



IMPERIAL VALLEY

REGIONAL PROFILE &
RESOURCE OPPORTUNITIES

**THE STATE'S MOST
AFFORDABLE**

Water

Energy

Land

Workforce

WWW.IVEDC.COM



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IMPERIAL VALLEY

AT A GLANCE

Imperial County is rich in natural beauty, local history, and culture. The unique culture blends two different countries, the United States and Mexico, due to its geographic location along the international border. This culture, along with a small town atmosphere and an agricultural based economy, lends itself to a strong work ethic and community.

For sightseeing, the Imperial Valley is surrounded by various desert landscapes, with an hour's drive to notable tourist destinations including Anza-Borrego Desert State Park, Salton Sea, Joshua Tree National Park and Imperial Sand Dunes. Visitors and locals can take their pick from a number of hikes, bird watching, off roading, museums and wildflower gazing. It's no wonder that the Valley has a long repertoire of feature film credits.

For entertainment, the Imperial Valley plays host to scores of festivals and activities that keep things hopping. From the aerial displays of the Blue Angels to the Tomato Festival, there are plenty of events for everyone to partake in and celebrate the Valley's diversity.

Demographics

Population 2016

Total	185,831
Brawley	26,566
Calexico	40,211
Calipatria	7,468
El Centro	45,170
Holtville	6,093
Imperial	18,165
Westmorland	2,256
Unincorporated	37,130

Population Forecast

2020	222,920
2030	259,339

Labor Force 2015

Labor Force	77,400
Employment	73,452

Ethnic Diversity 2016

Hispanic	83.0%
White	11.9%
African American	2.2%
Asian	1.3%
American Indian/Alaska	0.8%
Native	
All Other	0.8%

