximately 1,000 MWs and the all-time peak demand for the California Independent System Operator (which serves most of California) is 50,270 MWs (in 2006). According to the Renewable Energy Feasibility Study Final Report, commissioned by IID, the largest potential resources are solar, with 28,600 MW, followed by low-speed wind, 9,555 MWs, and geothermal, 2,488 MW. Note these numbers reflect an estimate of total technical potential, and do not indicate the timing of deployment.

In recent years the growing demand for power on the Western Grid has made the Imperial County a mecca for discussion of renewable energy potential. With plenty of open space and sunshine most days of the year, the Valley has been described as ideal for solar and wind development. The seventeen existing geothermal plants generating about 600 megawatts of electricity are located in several of Imperial Valley's Known Geothermal Resource Areas, which are "considered by many to be the best opportunity for growth in

California in the near term.” (GEA) Since 2008, the Imperial Valley Economic Development Corporation (IVEDC) has hosted the annual Imperial Valley Renewable Energy Summit to drive the green energy economy forward. Continued development and increasing demand for renewable energy production have proven Imperial County is a leader in renewable energy generation.

IID Strategic Transmission Expansion Plan (STEP)

IID has proposed a multiregional strategic transmission expansion alternative to the California Independent System Operator (CAISO) and WestConnect that, as proposed, would expand the export of renewable energy to the state and the Southwest region while ensuring that the district maintains its balancing authority, meets federal and state regulations and replaces generation lost by the retirement of the San Onofre Nuclear Generating Station.

Initial Phase

The plan proposes the construction of a 2,200 megawatt 230 kV collector system in the IID service territory. IID proposes to finance, construct and upgrade its internal transmission network, creating an internal collector system that would facilitate the export of 1,100 megawatts to the CAISO and simultaneously another 1,100 megawatts to the WestConnect.

Construction would include:

- a double circuit 230 kV collector system, connecting six substations, creating a robust internal 230 kV network;
- creation of two new substations;
- development of a single 500 kV line, AC rated at 1,200 megawatts, to connect Arizona Public Service’s North Gila substation to IID’s Highline substation;
- and a 1,100 megawatt 500 kV DC transmission line from the Salton Sea area to the San Onofre Nuclear Generating Station substation.

As the need for additional renewable energy generation occurs, IID would be able to add a 500 kV collector system to the 230 kV system, upgrade the Path 42 line from 230 kV to 500 kV and add a second circuit on the DC line towers. These future upgrades would increase export from 2,200 megawatts under STEP Phase 1 to 4,100 megawatts.

North Gila to Hassayampa Line

Also part of the initial phase, IID and Arizona Public Service continue to move forward as joint owners, with IID's participation being at least 20 percent, in the second North Gila (located east of Yuma, Ariz.) to Hassayampa 500 kV line (west of Phoenix, Ariz.). Permitted in 2008, IID's participation in this project fits perfectly with the STEP as the district will be able to import 240 megawatts of generation resources from the Palo Verde marketing hub and export 1,200 megawatts of renewable generation resources from IID's service area to Arizona/New Mexico.

Rationale

This proposal aims to remove real barriers that limit the export of geothermal, solar/wind and other renewable technologies located in the Imperial Valley. The proposed STEP is a reliability and policy-driven project that would provide significant reliability and economic benefits to all ratepayers. The key to doing this is for IID to retain control of its balancing authority.

Additionally, it would provide an effective multiregional solution that would strengthen the grid in Southern California and reduce the impact of several existing CAISO transmission contingencies associated with the loss of major transmission lines.

Due to its strategic location and the considerable renewable resources located within the IID's service territory, improved transmission infrastructure in this region offers a wealth of benefits to a variety of stakeholders in the surrounding regional and interregional transmission area.

As a load-serving entity that operates one of five balancing authorities in the state, IID's transmission system connects to CAISO/Southern California Edison to the north, CAISO/San Diego Gas and Electric to the west and Western Area Power Administration/Arizona Public Service to the east. There is also a proposed interconnection to CFE in Mexico to the south.

Costs and Benefits

IID proposes to allocate the cost of the collector system as an option to the off-takers of the renewable energy, along with IID's current cost recovery methodology defined in the Open Access Transmission Tariff (OATT), eliminating IID transmission wheeling fees. This ensures that the cost of the collector system and associated upgrades are predetermined and fixed throughout the transmission service agreement.

IID's STEP helps the district protect its balancing authority while promoting transmission and governance of rates and cost management, ensuring that IID customer rates are maintained at the lowest possible level.

Due to the complexity and variables of the project, proposed total cost varies widely between \$431 million and \$1.7 billion. Costs will largely depend on the strategic partnerships IID can establish, the extent the district can control the collector ring and off load some of the costs as well as negotiations.

The Sunrise Powerlink Transmission Line Project, a 117-mile, \$1.883 billion 500-kilovolt electric "superhighway" from Imperial County to San Diego with 1,000 megawatt capacity (enough energy for 650,000 homes) was energized on June 17, 2012. This project went through a rigorous permitting process and was ultimately approved by the California Public Utilities Commission in December 2008, U.S. Bureau of Land Management in January 2009 and U.S. Forest Service in July 2010.



Though transmission capacity continues to be an issue, local officials are confident that the region's green energy future will be realized in part with the STEP and Salton Sea Restoration and Renewable Energy Initiative. As a result, the county and

educational programs have garnered more than \$1 million in funding in the last two years for training and renewable energy education development. Despite the recent boon of developers' interest, renewable energy has been created in the Valley and some are hoping will continue to be a backbone of economic investment and job growth in the future.

4-1-3-1 Geothermal

Imperial County is currently the second-largest geothermal energy producing county in the nation, generating about 600 megawatts of energy. Some geothermal plants have been in existence for more than two decades, making geothermal the renewable energy industry with proven longevity in the Valley.

CalEnergy Operating Corporation, EnergySource, LLC and Ormat Nevada, Inc. have developed several generating facilities throughout the Valley, with some visible pipes above the surface near Heber, El Centro, and Calipatria that return water to the earth thousands of feet below the surface.



Transported by IID, these geothermal resources power the needs of load-serving entities in Southern California and Arizona.

The area surrounding the Salton Sea alone is estimated to be able to produce more than 2,000 megawatts of energy.

Crisis at the Salton Sea

Today, the Salton Sea faces a crisis. In recent years, it has developed increasing salinity and other water quality problems that have made it inhospitable to wildlife, recreation and other human uses. The sea elevation has also been receding due to reduce inflows resulting from changing hydrological conditions on the Colorado River system.

After 2017, mitigation flows to the Salton Sea to offset the impact of water transfer will cease, causing the sea to shrink dramatically and hastening its decline in water quality. In addition, a receding sea will expose more than 50,000 acres of lakebed made up of silt and fine-grain soil particles that contain farm-field sediments. This exposure poses an urgent

threat to air quality for residents in the Imperial and Coachella valleys, as desert winds moving across the “playa” will cause fine dust and toxins to become airborne.

Together, these water and air quality issues present imminent public health and environmental risks that must be addressed.

The Salton Sea is the largest inland lake in California, totaling more than 375 square miles in Imperial and Riverside counties. The Sea supports diverse wildlife habitat for over 400 species of birds and serves as a critical link on the 5,000 mile international Pacific Flyway for bird migration.

Salton Sea Restoration and Renewable Energy Initiative

The Imperial Irrigation District’s Salton Sea Restoration and Renewable Energy Initiative seeks to develop up to 1,700 megawatts of geothermal energy at the Salton Sea, with solar, wind and biofuels projects to potentially follow in subsequent phases.

Home to the Salton Sea, California’s Imperial Valley represents an abundant supply of untapped renewable energy resources. The Desert Renewable Energy Conservation Plan (DRECP) estimates the Valley’s renewable energy generating potential at a minimum of 10,000 megawatts. The Salton Sea itself possesses more geothermal capacity than anywhere else in the nation. An estimated 2,000 megawatts of geothermal energy awaits development, in addition to the 544 megawatts already providing reliable, base load power from facilities at the Salton Sea to California energy consumers.

The U.S. Bureau of Land Management (BLM) and the DRECP have also recognized the area surrounding the Sea as ideal for new solar development. BLM’s recently designated West Chocolate Mountains Renewable Energy Evaluation Area includes lands along the Salton Sea designated for solar and geothermal development. Research is also underway to determine how best to develop biofuels from algae found at the nutrient-rich Sea.

In addition to spurring new jobs and economic development in Imperial Valley, unlocking the Salton Sea’s renewable energy potential can help meet real and immediate energy needs. California’s ambitious 33 percent (and proposed 50 percent) renewable energy standard requires a significant increase in the amount of clean energy delivered to the grid

and, ultimately, energy consumers. The closure in 2013 of the San Onofre nuclear power plant has left a 2,200-megawatt shortage in California's energy supply – an amount that clean, renewable energy from the Salton Sea can help replace.

A Solution for Salton Sea Restoration

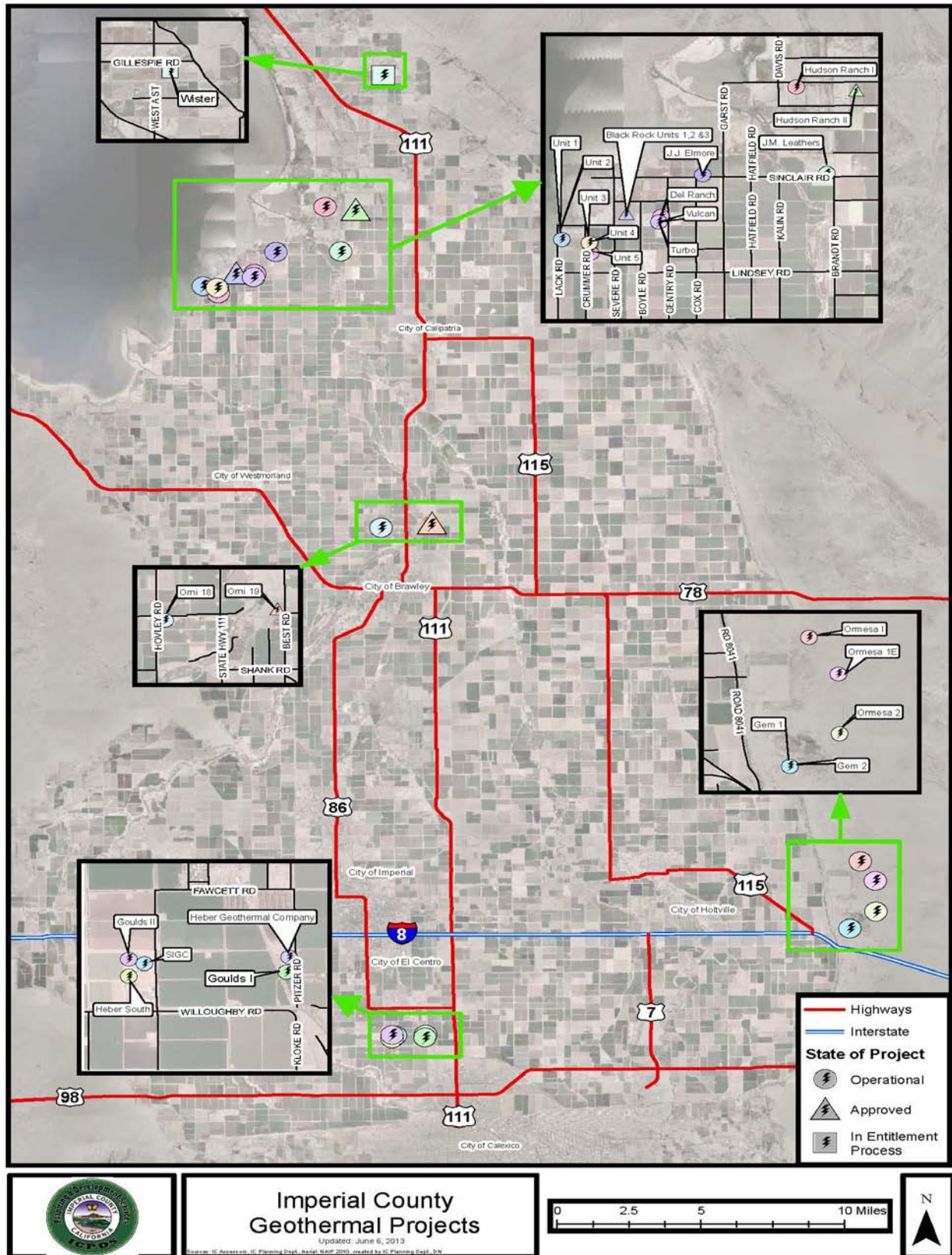
In addition to providing a reliable and renewable energy source for California, producing new clean energy at the Salton Sea will also generate much-needed funds for restoration activities, such as wildlife habitat and air quality management. These activities will help address the Sea's decline, which will reach a tipping point at the end of 2017 when mandated mitigation water inflows cease and hasten water quality and air pollution problems. As an added benefit, renewable energy projects sited on exposed Sea lakebed can help control harmful dust emissions, improving the health of surrounding communities and the environment.

Working in Partnership for Responsible Energy Planning and Development

In order to ensure responsible renewable energy planning and development at the Salton Sea, the Imperial Irrigation District is working closely with local, regional, state, and federal partners to implement the following components of this initiative:

- Designating the Salton Sea area as a renewable energy zone, in concert with Imperial County
- Conducting environmental assessments on the best places to site renewable energy development, in coordination with Imperial County and the DRECP, as well as environmental stakeholders
- Pledging the use of IID land and mineral assets for new renewable energy projects and habitat, and securing a commitment from the federal government to use government-owned lands at and around the Sea for renewable energy development
- Pursuing public-private partnerships with energy developers for new geothermal energy facilities – to potentially be followed by wind, algae and solar energy projects in later stages

- Establishing an “open season” during which renewable energy developers can bid for projects
- Planning and securing funding for a new transmission line with export capacity of up to 1,700 megawatts to deliver renewable energy from Imperial Valley to energy consumers throughout the state.



Geothermal Projects

4-1-3-2 Solar

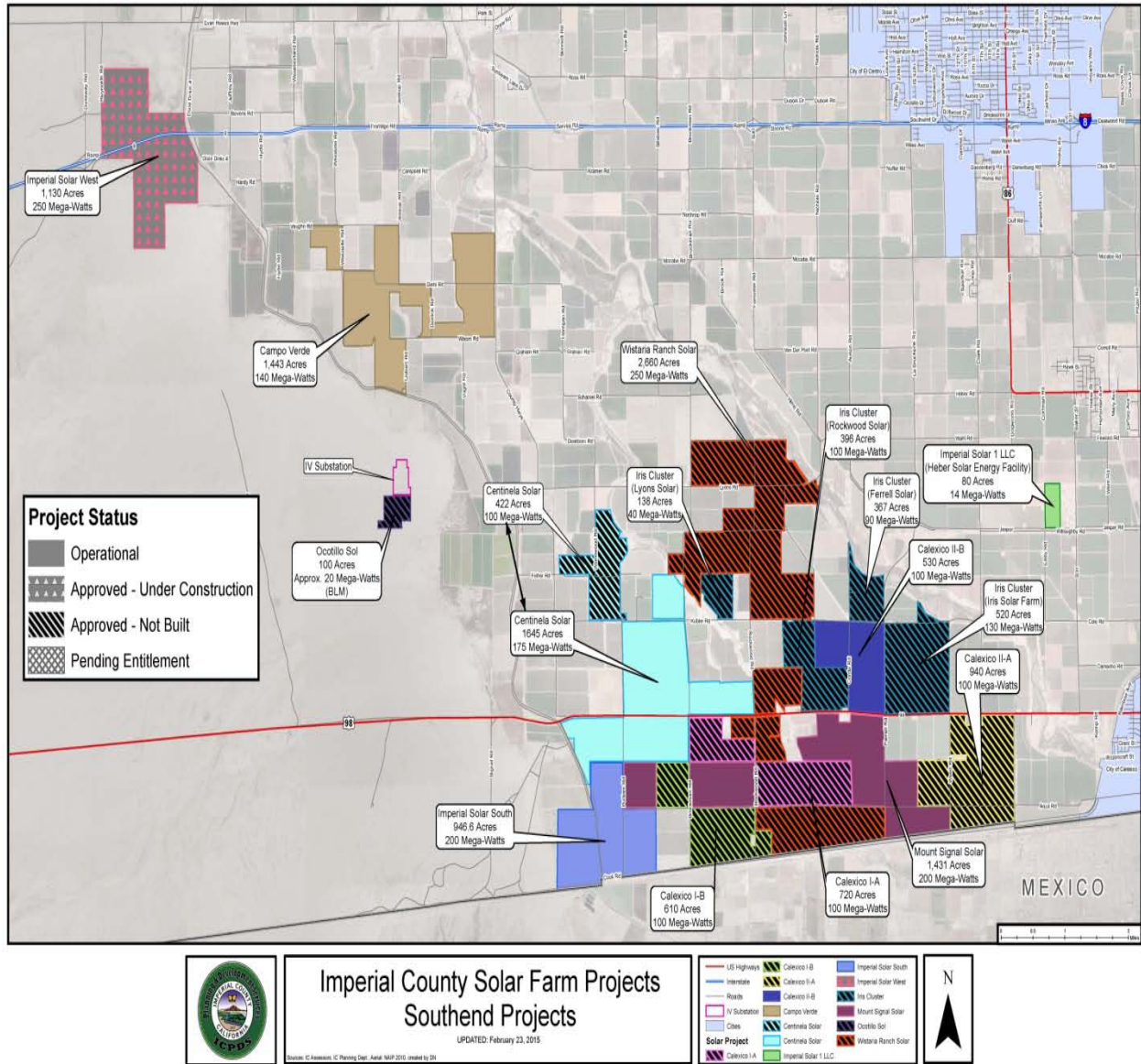
With more than 300 days of sun each year, the Imperial County has drawn more interest in solar development in the last five years. SunPeak Solar's, Imperial Valley Solar Company 1, the first utility grade solar facility to be built in Imperial Valley, went online in 2012 and is now powering IID customers.

Numerous proposed facilities, like Centinela Solar Energy are expected to join other solar developers in transmitting energy through the Sunrise Powerlink transmission line project from the Imperial County Substation to near the coast of San Diego. Overall, there are over a

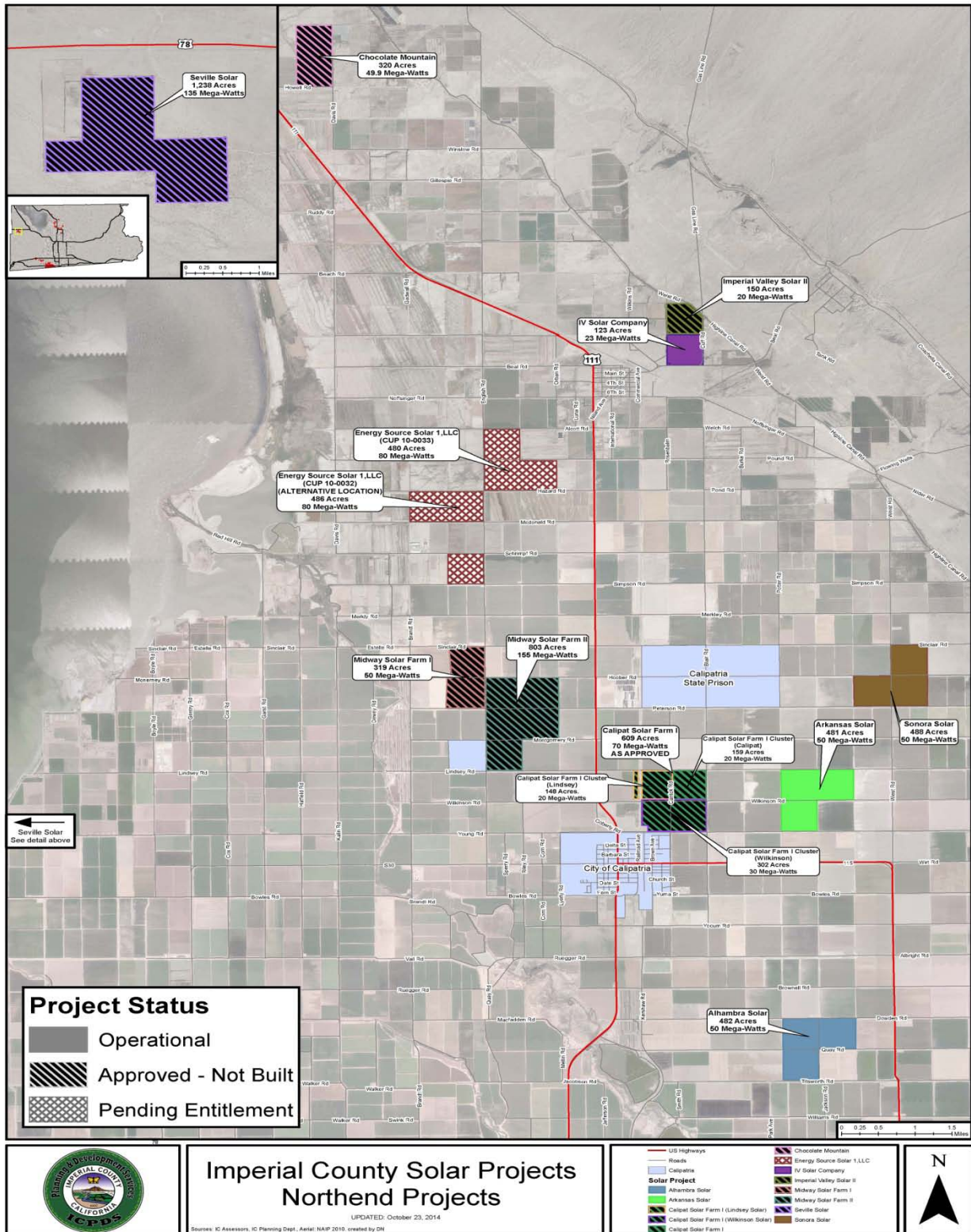


dozen projects approved with six in operation in the Southend and four in operation in the northend, creating over a thousand construction jobs and over a hundred permanent jobs. If all the projects are built, they would generate about 2,500 total megawatts and create over \$2 billion in capital investment.





Imperial County Solar Farm Projects Southend Projects



Imperial County Solar Projects Northend Projects

4-1-3-3 Wind

The landscape of the Imperial County has plenty of open space, so when the western winds blow from the mountains, it creates an opportunity of harnessing the wind.

A wind farm, like those seen in the Palm Springs area, has been constructed near the Ocotillo area, dubbed Ocotillo Express Wind Project; the project has built 112 wind turbines. Standing at 400 feet in height, Pattern Energy's 265 MW project was operational



in mid-2013. The Ocotillo wind project is the region's first wind energy facility and located on approximately 12,436 acres of public lands mostly administered by the Bureau of Land Management.

The project is creating many economic development benefits for the region, including the creation of construction and ongoing permanent employment positions, substantial growth in property tax base, and the economic ripple effect resulting from the project.

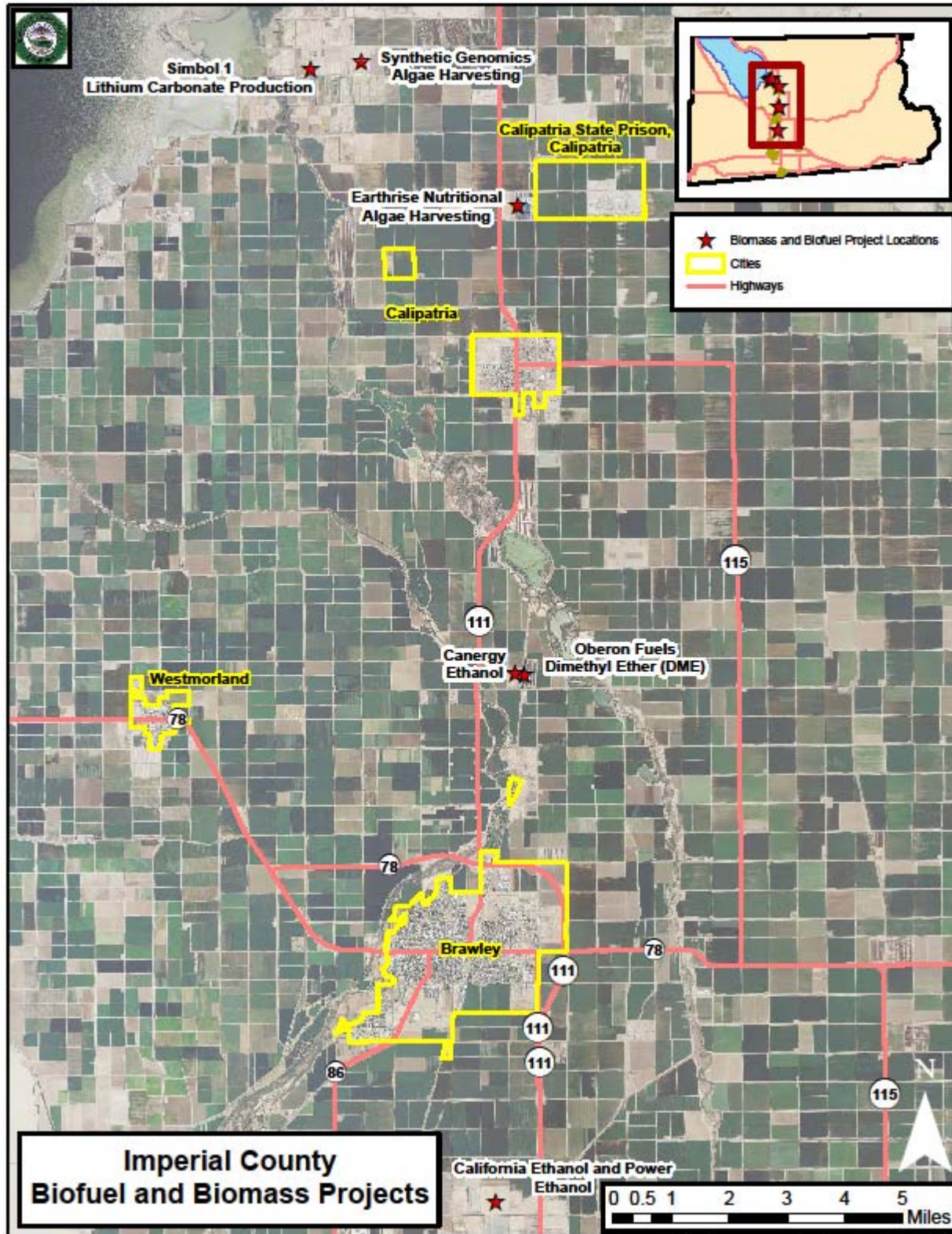
4-1-3-4 Biofuels/Biomass

The enactment of the Food, Conservation and Energy Act of 2008, which encouraged production of advanced biofuels including mandatory funding payments to support the production of advanced biofuels (biodiesel/cellulosic biofuels), in symbiosis with Imperial County's approximate 450,000 acres of gravity-irrigated farmland position the county to not only be a leader in Solar and Wind energy generation, but also in biofuel and biomass energy generation. According to the Renewable Energy Feasibility Study Final Report, commissioned by IID, the County's technical potential for biomass generation in GWh is 699.99.