Per Capita Personal Income 2016

\$33,584

Median Household Income 2016

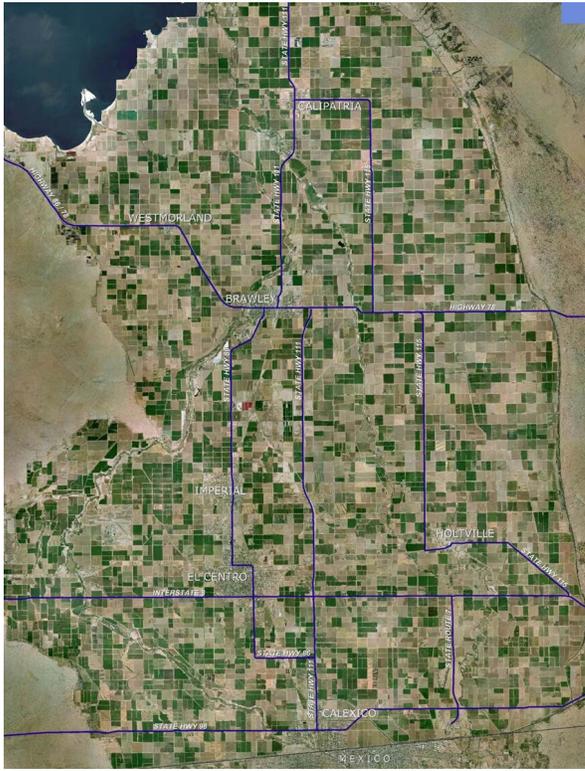
\$45,650

Median Existing Home Sales Price 2016

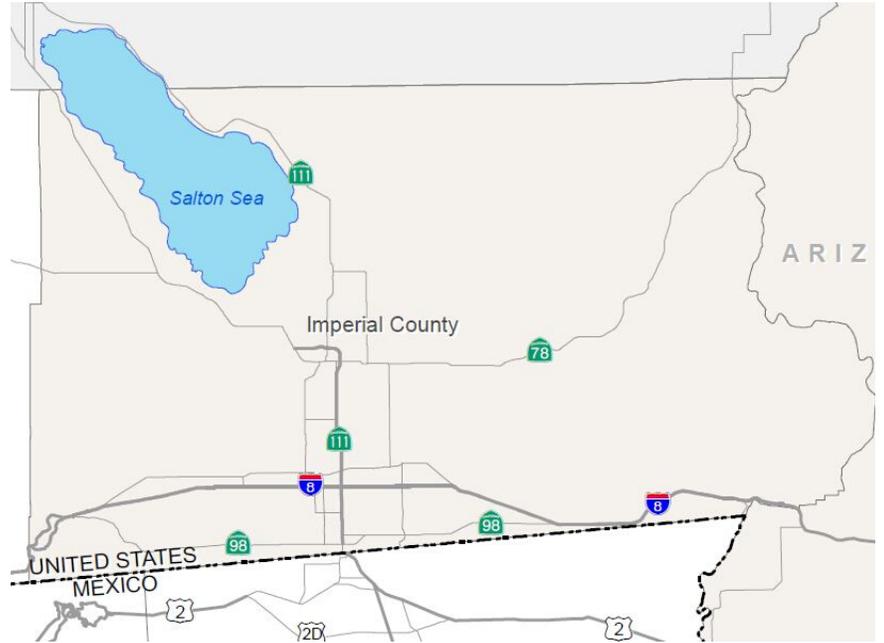
\$203,500

REGIONAL MAPS

Foreign Trade Zone #257



Imperial County Map



CaliBaja Bi-National Mega-Region



IMPERIAL VALLEY

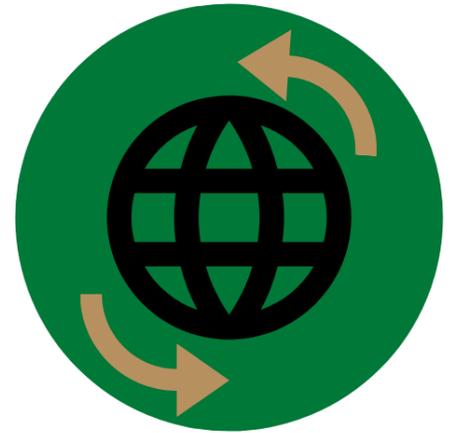
INTERNATIONAL ADVANTAGES

Foreign Trade Zone #257

The Foreign Trade Zone (FTZ) provides incentives for domestic manufacturers that utilize imported raw material and are located inside the designated areas of the FTZ.

Imperial Valley has seven areas in FTZ #257. These areas are considered outside the United States by U.S. Customs. Imported material or merchandise imported into the zones is excluded from customs duties and excise taxes until it leaves the FTZ. Materials and goods exported outside the U.S. are excluded from being charged a duty. Additional benefits include:

- Reduced tariffs
- Duty exemptions
- Weekly entry fee savings
- Duty deferral



EB-5 Visa Program

The EB-5 Program allows foreign investors to obtain immigration benefits for having made an investment. The EB-5 Program calls for a minimum investment of \$1,000,000 USD. This sum may be reduced currently to \$500,000 USD if the enterprise that receives the investment is situated in a Targeted Employment Area (TEA). Imperial Valley is a TEA. To qualify as an EB-5 investor, each investor must demonstrate that 10 full-time, year-round jobs will be created on account of the investment.

Program Benefits:

- Qualifying investors and their spouses and unmarried children under 21 will be eligible to apply for U.S. lawful permanent residence (green card).
- No minimum requirements as to age, to speak English, employment experience, or education.
- Investor and family may live/work anywhere in the United States.
- Education benefits including admission of Universities at U.S. resident costs.
- After five years, the investor and their family may obtain U.S. citizenship, subject to meeting all immigration requirements, as required under law.

SUMMARY OF KEY ATTRIBUTES

Water Availability

- Current balance of 21.2 million gallons per day of industrial rate water

Affordable Water Rates

- \$20 per acre foot (Agricultural Rate)
 - \$85 per acre foot (Industrial Rate)
- *1 acre foot = 325,850 gals*

Competitive Energy Rates

- 9.75¢ per kWh lowest rates in Southern California

Incentives

- Foreign Trade Zone #257
- Recycled Markets Development Zone
- Employment Training Panel
- Workforce Innovations & Opportunity Act
- California Competes Tax Credit Program
- Historically Under Utilized Business Zone
- Opportunity Zone

Abundant Workforce

- Skilled, qualified & youthful available workforce

Leading Industries

- Top North American region in renewable energy production
- #2 region worldwide for geothermal energy production
- Agricultural hub known as the County that supplies the nation's vegetables during winter months
- #1 producer of alfalfa, sudan, wheat & corn in California
- Leading export market to Mexico, Canada & Asia

Efficient Transportation Corridors

- Ample & underutilized transportation routes to all major industrial hubs in the 11 western states

Strategic Location

- Located in the center of major cities in California, Arizona and Baja California, MX with access to over 24 million consumers

Infrastructure

- 3000 miles of water canals
- Fiber optics and gas pipelines are adjacent and follow all railroads



"The next renewable energy capital of the world."