Since the submittal of the Renewable Energy Feasibility Study Final Report in 2008, Imperial County has seen increased interest in the development of biofuel and biomass facilities. Companies including: California Ethanol and Power, which is proposing to

produce sustainable-renewable, low carbon energy through the production of sugarcane to ethanol; Canergy's 2nd generation cellulosic advanced biofuel facility will be sized to produce in excess of 25 million gallons per year ("MGY") of cellulosic ethanol from energy cane grown in the Imperial County; and Oberon Fuels who is producing DME (dimethyl ether), a clean-burning, non-toxic, potentially renewable fuel in Imperial County.

The projects mentioned create many economic benefits through the generation of temporary construction and ongoing permanent employment positions.



Imperial County Renewable Energy Projects

4-1-4 Distribution/Warehousing/Transportation

Imperial County has seen limited economic development benefits as a result of the growth of the maquiladora industry. Baja California has positioned itself as a global competitor with regards to business recruitment. Since it is not reasonable that Imperial County can compete on a production cost/wage or labor availability scale, it may be in a position to support the operations in Mexicali. In 2007, the value of exports and imports through the Calexico East/Mexicali II POE were \$14.6 billion and in 2050 projections indicate it may grow to \$142 billion (HDR Decision Economic, SANDAG study, March 2010). The County's development area surrounding this border crossing is known as "Gateway of the Americas." This large Gateway development area has available land for trucking and customs broker operations, warehousing and industrial/light industrial uses.

A series of meetings with various maquiladora association officials and plant operators can help identify the needed logistic facilities and services the Imperial County can provide to support the growth of the maquiladora Industry. This activity may include trucking operations, equipment maintenance (trucking, forklift, and machinery repair), warehousing, additional customs professionals, and legal, accounting, and banking services.

4-1-5 Specialized Manufacturing/Assembly

One segment of growth for Imperial County will be specialized manufacturing and assembly. The types of companies that will prosper will be homegrown or are very small businesses (with less than 25 employees) that relocate to the region. These companies are often characterized as family or individually controlled and their location is predicated upon a desired lifestyle/quality of life for the owners and the availability of labor. These companies often need access to larger markets without having to pay larger market prices for labor and real estate. Further, they wish to own their own facilities rather than lease.

Finally, they consider themselves too small to manufacture or assemble outside of the United States. These companies often help develop regional leadership and are often the targets of other regions and even countries to relocate or reposition manufacturing.



4-1-6 Tourism

Each year, millions of people from San Diego, Los Angeles, and Riverside County and beyond visit the Imperial Sand Dunes to enjoy and experience the dunes. During the fall to spring months, visitors from colder northern climates migrate to Imperial County to enjoy the mild winter weather and participate in activities, such as golfing, cycling, water-skiing, fishing and shopping. The baby-boomers are reaching retirement age and many have disposable income and are considered the most active retirees in history seeking sunny winter areas with outdoor activities. Expansion of tourism to winter visitors is an economic development strategy with tremendous economic potential.

Imperial County is recognized as one of the “best birding habitats in Southern California.” In past years, thousands of bird watchers traveled from as far away as British Columbia to attend the International Bird Festival featuring Salton Sea, Imperial County and in the Mexicali/San Felipe region.

The restoration of the Salton Sea would be one of the single greatest strategies for improving the economy in the Imperial County. There exists outside the Imperial County a population of investors and homebuyers seeking water-front properties and access, especially a body of water located within two-three hours of San Diego-Orange-Los Angeles

County, home to over 10 million people. It does not take a great vision to understand the potential for housing and recreation development along the shores of the Salton Sea. The Salton Sea Restoration and Renewable Energy Initiative offers a realistic economic development and environmental mitigation strategy for the Sea.

Additional tourism for Imperial County is that of Indian Gaming. Efforts to bring Tribal Gaming into the northwest, southeast and south central areas of the region have been discussed and feasibility studies have been suggested.

4-2 Opportunities for Workforce Training and Economic Development

Companies within the key industries require a variety of semi-skilled and skilled workers to remain profitable in the global marketplace. The strategy identifies several key sectors and the major job categories necessary to attract industry.

Also described is the general education or technical training required to qualify the local workforce. It should be noted that almost all technical, professional, business or customer service jobs insist the workforce have the ability to effectively communicate, both written and verbal, in English along with a basic understanding of mathematics and business etiquette. On October 1, 2013, the California Workforce Investment Board approved the Imperial County Workforce Development Board's Local Plan (2013-2017). The Local Plan identifies obstacles encountered by the workforce which include:

- limited or no access to transportation;
- limited access to affordable training and education;
- housing issues or homelessness;
- and child care needs.

Local organizations are addressing these obstacles through the support of workforce development training and educational programs.

Each of the identified job categories below (Sections 4-2-1 through 4-2-5) is a reasonable match for the workforce of Imperial County. Various educational and technical training is available to develop the specific skills sets for members of our workforce. Based on current

demographics and education levels the following five (5) career fields represent the most likely economic prosperity for Imperial County over the next five (5) years:

4-2-1 Energy Generation

The general population growth in the western and southwestern United States will propel a long-term and increasing demand for energy. Imperial County has long been able to produce energy through geothermal activity. This coupled with emerging wind and solar technologies should help to create additional opportunities in what are considered to be very technical, and therefore, higher paying positions. There are two potentials for Imperial County with respect to these jobs:

- A. Education/Training/Hiring from within the region, thereby creating a new class of worker that is spending and investing within the region. San Diego State University's Imperial Valley campus (SDSU-IV) has taken the lead. The campus's Center for Energy Sustainability now offers a certificate program in Renewable Energy Fundamentals, academic courses such as Water and Energy Resource Management, and is developing both online and traditional courses on such topics as federal and state energy policy, energy consumption and efficiency analysis, leadership and management skills for energy organizations, and systems analysis and project management skills. The campus is also moving rapidly toward implementing an Environmental Studies major.

Imperial Valley College (IVC) offers a wide range of career technical opportunities for residents that want to complete training locally. IVC's nursing program is accredited by the California Board of Registered Nursing and California Board of Vocational Nurse and Psychiatric Examiners. Residents wanting to enter law enforcement can also complete an Associate Degree in Administration of Justice and can complete Levels II and III of the Peace Officer Standards Training (POST) academy. A wide range of programs are available in Industrial Technology, including the

National Automotive Technicians Education Foundation (NATEF) accredited Automotive Technology, Air-Conditioning and Refrigeration Technology, Welding Technology, Building Construction Technology, and more. IVC is preparing the solar technicians of tomorrow by offering the Alternative Energy Certificate Program and the Solar Photovoltaic and Thermal Technician Certificate Program. The Solar Photovoltaic and Thermal Technician Program prepares students for the North American Board of Certified Energy Practitioners (NABCEP) examination which is the most recognized certification for solar professionals in the field of renewable energy. IVC and San Diego State University – Imperial Valley (SDSU-IV) are currently working on the development of a “2+2” program in renewable energy, which would allow students to take two years of courses at IVC, and two years of courses at SDSU-IV.

In order to address and accommodate the demands of this industry, SDSU-IV, in collaboration with the Workforce Development Office and IVC, established the Energy Advisory Committee. Members of this committee include operations and human resources personnel from the geothermal, solar, utility, and wind turbine industries.

- B.** Importing skilled labor for these positions also means importing new money. Often times, this will also result in spousal relocation, which may result in additional professional labor available for other professions (reverse brain drain). Educational levels desired to qualify based on job type: High School Diploma/GED with technical training to advanced engineering/management degree.

4-2-2 Agribusiness

According to the 2013 Agricultural Crop and Livestock Report, the total Imperial County gross agricultural production value in 2013 was approximately \$2.15 billion. This is a 10.93 percent decrease compared to the 2012 gross value of \$1.94 billion. The main reason

for this increase include a general increase in yields and market prices; the addition of new commodities such as the new high value vegetables in the “Misc. Vegetable” category and much improved demand for winter produce for winter produce compared to 2012. Educational level desired to qualify: high school or GED and On-the-Job Training.

4-2-3 Medical and Medical Support

The growth of Imperial County is demanding an increase in the amount of medical services provided. This demand is creating opportunities in a variety of medical fields including doctors, nurses, allied, and technical support staff. Educational levels desired to qualify: High school diploma for entry-level support through advanced doctoral for specialized medicine.

4-2-4 Warehouse/Distribution/Transportation

It is reasonable that the region can position itself to warehouse products pre- and post-maquiladora manipulation. The types of positions that come with these activities include truck drivers, material handlers (also forklift operators) and inventory staff. Educational levels desired to qualify: High school diploma or GED for entry level with specific training for truck driving (professional training) and specific training for inventory-type positions.

4-2-5 General Customer Service (for all positions)

It was stated by numerous participants in this process that retail and service personnel throughout the region lack basic customer service skills. A competitive economy demands that customers receive the highest level of service available. It then follows, that IVROP, IVC, WDB or other training providers could partner with major retailers, automotive dealerships and other businesses to provide direct customer service training. A short-term academy type of system would allow for the continuous training of thousands of workers per year.

4-3 Quality of Life

One of the most important investments a region must focus on is the “quality of life. Many communities and regions spend hundreds of millions of dollars each year in marketing and

advertising their respective community as the ideal place to live, work, and find entertainment. Such investment in the region has allowed residents and visitors to appreciate the positive changes the Imperial County region has undergone in order to provide a high quality of life, which has led our community to become a great place to live, work, and find entertainment.

Imperial County offers certain intangible advantages, characteristic to the region, to perspective residents and businesses. These were stated by regional participants during the interview process. Most notable, the following were included:

- a. *Binational Culture:* Imperial County is located directly north of the U.S.-Mexico border, and shares the border with the Mexican state capital city of Mexicali. This allows residents and visitors of Imperial County a chance to experience the culture of another country, including their politics, businesses, traditions, food, and entertainment.
- b. *Small Town Atmosphere:* Imperial County is considered a small or rural area, which has resulted in a very close-knit community.



c. *Blue-Collar Work Ethic:* A term commonly used to describe cities in the American Midwest; the Imperial County's agriculture based economy lends itself to a strong work ethic and deep-rooted values. Part of acquiring a high quality of life centers around the work ethic in a region, and our close-knit community encourages residents to value work. A high value placed on hard work and guidance by ethics provides long-term benefits to residents, visitors, and potential investors in the region.



d. *Executive or Move-Up Housing:* As additional wealth is created and the region becomes more urbanized, there will be an increased demand for executive or “move-up” style housing. This can be observed with the development of larger homes with greater amenities or private communities that offer golf or other recreational activities.

e. *Performing Arts Center/Theater:* A larger number of persons interviewed spoke of a need to bring more arts based activities to the region, and noted a lack of a regional performing arts center in the Imperial County. Annual performance events are presented at the Jimmie Cannon Theater for the Performing Arts at Southwest High School, Palmer Auditorium at Brawley Union High School, Rodney Auditorium at San Diego State University – Imperial Valley, and Carmen Durazo Cultural Arts Center at Camarena Memorial Library.

f. *Increased Medical Facilities and Specialists:* Imperial County has worked arduously in providing an adequate healthcare system to its residents. As previously mentioned, there are two hospitals in the region: El Centro Regional





Medical Center (ECRMC), and Pioneers Memorial Hospital (PMH). These two major hospitals have opened satellite clinics in the city of Calexico. In addition, Imperial County has several clinics throughout the area, including Clinicas de Salud del Pueblo, Imperial

Valley Women's Clinic, and private practitioners. The county lacks advanced cancer treatment centers and

other specialized health care facilities (including health specialists). As the overall population of the United States continues to age, and life spans continue to increase, the issue of the quality and availability of healthcare will become more important for future generations. Imperial Valley College offers Associate of Science (AS) degrees in Registered Nursing (RN) and Vocational Nursing (LVN), while San Diego State University – Imperial Valley offers a Bachelor of Science (BS) degree in Registered Nursing (RN) to licensed California registered nurses.

g. *Entertainment:* Imperial County hosts a plethora of events ranging from cultural festivals, airport aviation days, to professional rodeos. County residents are able to partake in these unique events without having to leave the area. Imperial County has annual community events that



are hosted by the local chambers of

commerce, community organizations, educational institutions, and non-profit organizations. These events include parades, cook-offs, farmer's markets, concerts, Independence Day celebrations, the Cattle Call Rodeo, and the California Mid-Winter Fair. Additionally, every spring, Naval Air Facility El Centro hosts an air show

featuring the U.S. Navy's flight demonstration team, the Blue Angels. Local venues such as restaurants, movie theaters, the Brunswick Zone bowling alley, and sports bars are all part

of our community's opportunities for fun and entertainment. Imperial County is also within a two-hour drive of San Diego, a major metropolitan Southern California city, where residents can travel to enjoy the many amenities available, including concerts, sporting events, luxury hotels and dining, Pacific coast beaches, and water sports and activities in San Diego Bay and the Pacific Ocean.

h. *Formal/Fine Dining Restaurants:* Recently, Imperial County's retail growth has brought formal and fine dining restaurants to the region. Various locally owned restaurants are available for family gathering, entertainment, or business meetings. The development of additional retail power centers and the continued development of the regional mall have provided ample opportunity for mid-priced chain restaurants, such as Chili's, Famous Dave's, and Olive Garden.

i. *Local and Regional Park(s):* Local community parks are located independently within each city limits. The City of El Centro manages Bucklin Park which is used often by residents for social events, such as family picnics or birthday parties, or exercising. Moreover, the City of El Centro is working on the plan specifications for a new park located near the city's third fire station. In the City of Calexico, a new park was established to provide a play area for children of all ages and supports sports events for the local youth. The County of Imperial recently renovated Sunbeam Lake Park which includes water features that provide relief to local families from the sweltering summer months. Additional activities include swimming, boating, a toddler playground, soccer fields, baseball fields, picnic areas, and an off-road sport bicycle facility.

j. *Golf Courses:* Four golf courses are available throughout the Imperial County, open to anyone to enjoy a day of golfing with family and friends. The region is considering working to add additional golf courses, which could help the region attract tourists from across the nation, as the area's mild winter and spring months could lead it to become a major golfing destination.

k. *Facilities and Activities for Active Adults:* The growing population of active adults (defined as ages 55+) has geared our region's focus on the need for activities, housing

development, and improved medical facilities for this population. In addition, people living in surrounding regions often choose to retire in Imperial County. Thus, the demand for a variety of facilities and activities directed toward this group is a focus for future development. There are senior centers which offer meals, exercise classes, and recreational activities at various sites within the county. Medical facilities have been focusing on improving their services, while the County has set a goal of developing low-income and senior housing. In addition, the City of El Centro is working on constructing a senior center that will allow this target population to carry out their desired activities.

4-4 Incentive Zones and Designations

Incentive zones can play an important role in enticing companies to make additional economic investments through expansion and/or relocation. Imperial County is a growing county in the State of California offering a vast number of business opportunities along with a large number of trade possibilities.

There are several state and federal initiatives in the Imperial County that promote economic development through incentives to employers in the Imperial County. These incentives are available for qualifying existing and new businesses.

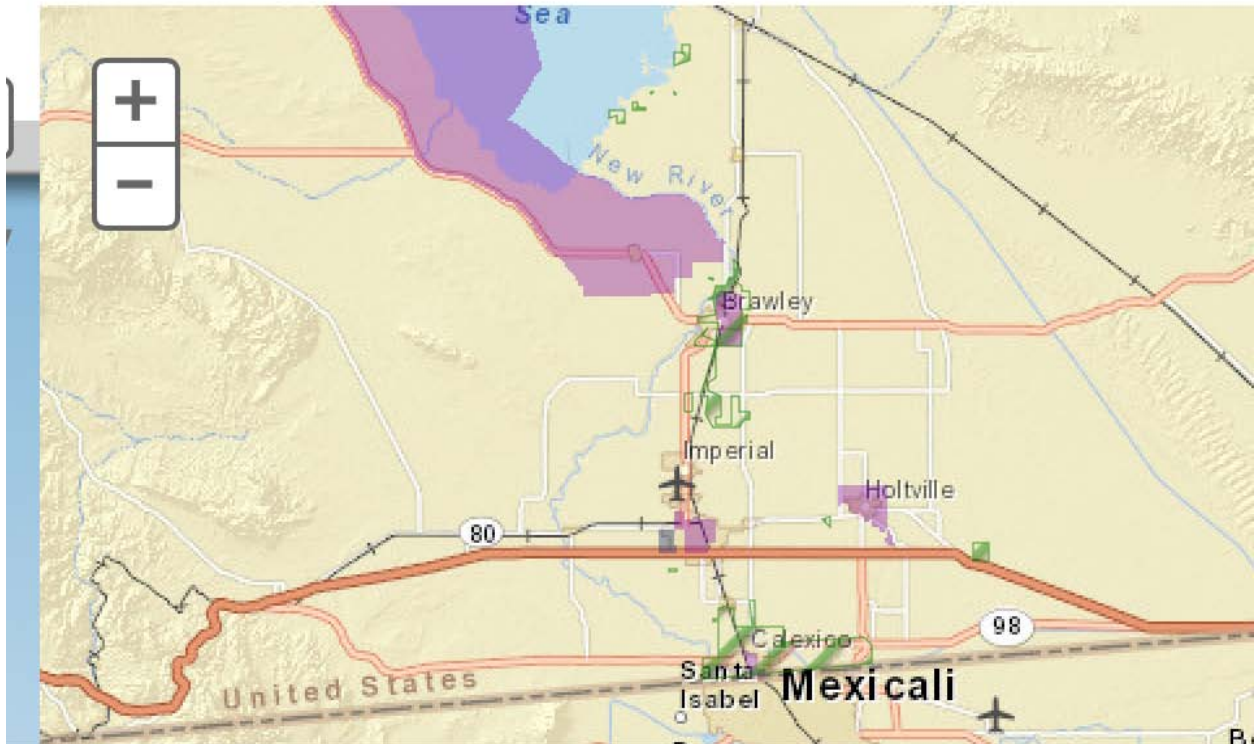
Governor's Economic Development Initiative

With the repeal of the Enterprise Zone program, California replaced the tax credits with a three-pronged approach to economic development for which many businesses in Imperial County are eligible.

- *Manufacturers Sales Tax Exemption* - Businesses that are engaged in manufacturing or certain types of Research and Development are eligible to apply to the California Board of Equalization for an exemption on the state portion of sales tax (4.19%) for the purchase of equipment essential for their business. This incentive tax is effective July 1, 2014 and will sunset in 2022.
- *California Competes Tax Credit Fund* - A business in California or looking to locate in California may apply to the Governor's Office of Economic Development (Go-Biz) for tax

credits that can be used for up to five years to offset California Income Tax. Each fiscal year, Go-Biz will have application windows for a set pool of available credits. Businesses will apply and be evaluated based upon job creation, economic impact to the state, and other factors to be granted the credits. Small businesses are defined as those with under \$2 million in gross receipts have 25 percent of the pool set aside for their benefit and use.

- New Employment Credit - A business that locates in designated Economically Disadvantaged Areas of California (former Enterprise Zones and census tracts with high poverty and unemployment) are eligible for a tax credit for hiring eligible employees. Imperial County has a number of eligible census tracts and the former Enterprise Zone areas. A business that creates a “net new job,” can reserve a tax credit within 30 days of hiring the employee with the Franchise Tax Board. The net new job increases the overall full-time employee count from the prior tax year by hiring a full-time employee who works at least 35 hours per week, meets the defined eligibility criteria, and is paid over 150 percent of minimum wage. This is a tax credit that can offset any income tax with the State of California. The following is a map of eligible areas in Imperial County.



Imperial Valley Foreign Trade Zone



Imperial County is the site of seven areas designated as Foreign Trade Zone #257. A foreign trade zone provides incentives for domestic manufacturers that utilize imported raw materials and are located inside the designated areas of the foreign trade zone. These areas are considered outside the United States by U.S. Customs. Imported materials or merchandise imported into the zone are excluded from customs duty and excise taxes until they leave the foreign trade zone. Materials and goods exported outside the U.S. are duty free. Additional benefits include:

- reduced tariffs;
- duty exemptions;
- duty elimination on waste, scrap, and yield loss;
- weekly entry fee savings; and duty deferral

The goals of the Imperial Valley Foreign Trade Zone include:

- the expedition and encouragement of foreign commerce;
- encouragement of commercial and industrial operations in the United States that would otherwise have been conducted abroad for customs reasons (including export activity);
- providing a special customs-related service to the business community, giving them greater flexibility in the customs phase of their international competitiveness; and
- helping to create and retain employment, rather than diverting it from one region of the country to another.

HUB Zone

In order to stimulate job creation in underutilized business areas, the Small Business Administration introduced HUB Zones. Small businesses operating within HUB Zones receive federal contract preferences. The entire Imperial County qualifies as a HUB Zone.

New Markets Tax Credits (NMTC)

Program taxpayers who make equity investments in designated Community Development Entities (CDEs) may qualify for Federal income tax credits. These investments must then be used by the CDE to provide investments in low-income communities. The majority of Imperial County is designated as a NMTC area.

EB-5 Program

The U.S. Citizenship and Immigration Services (USCIS) administer the Immigrant Investor Program, also known as EB-5. The EB-5 was created by Congress in 1990 to stimulate the U.S. economy through job creation and capital investment by foreign investors. In addition, certain EB-5 visas are also set aside for investors in Regional Centers designated by USCIS based on proposals for promoting growth. All EB-5 investors must invest in a new commercial enterprise.

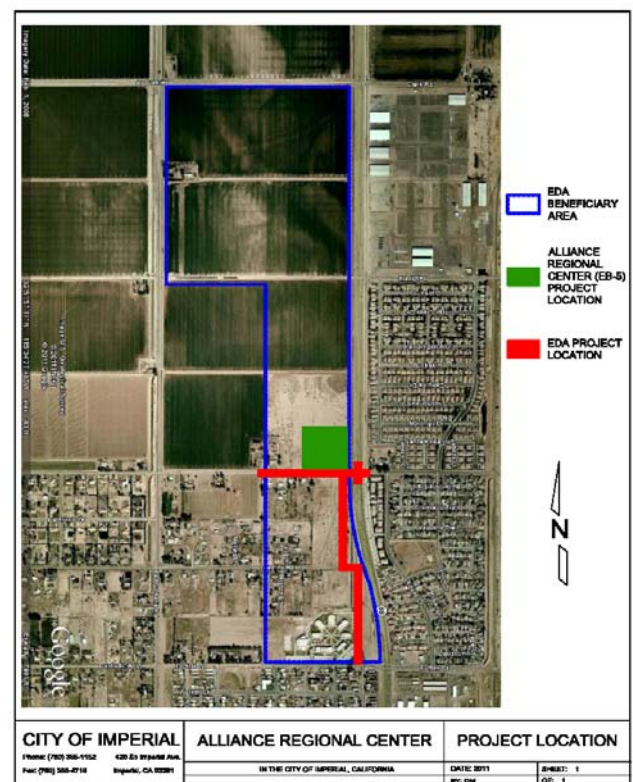
The job creation requirements are to create or preserve at least 10 full-time jobs for qualifying U.S. workers within two years. Normally, the required minimum investment in the U.S. is \$1 million. However, if a business is targeting a high unemployment or rural area, the minimum investment in the U.S. is \$500,000, which includes Imperial County. Imperial County has three regional centers designated by USCIS. They are the Imperial Regional Center, YK America Regional Center, LLC, and the Alliance Regional Center.

Recycling Market Development Zone

The Recycling Market Development Zone (RMDZ) Program was established by the state in 1992 to combine recycling materials with business development; this includes existing business, as well as expansion of businesses.

Incentives for business include low interest loans up to \$2 million per project, to be used for equipment, leasehold improvements, purchase recycled raw materials, inventory and to acquire owner-occupied commercial real property; real estate is limited to \$1 million and business also receive free technical assistance. There are over 100 companies in California that received low interest loans through the RMDZ and hundreds more that have been assisted by the RMDZ program in other ways that did not include a loan.

The establishment of local markets for recycled materials would benefit Imperial County and provide new alternatives for the disposal of solid waste, which helps diversion rates.



4-5 Military

Naval Air Facility El Centro provides combat and readiness training to active and reserve aviation units for the Navy's operating and training forces, other U.S. forces and allied units. NAF EC plays a key role in aviation initial and refresher training. The combination of a unique climate, vast unobstructed desert terrain, limited non-military air traffic and availability of dedicated gunnery and bomb ranges makes NAF EC an ideal environment for aerial combat maneuvering, air-air gunnery, bombing practice, Field Carrier Landing Practice, electronic warfare training, and low-level training.

NAF El Centro represents a stable source of economic stimulus to the surrounding region in the form of good-paying jobs, housing and retail demand, local expenditures for supplies and support services, and related economic activity that ripples through a wide range of economic sectors. The majority of the local and regional economic benefits that can be attributed to the Navy's presence at NAF El Centro occur within Imperial County.

The bullet points below summarize the total economic impact that NAF El Centro had on the regional economy of Imperial County during NAF EC's fiscal year October 2009 to September 2010. The total estimated economic impacts include the direct effects of employment and income; personal spending by employees and transient visitors; local contract expenditures to support Navy operations; and corresponding direct and indirect economic effects estimated using a regional economic impact model.



In FY 2010, NAF EC produced \$105 million in economic benefits to Imperial County, plus \$4.8 million in federal taxes for an overall economic impact of \$110 million. These contributions included:

- over \$77 million in industrial output - \$54.2 million from operations, \$11.6 million from payroll, and \$11.3 million from visitor spending by transient personnel;

- almost \$24 million in direct payroll expenditures – for military and civilian personnel;
- over \$4 million in state and local tax revenues - \$2.2 million from operations, \$1.0 million from payroll, and \$0.9 million from transient personnel spending. These activities generated an additional \$4.8 million in federal taxes;
- \$68,500 in Federal Impact Aid – to support local schools; and
- nearly 1,400 jobs – 597 military and civilian personnel directly employed and 801 additional jobs related to NAF EC operations, payroll and other spending.

After much public support and lobbying efforts, the Department of the Navy ultimately decided to homebase the F35 Joint Strikefighter at NAS Lemoore.

Even though the efforts from the Imperial Valley were unsuccessful in convincing the Navy to base the F35 Strikefighter here at this time, the work done was not in vain. NAF El Centro is now on the radar of the Navy for future mission expansion. The Navy was impressed by the efforts put forth and the community support for the Navy missions in the area. Possible future base closures and non-support in other communities allows opportunities for expansion of missions at NAF El Centro.