Powered For Growth

The state of California has set a mandate that utility companies generate 50% of their electricity from renewable energy sources by 2030. In 2014, approximately 1,800 MW of renewable energy was being produced in Imperial County. The Desert Renewable Energy Conservation Plan (DRECP) has a renewable energy goal of up to 7,000 for the county.

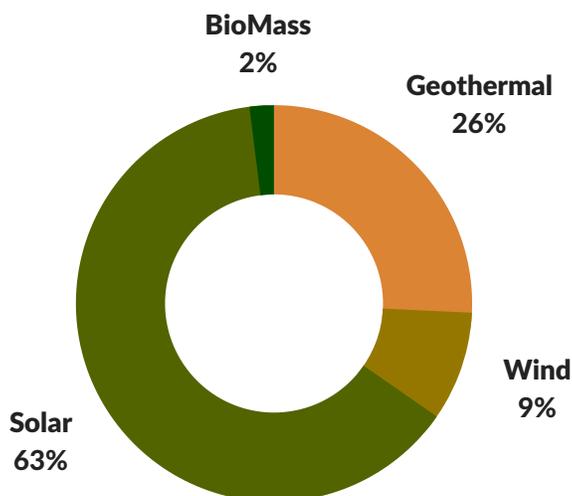
Attributes:

- Sunshine
- Low-priced land
- Geothermal activity
- Water rights

Advantages:

- Central location to major southwest markets
- Abundant public and private land available
- Current transmission capacity of 1,000 MW

Total Production in 2019 By Industry



Fact-At-A-Glance

New geothermal facilities with a capacity of 552 MW are currently in various stages of development and construction.

- 750 MW under production
- 280 MW developed
- Potential of 2,950 MW (based on report by Dennis Kaspereit, local consultant at Geothermal Resource Group)

Source:
Desert Sun
Summit Blue, Consulting LLC

Renewable Energy Potential

Industry	Current Production (MW)	Technical Potential (MW)
Geothermal	750	2,950
Solar	1850	28,600
Wind	265	10,755
Biomass	47	95
Total	2,912	42,746

Monthly Rates

Power Rate Schedule	Demand Charge	Energy Charge per kWh
Large General (100+kW demand)	\$6.75 per kW of billing demand	\$0.0659

There are additional State-mandated charges that may affect the customer's energy costs, including the Public Benefits Charge (2.85% per KWH) and the California Energy Surcharge (\$.0003/KWH).

AGRIBUSINESS

Located in the low desert of Southern California, fertile soil and a mild winter climate makes it one of the nation's top agricultural producers; in fact, the Imperial Valley supplies over 2/3 of vegetables consumed in the United States during winter months. The region's notably diverse agriculture industry can account for over 100 commodities.

The Imperial Valley region is becoming fertile ground for the location of biotechnology firms that recognize the advantages of locating here:

- \$20/ acre foot or .25 cents/1,000 gallons
- Optimal climate for year-round growing
- 360 days of sunshine per year
- Publicly owned water and energy delivered at an affordable rate
- Availability of an affordable & youthful workforce
- Diverse portfolio of crops and livestock

2017-2018 Summary (Gross Value)

Commodity	2017 Value	2018 Value
Livestock	\$452,708,000	\$532,130,000
Field Crops	\$365,819,000	\$507,849,000
Vegetable & Melon Crops	\$1,018,764,000	\$984,472,000
Fruit & Nut Crops	\$85,186,000	\$83,909,000
Seeds & Nursery Crops	\$137,286,000	\$109,210,000
Apiary Products	\$5,837,000	\$8,461,000
Total	\$2,065,600,000	\$2,226,031,000

Source: Imperial County Agricultural Crop and Livestock Report 2018

AVAILABLE PRE-ZONED LAND

CALIFORNIA'S #1 PRODUCER OF:



Sweet Corn



Alfalfa Hay



Alfalfa Seed



Sudan Hay

FOOD PROCESSING

TOP 10 COMMODITIES OF 2018

	<u>Gross Value</u>
1 Cattle	\$469,832,000
2 Alfalfa	\$218,455,000
3 Leaf Lettuce	\$122,267,000
4 Head Lettuce	\$115,162,000
5 Broccoli	\$100,982,000
6 Onion	\$98,644,000
7 Bermuda Grass	\$95,489,000
8 Spinach	\$84,291,000
9 Alfalfa Seed	\$68,459,000
10 Carrots	\$61,296,000

2017-2018 Summary (Harvested Acres)

Commodity	2017 Value	2018 Value
Field Crops	326,667	341,229
Vegetable & Melon Crops	128,769	132,604
Fruit & Nut Crops	10,209	10,328
Seeds & Nursery Crops	73,627	53,031
Total	539,272	537,192

Source: Imperial County Agricultural Crop and Livestock Report 2018

- Wide variety of grown crops
- Central location to major southwest markets
- Publicly owned water and energy delivered at an affordable cost
- Availability of an affordable workforce
- Access to three international ports
- Available land zoned for agricultural and commercial use



Agriculture has a rich and fruitful tradition in Imperial Valley.