An economic stimulus would result for local business that will provide the variety of services needed by an enlarged military operation

Section 5. Vision, Goals, Objectives, and Implementation

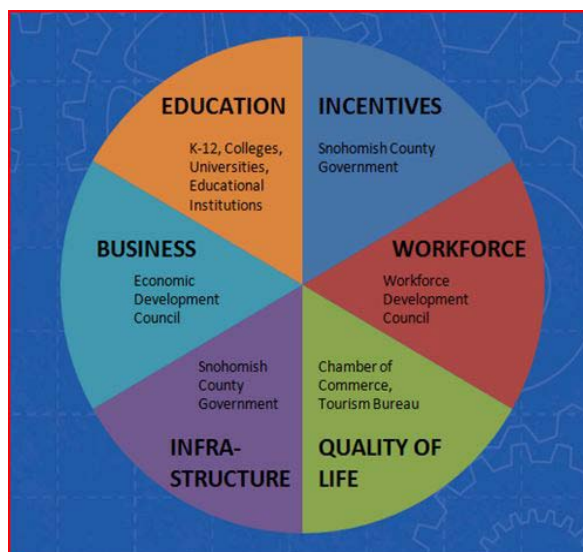
5-1 Vision Statement

To develop and strengthen economic development, and to provide a sustainable and healthy environment for the residents of Imperial County by providing training, job opportunities, a sustainable environment, and planning and delivery of transportation services to improve economic self-sufficiency, with an emphasis on Imperial County Target Areas. The County's economy will be balanced and diversified amongst a variety of sectors, while maintaining its agricultural heritage. The Imperial County region will be fully

integrated into the world economy by maximizing the advantages offered by its border location and abundant renewable resources.

5-2 Goals, Objectives and Implementation Plan

The goals outlined in this section are based on the vision statement and are intended to provide specific direction for the development of strategies and actions. The following goals and objectives are based on the analysis of existing conditions and the strengths, weaknesses, opportunities and threats identified during the research process. According to the Comprehensive Economic Development Strategy (CEDS) guidelines from the U.S. Economic Development Administration, goals are broad, primary regional expectations. The Guide to Community Visioning recommends that broad goals be identified before moving too quickly to identifying specific projects: “This step in the process helps provide a tighter link between the vision and the action plan that will be developed. Without a set of goals, communities may identify specific projects that are not related to the vision established earlier in the process.”



5-2-1 Economic Development

Goal 1: Strengthen Imperial County’s economy by promoting a balanced, yet diversified regional economic base. Investment and employment in Imperial County should be as diverse as possible without excessive concentration in one particular segment of the economy.

Objective 1.1

Continue support of a County-wide regional agency which would be dedicated and responsible for the promotion of economic development in Imperial County.

Objective 1.2

Implement a coordinated regional marketing and promotional activities. Promote location and proximity to metropolitan areas and other markets.

Objective 1.3

Improve the quality of developable land that will result in the attraction of new and expanding existing business and industrial firms and creation of jobs in Imperial County.

Objective 1.4

Continue to promote industrial development in areas suitable for this type of activity.

Objective 1.5

Encourage coordinated land use planning efforts amongst the various jurisdictions to ensure that industrial and commercial zoning areas are located within easy access of transportation (air, land and rail) corridors.



Objective 1.6

Promote the availability of low cost resources such as labor, land, electrical power and water as compared to other areas.

Objective 1.7

Increase the scope of financial incentives available to firms for the financing of business expansion and product development. Explore the viability of Employment Training Panel (ETP)'s, Industrial Development Bonds (IDB), and other financing options through the Small Business Administration (SBA) and Community Development Corporation (CDC).

Objective 1.8

Develop finance mechanisms geared to assist small and/or new businesses in acquiring capital for expansion or new building construction. Continue to expand small business revolving loan fund and microenterprise programs. Continue to utilize those incentives available through the enterprise zone, foreign trade zone, manufacturing enhancement area, hub zone, etc.

Objective 1.9

Work with university and community college partners to secure financing for new physical and programmatic infrastructure that will serve the renewable energy industry in Imperial County

Objective 1.10

Promote the expanding electrical infrastructure developed to serve independent power producer needs and long-term population needs.

Economic Development Implementation

Implementation Strategy 1.1:

The OEDC will assist in the development, coordination, and implementation of marketing activities for Imperial County.

Implementation Strategy 1.2:

The OEDC will encourage the participation of smaller communities in the implementation of regional economic development activities.

5-2-2 Infrastructure

Goal 2: Support the development and expansion of infrastructure activities to promote regional economic development.

Numerous opportunities exist for economic growth in the region, but commercial and industrial development is largely achieved through the expansion of infrastructure facilities to prepare land for development.

Objective 2.1

Construct necessary public works to commercial and industrial areas with potential for development and for improved or expanded services.

Objective 2.2

Develop infrastructure that provides regional connectivity as a means of ensuring a redundant backup system.

Objective 2.3

Improve transportation corridors in Imperial County and continue to pursue state and federal resources for the expansion and improvement of our highway infrastructure to support economic development.

Objective 2.4

Develop transportation (air, land, and rail) projects that seek to enhance the efficient movement of goods and people. Improve the transportation connections between Imperial County, San Diego County, Riverside County, Arizona, and beyond.

Objective 2.5

Develop transportation projects linking Imperial County's institutions of higher education: SDSU-IV's Calexico and Brawley campuses, and Imperial Valley College.

Objective 2.6

Increase the technological and telecommunications infrastructure systems available to the region. Encourage private enterprise to develop state-of-the-art telecommunication capacity to homes and businesses.

Infrastructure Implementation

Implementation Strategy 2.1:

The OEDC will solicit infrastructure projects from cities and unincorporated communities to assist in the development of commercial and industrial base.

Implementation Strategy 2.2:

The OEDC will assist municipalities and unincorporated communities in the preparation of grants and applications for project development.



5-2-3 Workforce Development

Goal 3: Improve the education and skills of the region's workforce by supporting the efforts of San Diego State University-Imperial Valley and Imperial Valley College to develop academic, vocational programs, and continuing education programs. Education and training of the workforce represent the cornerstone for successful economic development in Imperial County.

Objective 3.1

Develop labor force data, especially with respect to occupational skills. Develop working relationships with the Workforce Development Board, local university and community college.



Objective 3.2

Continue support of job search and training programs for the unemployed and underemployed in Imperial County.

Objective 3.3

Assess the needs of local employers and targeted industries and develop programs to address those needs.

Objective 3.4

Reduce unemployment by 5%.

Objective 3.5

Increase employment opportunities using strategies developed in the Imperial County Economic Development Strategic Plan. Improve and expand job training activities to mirror needs of industries targeted for attraction.

Objective 3.6

Create high tech, higher paying jobs to entice local youth to remain in Imperial County and upgrade 13-16 education to meet needs for health careers, education fields, social service positions, science and technology professions, and higher paying positions in a diversified economy.

Objective 3.7

Support and encourage the creation of trade schools and the accreditation of Imperial Valley College to provide the necessary training and education for technical jobs.

Objective 3.8

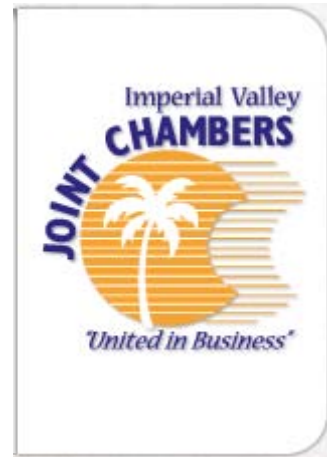
Support four year university with diversified faculty and academic majors.

Objective 3.9

Improve the education and skills of the region's workforce by supporting the efforts of San Diego State University-Imperial Valley and Imperial Valley College to develop academic, vocational programs, and continuing education programs. Education and training of the workforce represent the cornerstone for successful economic development in Imperial County.

Objective 3.10

Increase overall academic achievement of K-12 students. Support efforts to assist local K-12 educators to enable all students to meet or exceed 50th percentile on standardized tests, including limited English proficient students.



Workforce Implementation

Implementation Strategy 3.1:

The OEDC will establish closer working relationship with the State and local Employment Development Department.

Implementation Strategy 3.2

The OEDC will continue to support the Imperial County Workforce Development Board and the Imperial County Workforce Development Office to provide vocational training.

Implementation Strategy 3.3

The OEDC will work with San Diego State University – Imperial Valley and Imperial Valley College to develop career pathways for K-16 students to generate awareness about career opportunities in Imperial County's targeted industries.

5-2-4 Tourism

Goal 4: Promote and expand tourism in the Imperial County.

Objective 4.1

Develop cultural and resort facilities including second homes, recreational facilities, hotels, mobile homes, and recreational vehicle parks.

Objective 4.2

Participate in tourism related activities throughout the state and region, i.e. California

State Fair, Imperial County Mid Winter Fair and Fiesta, Fiestas Del Sol, and various film commission conferences.

Objective 4.3

Continue the restoration and protection of tourism related facilities and activities.

Objective 4.4

Initiate a campaign of tourism that promotes the valley's amenities and destinations such as the sand dunes, agricultural resources, Fossil Canyon, Painted Gorge, bird watching, etc.

Tourism Implementation

Implementation Strategy 4.1:

Identify existing recreational facilities and identify the recreational needs of the region's residents and visitors.

Implementation Strategy 4.2:

Coordinate with private enterprise for the development of new businesses that support and promote tourism in the Imperial County.

Implementation Strategy 4.3:

Assist and encourage the clean-up and restoration of the New River and Salton Sea as a way to increase recreational and tourism opportunities.

Implementation Strategy 4.4:

Participate in the development and promotion of cultural activities such as farmers' markets, performing arts events, visual arts displays, and similar festivals.

Implementation Strategy 4.5:

Encourage local jurisdictions and the County of Imperial to amend their land use policies to ease restrictions related to the development of RV parks and amenities.

5-2-5 International/Bi-National Focus

Goal 5: Promote international and bi-national trade development.

Globalization will continue to have a growing impact on Imperial County's local economy. The region needs to capitalize on its proximity to the US-Mexico border and international transportation corridor while expanding opportunities for the international market.

Objective 5.1

Increase international awareness of United States/Mexico border opportunities related to NAFTA and maquiladora industry. Develop bi-national marketing strategies and opportunities through economic trade relationships between Mexico and Imperial County.



Objective 5.2

Capitalize on development opportunities related to second border crossing.

Objective 5.3

Ascertain impacts of NAFTA and the changing maquiladora industry.

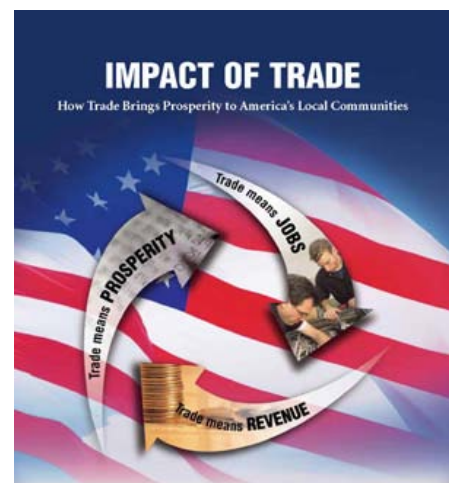
Objective 5.4

Continue to develop and promote FTZ/MEA/EZ to foreign and international markets.

International/Bi-National Focus Implementation

Implementation Strategy 5.1:

Participate in the progression of infrastructure development and land use planning through the Imperial County General Plan Update and Specific Planning Areas.



Implementation Strategy 5.2:

Seek financing mechanisms and assist in the promotion of industrial and commercial development of border areas.

5-2-6 Agriculture

Goal 6: Promote agriculture and other related industries. Agriculture has long been a major driving force in Imperial County's economy with farmland consisting of very fertile, alluvial deposits derived from the Colorado River flood plain. A mild winter and a long growing season ensures multiple cropping on individual fields throughout the year. Imperial County is a major source of winter fruits and vegetables. Alfalfa, Bermuda grass, and Sudan grass hay varieties produced in the Imperial County provide high quality feed for cattle and horses for domestic and foreign markets.

Objective 6.1

Develop related agricultural industries and economic activities.

Implementation Strategy 6.1:

Develop, support, and market agri-tourism opportunities by conducting outreach to farm operators, the Coalition of Labor, Agriculture, and Business (COLAB), Imperial County Farm Bureau, and Imperial Valley Vegetable Growers Association to initiate agricultural-related activities such as agricultural festivals, on-farm dining events, farm tours, and other similar activities for the enjoyment or education of visitors.

Implementation Strategy 6.2:

Encourage the continued development of agricultural related industries, such as dairies, and food, fiber and other processing facilities.

Implementation Strategy 6.3:

Encourage the development of non-farmable agricultural areas while promoting research and diversity for the farmable agricultural areas.

5-2-7 Sustainability

Goal 7: Pursue a policy of sustainable development that balances economic development with preservation of resources.

Objective 7.1

Develop of renewable energy resources for maximization of industrial and commercial development. Develop geothermal direct heat use, solar, and wind energy.

Objective 7.2

Research and development of recycling and waste management facilities. Increase public awareness of the need for efficient and effective long term solutions for solid waste management, recycling, and increasing scarcity of raw materials.

Objective 7.3

Develop waste management facilities for locally generated hazardous waste.

Objective 7.4

Utilize smart growth principles and “green” building techniques.



Objective 7.5

Promote energy efficient business and industry practices.

Objective 7.6

Brand Imperial County as the home for environmentally responsible businesses and a major producer of renewable resources and international business hub.

Implementation Strategy 7.1:

Promote Imperial County’s naturally abundant geothermal, solar, and wind resources for use in the production of energy. Assist in the research and development of new energy resources.

Implementation Strategy 7.2:

Increase public awareness of the importance of recycling, energy efficiency, and resource conservation.

Implementation Strategy 7.3:

Develop an ecopark for location of renewable energy and “green technology” industrial projects within the Keystone Planning Area.

5-2- 8 Quality of Life

Goal 8: Work to enhance the region’s quality of life. An area’s quality of life is often cited as a major factor in locating a business. Recreational opportunities, availability and variety of housing types, access to health care and other related factors contribute to a desirable quality of life.

Objective 8.1

Support the development of a variety of housing options (apartments, condominiums, cluster housing, etc.) to support a growing workforce.

Objective 8.2

Balance the proximity of job centers, housing, and services. Educate municipalities about mixed housing densities and other land use controls that support well-suited compact development.

Objective 8.3

Develop and preserve recreation opportunities including multi-use trails, sports centers, and regional parks.

Objective 8.4

Support a strong social and cultural base. Support arts and cultural activities as a critical element of the regional economy.

Objective 8.5

Encourage commercial development that provides services to the residents of Imperial County.

Implementation Strategy 8.1:

Identify areas within the Dogwood Road Transportation Corridor suitable for high-density transit-oriented and transit-ready mixed use residential development.

Implementation Strategy 8.2:

Develop a regional master plan of multi-use trails to provide connectivity between the various parks, open space areas, and recreational centers.

Implementation Strategy 8.3:

Utilize findings in the Imperial County Retail and Leakage Analysis to attract retail development to improve the quality of life for existing and future residents of the County.

Section 6. Action Plan

6-1 Development Strategy and Implementation Plan

The Comprehensive Economic Development Strategy (CEDS) forms the base upon which the total area action plan will be programmed during the next five years 2012-2017. The commission has received and discussed various recommendations from its subcommittees concerning both positive and negative features of the area's overall economy. General assumptions about economic trends in Imperial County were identified and goals were developed to carry forward what is considered an aggressive program designed to enhance, enrich, and generally improve the overall economic conditions of the area.

In establishing these goals, the Overall Economic Development Commission (OEDC) carefully considered the economic, political and social make-up of the communities in the County. The Commission concluded that there is a need to strengthen communication and coordinate regional economic and community development activities throughout the county. It is the consensus of the Commission that a more integrated approach is necessary to find and disseminate critical information for an effective economic development program. The OEDC considers itself a mechanism, which brings together the ideas, philosophies, attitudes, and efforts of all concerned in order to formulate a multi-year

development plan which is realistic and acceptable to the citizens and decision makers of Imperial County.

6-2 Program and Project Selection Process

The U.S. Economic Development Administration (EDA) provides investment assistance to communities for projects that contribute to the creation and retention of private sector jobs and to alleviate unemployment. Such assistance is designed to help communities achieve lasting improvement by establishing stable and diversified local economies and by improving local conditions.

The OEDC encourages all municipal agencies and community-based organizations to submit projects that enhance the region's economy. All projects must be consistent with the goals and objectives outlined in Section 5 of this CEDS document. Projects developed for consideration should be consistent with EDA policies. Priority consideration will be given to projects which best meet relative needs of eligible areas and which are located in areas of high unemployment and/or low per capita income.

6-3 Project Selection Criteria

The following will be utilized to evaluate projects which require OEDC review as a prerequisite for funding by the EDA and other funding agencies.

Priority will be given to projects which:

- improve the opportunities in the area where such projects are or will be located, for the successful establishment or expansion of industrial or commercial plants or facilities;
- assist in creating or retaining private sector jobs in the near-term and assist in the creation of additional long-term employment opportunities for such area;
- benefit the long-term unemployed and members of low-income families who are residents of the area to be served by the project;
- fill a pressing need of the area, or part thereof, in which it is, or will be located;
- are consistent with the EDA, approved by the OEDC for the area in which it is or will be located, and have been recommended by the OEDC;

- have broad community support and significant private sector investment;
- have adequate local matching funds with evidence of firm commitment;
- have a favorable cost-per-job ratio; and
- complement EDA goals, such as reducing the federal trade deficit by increasing export development and assisting minority business development.

Low priority will be given to projects which:

- do not benefit the long-term unemployed;
- cannot be implemented within a reasonable period of time;
- support downtown commercial activities such as parking garages, pedestrian walkways and non-residential street repairs unless, it can be demonstrated that EDA's assistance is critical to and an integral part of the local economic development strategy for the area and required to support other ongoing development investments;
- involve substantial land purchase or public buildings. Do not have the applicant's share of project funding readily available; and
- support tourism or recreational activities, unless it can be demonstrated that tourism is the major industry in the area or will assist in creating a significant number of jobs and substantially diversify the area's economy. In which case, the project must directly assist in providing job opportunities for the unemployed and the underemployed residents of the area and otherwise support the long-term growth of the area.

6-4 Public Works Impact Program

Priority will be given to Public Works Impact Program projects which:

- will directly or indirectly assist in creating employment opportunities by providing immediate useful work (i.e. construction jobs) or other economic or educational benefits for the unemployed and underemployed residents in the project area;
- will primarily benefit low-income families by providing essential services;
- have on-site labor costs as a substantial portion of the total estimated project costs;

- can be substantially complemented within twelve months from the start of construction; and
- improve the community or economic environment in areas of severe economic distress.

Inclusion of projects throughout the fiscal year is encouraged for those entities that have not identified a project at the time of the CEDS update.

Section 7. Program Evaluation

7-1 Evaluation

Goal 1:

Promote a balanced, yet diversified regional economic development base. Investment and employment in Imperial County should be as diverse as possible without excessive concentration in one particular segment of the economy.

Input Measure:

The OEDC membership will work with the different cities' private sector and relevant development entities to promote economic development to attract new and expand existing businesses.

Output measure:

Develop annual plans to report on number of new businesses and business expansion.

Goal 2:

Support the development and expansion of infrastructure activities to promote regional economic development. Numerous opportunities exist for economic growth in the region, but commercial and industrial development is largely achieved through the expansion of infrastructure facilities to repair land for development.

Input Measure:

The OEDC membership will work with private sector and relevant development entities to determine the infrastructure needs of the area. The County should continue working on attractive medians, paved streets, and more infrastructure funding.

Output Measure:

Inventories of these needs will be developed by category and updated on an annual basis. Develop a questionnaire and ask cities about their infrastructure and construction needs. The County should have an inventory of needs from each city.

Goal 3:

Local Workforce Development Boards will work in concert with educational/trade organizations to facilitate the improvement of the education and skills of the region's workforce through targeted skills training and implementation of the Local Plan. This serves as the cornerstone to successful economic development in Imperial County.

Input Measure:

The OEDC membership will continue working with local workforce development organizations to provide vocational training and expand educational opportunities. OEDC will maintain a close partnership with local economic development organizations and educational institutions, such as, the Imperial Valley Economic Development Corporation, Imperial Valley Small Business Development Center, San Diego State University Imperial Valley Campus, Imperial Valley College, and city economic development departments to help focus on needed skill sets required for new and emerging businesses.

Output Measure:

These efforts will result in recommendations for vocational, training, and educational programs that will enhance the labor force's skills.

Goal 4:

Promote and expand tourism in the Imperial Valley.

Input Measure:

Coordinate with cities and private enterprise to promote and develop new businesses that support and promote tourism in the Imperial County. Inventory of existing tourist attractions, such as off-road activity, and cultivate new attractions that can be developed locally, such as equestrian sports, hiking, mountain biking, along with baseball, soccer, football, and golf tournaments. All will attract active winter visitors from Canada, Mexico, and colder states within the U.S. The County must consider its assets: location, weather, water, land, five public airports, and access to a large population with disposable income. The County must identify sustainable tourism, thus attracting industries that support such sports activities.

Output Measure:

In 2014 Imperial Valley hosted the SCORE International World Desert Championship, making this the first time in 20 years the race was held in Southern California. This worldwide event brings exciting off-road racing to Imperial Valley and millions of dollars in revenue into the local economy. The event was taped and later broadcasted internationally to 190 countries on the ESPN network.

SCORE International is a race series most known for its Mexico-based events, such as the Baja 1000, Baja 500, and San Felipe 250.

The County should organize more events that bring tourism from all over the world to Imperial Valley and bring more tourism

Goal 5:

Promote international and bi-national trade development. The pace of globalization is quickening and will continue to have a growing impact on Imperial County's local economy. The region needs to capitalize on its proximity to the U.S.-Mexico border while expanding opportunities for the international market.

Input Measure:

Increase international awareness of U.S.-Mexico border opportunities related to NAFTA, maquiladora industry, and special designations.

Output Measure:

The County should be proactive in ensuring efficiency at the border points of entry to facilitate the daily cross-border transport of goods, labor, and people. Long border wait times have substantially decreased border crossing during the last decade causing the County to lose billions in potential tax revenue. The Goods Movement Border Crossing Study and Analysis conducted by the Southern California Association of Governments (SCAG) dated June 6, 2012 showed the Imperial County lost \$384 million due to commercial and passenger vehicle delays.

Calexico's Port of Entry is one of the top three busiest ports in the nation. Almost 20,000 pedestrians cross the border daily from Mexico to work, shop, visit family and for business. The County of Imperial is considering several options to fund the infrastructure improvements at the Calexico West and East Land Ports of Entry (LPOEs). To complement funding opportunities, the Imperial Valley regional stakeholders are pursuing the potential to include such improvements as part of a regional and federal government effort to complete a "Cooperative Procurement and Pilot Project" to finance the improvements at the LPOEs. Proposals for the planned improvements at both LPOEs will reduce traffic congestion and delays, improve air quality, and serve to encourage economic development of the region.

On September 18, 2013 the Imperial County Transportation Commission (ICTC) in partnership with the Imperial Valley Economic Development Corporation (IVEDC), the Economic Development Committee of Mexicali (CDEM), the Industrial Development of Mexicali (CDI), the State of Baja California's Cabinet Offices of Transportation/Urban Planning (SIDUE), and Mexicali's Institute of Planning and Urban Development (IMIP) implemented via a memorandum of understanding the Imperial-Mexicali Binational Alliance. The goals of this alliance are focused on cross-border transportation infrastructure, economic development, and environmental issues.

The overall vision of the working group is to collaborate on three key matters: economic development, infrastructure and environment, in an effort to increase economic prosperity, have environmental sustainability and improve the region's overall quality of life. Increase investment to the region, border crossings, telecommunications and roadway infrastructure, air and water, are among a list of important matters discussed and in the development stages of strategized solutions.

Adding to the Binational work between Imperial Valley and Mexicali, as of March 2015 the City of Calexico recently entered into a partnership with the Industrial Development Commission of Mexicali to promote the region and its opportunities for investment and economic development. The "Border Task Force" between both entities will expand and capitalize the border region's business opportunities to become a reality

The County will also continue to support the Cali-Baja Mega Region project to bring investment to the Imperial Valley, San Diego and Baja California area and position Imperial County as an attractive area for investment worldwide.

Goal 6:

Promote agriculture and other related industries. Agriculture has long been a major driving force in Imperial County's economy with farmland consisting of very fertile, alluvial deposits derived from the Colorado River flood plains. With a mild winter and a long growing season providing for multiple crop cycles each year, the Imperial Valley is a major source of cattle and winter fruits and vegetables. Alfalfa Bermuda grass and Sudan grass hay varieties produced in the Imperial Valley provide high quality feed for cattle and horses for domestic and foreign markets.

Input Measure:

Agriculture is a major driving force in Imperial County's economy with almost \$1.9 billion of gross agricultural production in 2012 (ranked #10 in California), plus additional economic value in the various support industries, such as processing facilities, pest control services, pesticide and fertilizer dealers, shippers, seed companies, export companies, labor contractors and custom harvesters, etc. Imperial County has approximately 500,000 acres

of farmland, mild winters, and a year-round growing season. The number one commodity is cattle. Other top ten commodities usually include alfalfa, lettuce, wheat, broccoli, carrots, and sugar beets.

Output Measure:

The OEDC should promote agriculture and related support industries. Promote and support development of new specialty crops and a diverse processing industry, such as biofuels, biotechnology, and other agriculture related businesses. Promote and support research and development of new, high-value, and specialty crops. Work on the establishment of food, fiber, and other processing facilities. Promote the establishment of bio-fuel, biotechnology, and other agriculture related industries/businesses. Ensure that workforce training programs include modules that address the needs of agricultural business.

Goal 7:

Pursue a policy of sustainable development that balances economic development with preservation of resources.

Input Measure:

Increase public awareness of recycling, energy efficiency, and resource conservation.

Output Measure:

Track the development efforts and promote green industry that meets a balanced ecological system and operate environmentally sound practices.

Goal 8:

Work to enhance the region's quality of life. An area's quality of life is often cited as a major factor in locating a business. Recreational opportunities, availability and variety of housing types, access to health care and other related factors contribute to a desirable quality of life.

Input Measure:

Encourage cities and the county to develop quality of life amenities. Imperial County needs to invest in aesthetics, creating a theme for Imperial County. Immediate improvements

would be realized through landscaping of the freeway exits and on-ramps, as well as entrances to all cities with monument-type signage and beautification.

Output Measure:

Track the number of new developments throughout the Imperial County. Promote cultural programs such as fine arts and sports. An effort should be made to bring and create sports attractions to Imperial County. Local educational institutions, such as SDSU Imperial Valley, University of Phoenix, and Imperial Valley College should be encouraged to continue contributing to cultural and educational programs that create a workforce that helps increase the local quality of life.

7-2 EDA Narrative and Projects

The Economic Development Administration (EDA) is an agency under the U.S. Department of Commerce and was created by Congress pursuant to the Public Works and Economic Development Act of 1965 to provide financial assistance to both rural and urban distressed communities. EDA's mission is to lead the Federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. Public Works is described as empowering distressed communities to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private sector jobs and investment.

Some of the activities allowable, as described on the EDA website are:

1. Acquisition or development of land and improvements for use in a public works.
2. Public service or other type of development facility.
3. Acquisition, design and engineering, construction, rehabilitation, alteration, expansion, or improvement of such a facility, including related machinery and equipment.