Today, the region is the location of food processing companies from all over the world that recognize the advantages of locating here.

HEMP

INDUSTRY SPOTLIGHT

Hemp farming and manufacturing in the Imperial Valley dates back to 1916. Although hemp is often regarded as a plant that prefers a mild climate, hemp is suitable and fertile in the low desert climate due to its unique adaptation capabilities. Studies suggest that hemp evolved originally as a desert plant, due to its ability to adapt to low rainfall and loss of water. The Imperial Valley is an optimal region for industrial hemp; mild winter months allow for multiple harvests and increased profit per year.

Agricultural manufacturing in Imperial Valley:

- Affordable land, water and energy
- Abundant and skilled workforce
- Strategic location for transporting and exporting



Imperial Valley farmer posing next to hemp field
Timpken Ranch 1920s



Hemp growing in Imperial Valley July, 2019



Key takeaways from the Imperial County Hemp Summit:

- Array of local opportunities and resources for industrial hemp farming, processing & manufacturing
- Optimal location for research and commercial production
- Opportune location leading the industry in Southern California
- Available infrastructure and land suitable for investment

LEARN MORE AT ICHemp.org

DATA CENTERS

Imperial County, California is an untapped opportunity for the data center industry thanks to the lowest energy rates in the states, abundant and inexpensive Colorado River water resources, low-cost land, fiber connectivity and low natural disaster risk. As Imperial County leads the state in renewable energy resources, data centers will also have the opportunity to procure green reliable power.

Water Rates & Availability

Imperial Irrigation District holds senior water rights to 3.1 million acre-feet (1 acre-foot = 325,853 gallons) of Colorado River water, which comprises over 70% of California's legal entitlement from the river. The Imperial Irrigation District has a set aside of 25,000 acre-foot of water for industrial use of which only 1,200 acre-feet has been allocated to date. The industrial rate for water in Imperial County is \$80 per acre-foot or 24¢ per 1000 gallons (0.00024¢ per gallon).

Energy Rates

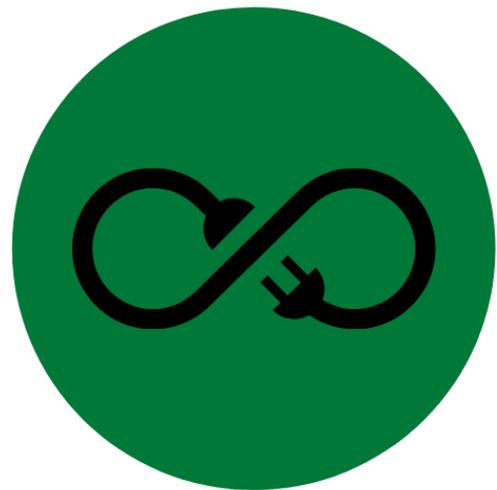
The Imperial Irrigation District is currently able to offer the lowest known rates in the State of California at 9.3 ¢ per kwh with additional discounts under the economic development rate structure for users of more than 500kw loads.

9.75¢ per
kWh

Renewable Energy

Imperial County currently leads the State of California in renewable energy production from sources such as solar (1850mw), geothermal (750mw) , wind (265mw) and biomass (47mw).

Additionally, there is approximately 2000mw's of solar currently permitted and seeking your power purchase agreement (PPA) as well as 1300mw's of untapped geothermal resource waiting to provide your data center with clean, baseload renewable energy.



The Imperial Valley offers qualified locations and attractive prices to support industries such as engineering, manufacturing, research and development of the aircraft and spacecraft industries.