EDA Requirements for a Public Works project:

1. The Project will, directly or indirectly:
 - a. Improve the opportunities for the successful establishment or expansion of industrial or commercial plants or facilities in the Region where the Project is located.
 - b. Assist in the creation of additional long-term employment opportunities in the Region.
 - c. Primarily benefit the long-term unemployed and members of low-income families in the Region.
2. The Project will fulfill a pressing need of the Region, or a part of the Region, in which the Project is located.
3. The Region in which the Project is located has a CEDS and the Project is consistent with the CEDS.

Not more than fifteen (15) percent of the annual appropriations made available to EDA to fund Public Works Investments may be made in any one (1) State.

Source: U.S. Department of Commerce, Economic Development Administration Regulations

Completed Projects Funded by EDA

Year Funded	Total Project Cost	EDA Funding	Location of Project	Date Completed	Job Creation Per EDA Application	Job Creation as of 3/2014	Jobs Pending	Brief Description
CITY OF EL CENTRO								
2001	\$1,790,000	\$1,290,000	703 Industry Way, El Centro, CA	4/2/2005	101	105	0	Combination office and industrial building that houses 8 suites to serve small businesses.
CITY OF CALEXICO								
1999	\$1,608,007	\$1,200,000	Hwy 111 and Camacho Road, North Imperial Avenue, Cole Road and Bowker Road	6/29/2002	484	484	0	Construction of a 24" and 36" water distribution main line.
2009	\$4,946,215	\$3,000,000	North of Cole Road, Calexico, CA	7/6/2012	256	256	0	Infrastructure improvements to include earthwork, sewer system additions and upgrades, storm drain system, water system, surface improvements and underground utilities.
COUNTY OF IMPERIAL								
1999	\$10,775,453	\$1,350,674	Highway 98 and State Route 7, Calexico, CA	2/13/2003	210	252	0	Water and sewer treatment plants and infrastructure.
2009	\$8,000,000	\$2,500,000	Heber and Pitzer Roads, Yourman Road, Abatti Road, and Hwy 111, Heber, CA	3/22/2012	200	58	142	Extending existing infrastructure (water and sewer lines) to accommodate the development of the future Imperial Center.
CITY OF BRAWLEY								
2002	<i>Not Available</i>	\$1,500,000	5015 Best Road, Brawley, CA	6/24/2002	1100	<i>Not Available</i>	-	Installation of UV disinfection system.
2002	<i>Not Available</i>	\$480,000	National Beef Plant, 57 Shank Road, Brawley, CA	1/8/2004	1100	<i>Not Available</i>	-	Upgrade NE waterline to connect to Brawley Beef Plant.

In Progress Projects Funded by EDA

Year Funded	Total Project Cost	EDA Funding	Location of Project	Projected Date of Completion	Job Creation Per EDA Application	Job Creation as of 3/2014	Jobs Pending	Brief Description
CITY OF EL CENTRO								
2009	\$3,517,355	\$2,813,884	N. Eighth St.; N. Twelfth St.; Cruickshank Dr., El Centro, CA	8/19/2014	417	40	377	Street improvements to help with economic development in the City's northern industrial and commercial development corridor
CITY OF IMPERIAL								
2013	\$5,000,000	\$3,000,000	Neckel Rd., Imperial, CA	<i>Not Available</i>	640	<i>Not Available</i>	-	Street improvements to help with economic development in the City's northern industrial and commercial development corridor

CITY OF EL CENTRO

1) Project Name: City of El Centro Streets Improvement Project

EDA Funding: \$ 2,813,884

Total Project Cost: \$ 3,517,355 (*updated as of 04/21/14)

Projected jobs created: 417

Project Description: The proposed EDA project consists of vital infrastructure in the northern portion of the City of El Centro. This infrastructure now facilitates the development of both commercial and light industrial land, as well as improving traffic circulation to the north, east, and west of El Centro. The developments are referred to as the El Centro Town Center II, El Centro Town Village industrial site, and 8th Street industrial site. It is estimated that approximately 417 jobs will be created and \$120 million in private investment generated over the next six years.

Project Status: The El Centro Town Center Streets Improvement Project was completed on April 24, 2013 and closed out on March 6, 2014. The project period for this grant was (as determined by EDA) from August 19, 2009 to August 19, 2014.

In the last couple of years, new businesses have opened in the El Centro Town Center II: Subway Restaurant, H & R Block Tax Preparation, Manpower Employment Agency, and the Social Security Administration, which relocated their offices to El Centro Town Center II from their previous location south of I-8. A campus of the University of Phoenix is located in the El Centro Town Center II site as well. The most recent restaurant opening – Broken Yolk Café – accounts for the job creation for this EDA project during the period of April 24, 2013 to April 18, 2014.

Below are pictures that reflect the “before” and “after” of the EDA/City of El Centro streets improvement project for the El Centro Town Center regional development area.



Figure 1 – 12 Street from the south (before picture)



Figure 2 – 12 Street from the south (after picture)



Figure 3 – Cruickshank Drive from the west – before picture



Figure 4 – Cruickshank Drive from the west – after picture

CITY OF IMPERIAL

1) Project Name: Alliance and Innovation Regional Center

EDA Funding: \$ 3,000,000

Total Project Cost: \$ 6,105,217

Jobs created: 256

Project Description: Extend water, wastewater, and other infrastructure and surface improvements along Neckel Road to provide services for a new hotel, retail center, and office park. Additional improvements include widening of Neckel Road from two lanes to four lanes, installation of new sidewalks, curbs, and gutters, the installation of a traffic signal at the intersection of Highway 86 and Neckel Road, and other related improvements.

Phase I of the regional center includes a 4-story 80,000 square-foot hotel building, two separate restaurants, and three retail buildings.

Future phases will include a 40,000 sq. ft. office building, industrial business park, and a 60,000 sq. ft. skilled medical nursing facility. Estimated jobs created from Phase I: 319, Phase II: 300-400, and a minimum of 210 by Phase IV.

Project Status: Site work has commenced on the project, and the City is currently processing a conditional use permit for the project. Construction is expected to commence during the second quarter of 2013.

OEDC PROJECTS REQUESTING EDA FUNDING
April 2014

Category	Agency	EDA Funding	Description	Jobs	Project Status
<i>City of Brawley</i>					
Industrial Infrastructure	City of Brawley	\$2,000,000	<i>North Brawley Industrial Park Infrastructure Project:</i> Facilitate the development of industrial land, which will have immediate access to the City of Brawley airport, the newly completed major transportation bypass and rail freight.	1,216	In the application Process
<i>City of Calipatria</i>					
Commercial Infrastructure	City of Calipatria	\$6,200,000	<i>Airport Industrial Park Improvement:</i> Facilitate the development of retail neighborhood commercial, light manufacturing, and airport related activity for increased Economic Development	1,500+	In the application Process
<i>City of Holtville</i>					
	City of Holtville	\$250,000	<i>Business Incubator and Youth Entrepreneurial Training Program:</i> Implement a youth entrepreneurial training program for Holtville High School students.	20	In the application process

CITY OF BRAWLEY

Census Tract: 104

Per Capita Income for the Population 16 years and older

Civilian: 2,440

Unemployed: 427

1) Project Name: North Brawley Industrial Park Infrastructure Project

Census Tract: 104

Per Capita Income for the Population 16 years and older

Civilian: 2,440

Unemployed: 427

EDA Requested Funding: \$ 2,000,000

Total Project Cost: \$ 6,200,000

Jobs created: 1,216

Project Description: The proposed EDA project consists of vital infrastructure in the recently completed California transportation bypass freeway, northeast area of the City of Brawley, adjacent to the airport. This infrastructure will facilitate the development of industrial land. This facility consists of 100 acres which will have immediate access to the City of Brawley airport, the newly completed major transportation bypass and rail freight. It is estimated that approximately 1,216 jobs will be created and \$160 million in private investment generated over the next seven years.

The North Brawley Industrial Park Infrastructure Project will provide the necessary water and sewer infrastructure to serve the upcoming industry clusters:

- Light manufacturing
- Renewable energy projects
- Produce operations
- Agriculture development
- Beef production and distribution
- Businesses that support the following industries:
- Storage
- Refrigeration

CITY OF CALIPATRIA

Census Tract: 101

Per Capita Income for the Population 16 years and older

Civilian: 1,831

Unemployed: 164

1) Project Name: Airport Industrial Park Improvement

Census Tract: 101

Per Capita Income for the Population 16 years and older

Civilian: 1831

Unemployed: 164

EDA Requested Funding: \$ 6,200,000

Total Project Cost: \$ 6,820,000

Jobs created: 1,500+

Project Description: The City of Calipatria is currently in the Tentative Map approval process, Tentative Map No. CTM 00-01 and is seeking Infrastructure assistance from EDA to provide increased jobs and economic revitalization for our community. Additionally, the City has been awarded funds to assist in installation of offsite improvements on property adjacent to Main Street.

The requested public Infrastructure Improvements are identified, which include water main line installation, wastewater collection system installation, street improvements, and off-site improvements (curb, gutter, sidewalk, street lighting, and signage). The public infrastructure improvements investments will provide essential public infrastructure services to facilitate the development of retail neighborhood commercial, light manufacturing, and airport related activity for increased Economic Development. The retail neighborhood commercial section consists of 14 parcels that front West Main Street. The light manufacturing section consists of 14 parcels. The airport related activity zoned parcels consist of six parcels; total area of all combined development is 96 acres. The Airport Industrial Park upon complete build out will create 1,500+ full-time equivalent jobs. Additionally, the Airport Industrial Park is included into the Imperial Valley Foreign Trade Zone.

CITY OF HOLTVILLE

Census Tracts: 109

Per Capita Income for the Population 16 years and older

Civilian: \$18,325

Unemployed: 32%

- 1) Project Name: City of Holtville - Business Incubator and Youth Entrepreneurial Training Program

Census Tract: 0109

Per Capita Income for the Population 16 years and older

Civilian: \$18,235

EDA Requested Funding: \$250,000

OTHER Funding: HUD tbd, City of Holtville tbd, IVC tbd, SDSU tbd, SBDC tbd,

SCORE tbd, SBA tbd

Total Project Cost: \$500,000

Jobs Creation: 20

Project Description: The City of Holtville will implement a young entrepreneurial training program for Holtville High School students in collaboration with the Holtville Unified School District and Holtville High School.

Potential (unconfirmed) collaborative partners may include:

Post Secondary Education - Imperial Valley College, San Diego State University, and UC Extension

Community Finance - Rabobank and Sun Community Credit Union

Business Development - Small Business Development Center, SCORE and SBA

Government - Imperial County Workforce Development Center

Imperial Valley Economic Development Corporation

Objective: Cultivate the next generation of entrepreneurs in Holtville.

Program: Students will participate in a semester long course in which they will learn the fundamentals of starting and operating a small business. Students will be paired with a business mentor and will prepare a viable business plan. The young entrepreneurs will be directed to:

Identify a Business Concept

Determine if the Concept Has Income Potential

Decide on a Business Model

Develop a Flexible Business Plan

Take the Necessary Legal and Regulatory Steps to Get Started

Entrepreneurs completing the entire program will receive seed funding of up to \$20,000 to capitalize their business and finance their business plan. Twenty new businesses will be created.

PROJECTS REQUESTING OTHER FUNDING SOURCES
January 2012

CATEGORY	AGENCY	JOB	FUNDING REQUEST	DESCRIPTION	PROJECT STATUS
INFRASTRUCTURE	City of Westmorland	120	\$1,100,000	New infrastructure to meet basic State requirements for City Hall, Fire, and Police department facilities.	Pending on Funding
INDUSTRIAL INFRASTRUCTURE	City of Imperial	1,000	\$62,800,000	New wastewater treatment plant and collection system to service the Mesquite Lake Industrial Specific Plan.	Pending on Funding
COMMERCIAL INFRASTRUCTURE	City of Imperial	TBD	\$7,500,000	Extend water and wastewater services to Imperial Valley College.	Pending on Funding
COMMERCIAL INFRASTRUCTURE	City of Imperial	100	\$13,000,000	Street rehab, storm drain improvements and Sewer line replacement to facilitate development in Downtown Imperial.	Pending on Funding
INDUSTRIAL INFRASTRUCTURE	City of Imperial	700	\$6,200,000	Roadway widening and intersection improvements to accommodate commercial and light industrial development.	Pending on Funding

COMMERCIAL INFRASTRUCTURE	City of Imperial	400	\$5,000,000	Roadway and infrastructure system to support a Regional park with an events center, equestrian center, sports facilities and supporting commercial uses.	Pending on Funding
INDUSTRIAL INFRASTRUCTURE	City of Holtville	175	\$84,000,000	Improve wastewater system to meet the needs of existing and future industrial development within the City and surrounding unincorporated areas.	Pending
INDUSTRIAL INFRASTRUCTURE	City of Holtville	175	\$3,000,000	Improve wastewater system in the north and north-west area of the City.	Pending
COMMERCIAL	City of Holtville	100	\$750,000	Provide new recreation opportunities and stimulate eco-tourism opportunities in the surrounding areas of Alamo River Recreational Trail.	Pending

CITY OF WESTMORLAND

Project Name: City of Westmorland Public Safety Improvement Project

Total Project Cost: \$1,100,000

Projected Jobs Created: 120

Project Description:

The project proposes to enhance the services needed to improve the safety, to meet basic needs, and to build community pride, which will allow the City of Westmorland to be strategically positioned to meet future needs. The main focus for the City of Westmorland will be upgrading City Hall and the fire department facilities, as they are functionally and aesthetically decaying. A matter of grave concern to the city is that the fire station building does not comply with current building code standards. The proposed improvements will make Westmorland a much safer, livable and economically viable community as well as a service hub that can respond to emergencies in the northwestern portion of Imperial County. The new public safety facility will enable the City to transition from a part-time to a full-time, adequately staffed facility.