IMPERIAL VALLEY ASSETS:

- Availability of uncongested airspace
- Proximity to restricted airspace
- Rural locations to facilitate rocket and jet testing
- An average of 360 days of clear flying weather per year
- Availability of affordable workforce
- Proximity to San Diego County's \$1.3 billion Unmanned Aerial Vehicle (UAV) industry
- Proximity to Mexicali, BC Mexico which currently has 25 aerospace related companies with a workforce of approximately 7,500 engineers, technicians and operators (2)

Aerial View of NAF El Centro



Source: Naval Air Facility (NAF) - El Centro Economic Impact Report

In FY 2010, NAF El Centro produced \$105 million in economic benefit 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

Nearly 1,400 jobs - 597 military and civilian personnel directly employed and 801 additional jobs related to NAF El Centro operations, payroll, and other spending

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

BIO-FUELS

OPPORTUNITIES

Renewable energy has grown swiftly over the last decade in the Imperial Valley. Coupled with its rich and fruitful traditions of agriculture, the region is optimal location for bio-fuel companies today.

Algae

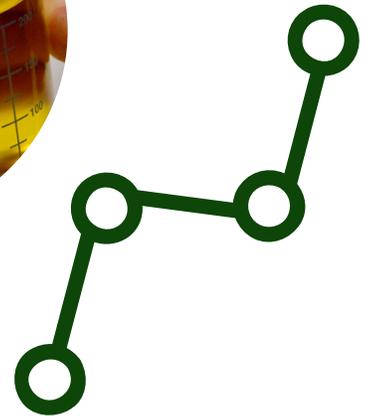


The Imperial Valley is working with San Diego to develop a regional model centered on the research and commercial production of algae. Algae can be used as a bio-mass for bio-fuel production.

Bio-Diesel



The Imperial Valley is a prime location for the production of bio-diesel from algae and manure.



Bio-Mass



With the wide variety of crops grown in the Imperial Valley, many different types of organic matter can be used for bio-mass, which can be converted into bio-diesel.

& More



Sugarcane for ethanol is already being grown in the Imperial Valley. There are also opportunities with sweet sorghum, sugar beets, switch grass, and other plant varieties.

INTERNATIONAL TRADE & LOGISTICS

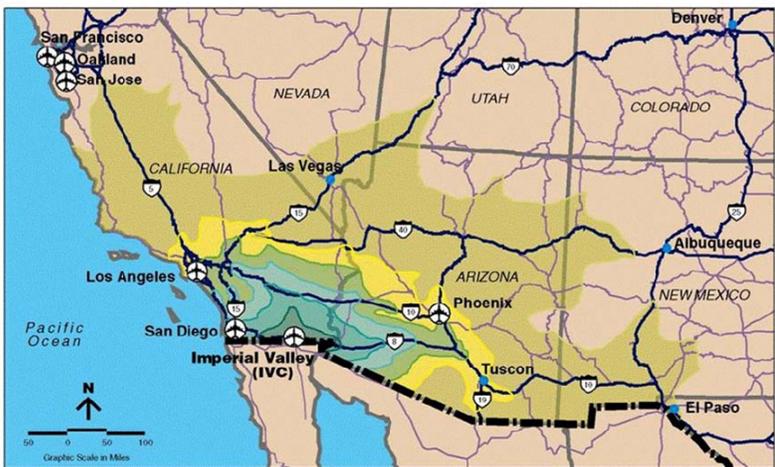
Ranked as the fastest growing county in the state, the Imperial Valley is emerging as Southern California's newest hot spot for industrial growth.

Through its proud partnership with the CaliBaja Bi-National Mega-Region, Imperial Valley Economic Development Corporation (IVEDC) is seeking to maximize the county's position in the global marketplace.

Imperial Valley Advantages:

- Two ports of entry with Mexico
- Railway access to Los Angeles, San Diego, Arizona and mainland Mexico
- Access to I-8 and I-10
- Specific planned areas for international logistics (Mesquite Lake - 5,100 acres/Gateway to Americas - 1,700 acres)
- Commercial and industrial land available in all cities with Foreign Trade Zone status

IMPERIAL VALLEY-10 HOUR TRUCK DRIVETIME RADIUS



Border Crossings at the Calexico Ports of Entry 2014 & 2015

Calexico-Downtown	2018
Personal Vehicles	4,557,881
Personal Vehicles Passengers	8,399,017
Pedestrians	4,014,519
Calexico-East Port	2018
Trucks	376,079
Loaded Truck Containers	205,403
Empty Truck Containers	174,123
Trains	246
Loaded Rail Containers	330
Empty Rail Container	7,271
Buses	2,602
Personal Vehicles	3,560,187
Train Passengers	246
Bus Passengers	104,080
Personal Vehicle Passengers	6,505,560
Pedestrians	300,463

Source: U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based on data from the Department of Homeland Security, U.S. Customs and Border Protection, Office of Field Operations

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