CITY OF IMPERIAL

- 1) Project Name: City of Imperial / Keystone (Mesquite Lake) Regional Water Reclamation Facility
Total Project Cost: \$62,800,000
Projected Jobs Created: 1000

Project Description: The project includes the construction of a new regional water reclamation facility and the backbone collection system to service the Mesquite Lake Industrial Specific Plan Area and central Imperial County. The system is intended to provide waste water treatment service in the growth areas of the cities of Imperial and Brawley and to emerging industrial developments in 1200 acres of Mesquite Lake in the County of Imperial. The reclamation facility is designed to utilize membrane bioreactor technology as a means of produce highly treated tertiary effluent. The recycled water will be use to offset imported potable water supplies from the Colorado River and will be suitable for reuse applications.

Design on the reclamation facility is 90% complete. The City of Imperial is currently in property negotiations and is currently in the process of CEQA and NEPA compliance. Approximately 1,000 jobs will be created within the next ten (10) years.

- 2) Project Name: City of Imperial /Extension of Water and Wastewater Services on East Aten Road
Total Project Cost: \$7,500,000
Projected Jobs Created: TBD

Project Description: Imperial Valley College (IVC) is the only community college in Imperial County and is currently located in an unincorporated area east of the City of Imperial. IVC's operates its own water and wastewater treatment plant but it would be more cost-effective to connect to the City of Imperial's system. The proposed project is intended to extend potable water distribution main lines and sanitary sewer collection lines along Aten Road from Cross Road for a distance of approximately 3.5 miles. This extension would allow

much-needed commercial and student housing development to provide support services to the college.

3) Project Name: City of Imperial / Downtown Imperial Infrastructure Improvements

Total Project Cost: \$13,000,000

Projected Jobs Created: 100

Project Description: Funding would be used to improve storm drains, upgrade water and waste water lines and rehabilitate streets in Downtown Imperial to facilitate infill development. There are approximately a total of 4.5 acres of available land in Downtown Imperial for vertical mixed-use commercial, office and residential development.

The City of Imperial completed Phase 1 Improvements which included sidewalks, street lighting, streetscape improvements and sewer lateral improvements in portions of Downtown. The City is currently working with various developers and property owners to complete a total of approximately 48,000 square feet of commercial development. Approximately 100 jobs will be created within the next five (5) years as a result of this project.

4) Project Name: City of Imperial / Worthington and Clark Road Improvements

Total Project Cost: \$6,200,000

Projected Jobs Created: 700

Project Description: The project involves the widening of Worthington Road and Clark Road from two lanes to six lanes. The project limits are along Clark Road at Worthington Road to approximately 1500 feet south; and along Worthington Road at Clark Road to approximately 2600 feet east.

The investment will be used for roadway and intersection improvements to accommodate the proposed 250,000 square-foot IID Administration Center and 20 acres of commercial development. The new IID facility is expected to house approximately 550-600 employees with an additional 100,000 square feet of building space is planned for future growth. A 20-acre site is also planned for the southeast corner of Worthington Road and Clark Road to

accommodate approximately 350,000 square feet of commercial development. An additional 100 jobs will be created as a result of the commercial development.

5) Project Name: City of Imperial / Imperial Regional Park and Events Center

Total Project Cost: \$5,000,000

Projected Jobs Created: 400

Project Description: Funds will be used to extend water, waste water, and storm drain lines to provide services for the planned Imperial Regional Park and Events Center. Additional improvements include the installation of new streets, curb and gutter, sidewalks and street lighting. The City of Imperial recently acquired 140 acres of undeveloped property within the planned Barioni Lakes Specific Plan Area for use as a regional park and events center. The regional park will include various recreational amenities such as an equestrian center and a regional sportsplex. An additional 15,000 square feet of supporting commercial buildings will be developed along the periphery of the project site. Approximately 250 jobs will be created within then five (5) years and an additional 150 jobs from the commercial development will also be created five (5) years thereafter.

CITY OF HOLTVILLE

Census Tract: 0109

Per Capita Income for the Population 16 years and older

Civilian: \$18,325

Unemployed: 32%

1) Project Name: City of Holtville Wastewater Treatment Plant Upgrade Project

Census Tract: 0109

Per Capita Income for the Population 16 years and older

Civilian: \$18,235

Unemployed: 32%

EDA Requested Funding: \$4,000,000

OTHER Funding: Border Environmental Cooperation Commission, State of California

Clean Water Revolving Fund, USDA, City of Holtville

Total Project Cost: \$ 5,592,000

Jobs created: 175

Project Description: The City of Holtville provides wastewater treatment services in the city limits and in the surrounding un-incorporated Imperial County. The Holtville Wastewater Treatment Plant is located at 1250 E. Kamm Road, outside of the city limits. The proposed project consists of vital infrastructure to meet the needs of existing and future industrial development within the City and surrounding unincorporated areas. The Holtville Municipal Wastewater Treatment Plant (WWTP) currently treats 0.85 million gallons of effluent per day.

The Regional Water Quality Control Board issued Cease and Desist Order No. R720090061 to the Holtville Municipal WWTP on September 17, 2009 establishing scheduled milestone dates for improvements to the wastewater treatment plant to comply with the final ammonia effluent discharge limitation of 1.9 mg/l.

The City has completed a Project Engineering Report (PER) which identifies the detailed recommended wastewater treatment improvements to be completed at the Holtville

WWTP to comply with the final ammonia effluent discharge limitation of 1.9 mg/l and the PER identifies the cost of the recommended improvements. Preparation of a PER is a necessary prerequisite of grant/loan applications to agencies such as the Border Environment Cooperation Commission (BECC), State of California Water Resources Control Board – Clean Water State Revolving Loan Fund (CWSRF) and the United States Department of Agriculture (USDA). Additional opportunities will be created for the development of agricultural related retail and professional services. It is estimated that approximately 400 jobs will be created and \$80 million in private investment will be generated over the next ten years.

The City of Holtville will provide the necessary wastewater infrastructure to serve the following projects:

- Osborne Avenue Industrial Park (400,000 sq. ft.)
- Olive Avenue Industrial Park (170,000 sq. ft.)
- JRM Food Chain Lease Building (45,000 sq. ft.)
- Holtville Industrial Park (30,000 sq. ft.)
- Holtville Commercial Plaza (30,000 sq. ft.)
- Holtville Business Incubator (6,000 sq. ft.)
- Holtville Equestrian Center

2) Project Name: City of Holtville Wastewater Outfall Pipeline and Residential Wastewater Collection System Pipelines Project

Census Tract: 0109

Per Capita Income for the Population 16 years and older

Civilian: \$18,235

Unemployed: 32%

EDA Requested Funding: \$3,000,000

OTHER Funding: BECC, State of California Revolving Fund, USDA, City of Holtville

Total Project Cost: \$4,434,979.40.

Jobs created: 175

Project Description: The City of Holtville provides wastewater services in the city limits and in the surrounding unincorporated Imperial County. The wastewater collection system

conveys wastewater from the city to the Wastewater Treatment Plant, which is located outside of the city limits. The proposed project consists of vital infrastructure in the north and north-west area of the City of Holtville and surrounding unincorporated areas. The existing wastewater collection system is has had multiple failures. These include multiple manhole failures in State Hwy 115, which pose a direct threat to the public health and safety.

The Wastewater Outfall Pipeline and Residential Wastewater Collection System Pipelines Project will provide three mile of infrastructure which will facilitate the expansion of new industrial and commercial development opportunities in the City of Holtville. Additional opportunities will be created for the development of agricultural related retail and professional services. It is estimated that approximately 175 jobs will be created and \$35 million in private investment will generated over the next ten years.

The City of Holtville will provide the necessary wastewater (sewer) infrastructure to serve the following projects:

- Osborne Avenue Industrial Park (400,000 sq. ft.)
- Olive Avenue Industrial Park (170,000 sq. ft.)
- JRM Food Chain Lease Building (45,000 sq. ft.)
- Holtville Industrial Park (30,000 sq. ft.)
- Holtville Commercial Plaza (30,000 sq. ft.)
- Holtville Business Incubator (6,000 sq. ft.)
- Holtville Equestrian Center

3) Project Name: City of Holtville Alamo River Trail Project

Census Tract: 0109

Per Capita Income for the Population 16 years and older

Civilian: \$18,235

Unemployed: 32%

EDA Requested Funding: \$ 750,000

OTHER Funding: State Resource Agency-Department of Parks & Recreation

\$430,468, Caltrans \$900,000 BECC/EPA Border 2012

Total Project Cost: \$2,000,000

Jobs created: 100

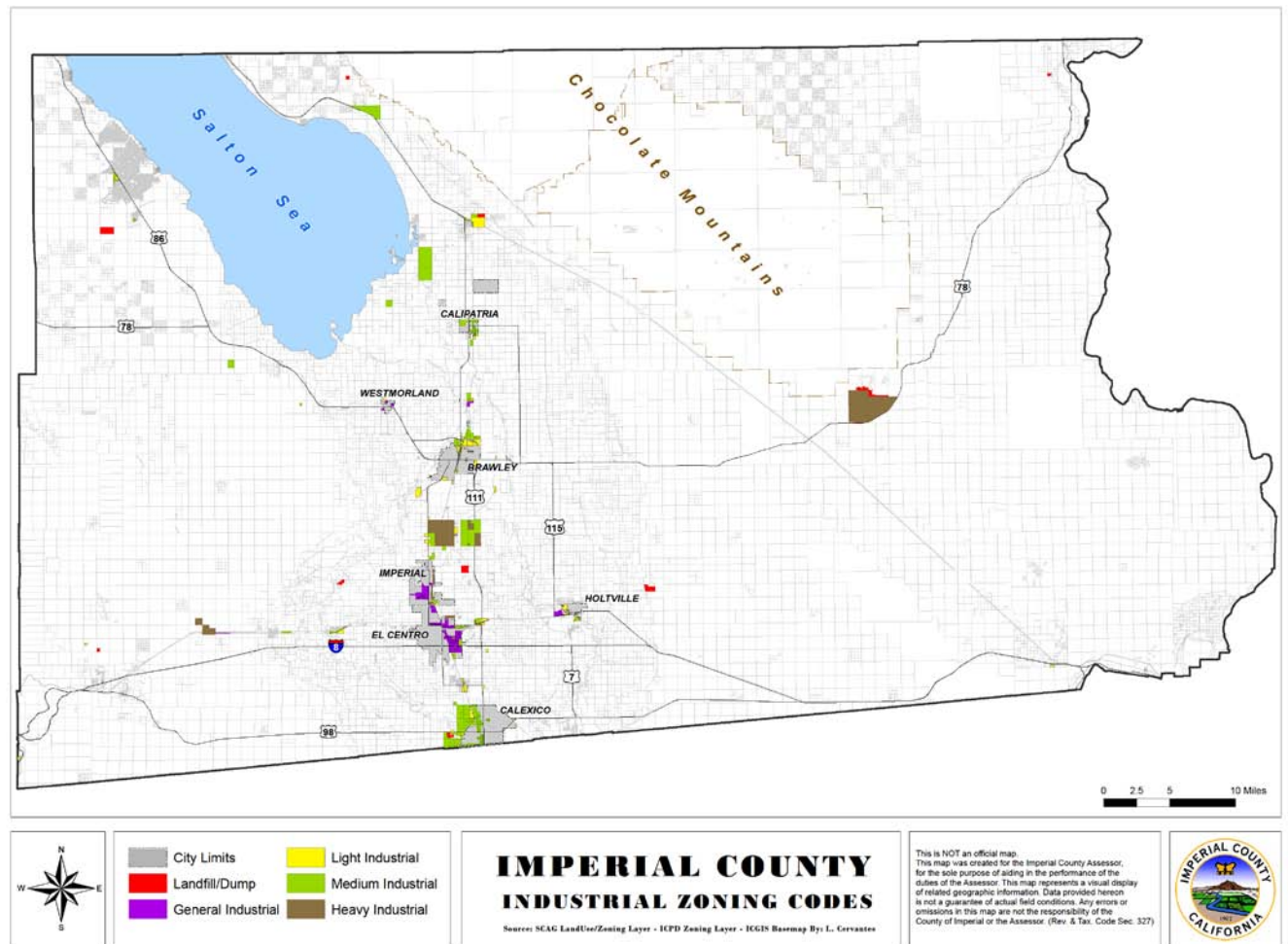
Project Description: The Alamo River is located in the arid Sonoran desert of southeastern California, in the Imperial Valley and is a tributary and the largest source of water to the Salton Sea. The beneficial uses of the Alamo River include warm freshwater habitat, wildlife habitat, preservation of rare, threatened, and endangered species, and contact and non-contact recreation. The Alamo River serves as the southern boundary of the City of Holtville. Clean-up of the Alamo River will further benefit Earl Walker Park which has been underutilized by the community for decades. The project will provide for new recreation opportunities in Imperial County and stimulate recreation and eco-tourism opportunities including spa facilities, hot water resorts and health and wellness centers.

The City has been awarded a \$430,468 grant from the Department of Parks and Recreation for the Alamo River Recreational Trail, Phase I. Phase 1, which includes the storm water pollution prevention (SWPP) program implementation, and 0.75 miles of bicycle path and hiking trail improvements between Fern Avenue and Olive Avenue is presently under construction and should be complete by December 2011. The City is applying for grant funds under the Habitat Conservation Fun Program for protect and enhance the wildlife areas of the Alamo River. The project includes trail heads, amenities, wetlands restoration, and hiking, biking and equestrian facilities.

The City of Holtville Alamo River Trail project also provides an important non-motorized pedestrian corridor between recreation facilities and will serve the following projects:

- Doris Butler Equestrian Center;
- Holtville Wetlands; and
- Van Der Linden Softball Field.

Section 8. Incentive Zone Maps



Recycling Market Development Zone



Imperial County Foreign Trade Zone #257