Executive Summary: Empowering Lithium Valley Project Name: Lithium Valley Recompete Phase 2

A Transformative Vision for Imperial Valley:

The \$50 million Lithium Valley Recompete initiative represents an equitable, holistic approach to regional revitalization, blending innovation in green energy with strategic, place-based economic and workforce development to transform Imperial Valley into a hub of prosperity and opportunity. Anchored by the vast lithium reserves of the Salton Sea, this initiative leverages the region's unique assets to catalyze significant improvements in prime-age employment, per capita wages, and long-term economic development and lead the nation's transition to a clean energy future.

Imperial County, an environmental justice community with the highest unemployment rate in the country, has the potential to be transformed by the lithium industry. The county is one of few areas in the country where lithium can be extracted for manufacturing of high-performance batteries essential for electric vehicles and renewable energy storage systems - all essential to addressing climate change and national security. Lawrence Berkeley National Laboratory (LBNL) estimates that 18 million metric tons of lithium can be extracted, producing enough lithium to power more than 375 million electric vehicle batteries - more than the current number of vehicles on the roads today¹. Businesses, State and Federal governments are heavily investing in the region to create thousands of new, high-paying, high-road jobs. However, Imperial County desperately lacks the infrastructure and trained workforce necessary for this transformational economic shift. This Recompete proposal is vital to ensure that these good-paying high-road jobs go to local workers, thereby ensuring inclusive and equitable economic prosperity in a region that has for too long gone without. This Recompete proposal is the vital economic and workforce development roadmap that will improve the prospects of Imperial Valley residents for generations to come.

These lithium investments will create an estimated 50,000-90,000² new jobs in the next 15 years, which will fundamentally remake the current economy. If surrounding infrastructure is not in place, these jobs will be fleeting. Three companies - Berkshire Hathaway Energy, Controlled Thermal Resources (CTR), and EnergySource Minerals- are already anchored in the Imperial Valley and are racing to be the first to conduct commercial scale Directe Lithium Extraction (DLE), a new and more environmentally friendly type of lithium extraction that has never been conducted on a commercial scale . By partnering with CTR to create high quality, high road training programs, we are paving the way for those who come next . Working with these companies to directly align training programs with the specific skill requirements of their jobs ensures that the local workforce is ready to meet the demands of the industry. Through our comprehensive training initiatives, we will provide potential employees with the necessary technical skills in areas such as geothermal operations, chemical processing, and environmental management, which are crucial for the success of lithium extraction and processing facilities.

However, we know that demand for skilled and trained workers goes beyond just the lithium industry. The two regional hospitals are in need of an additional 60 nurses, the sheriff's office is in desperate need of staff at all levels, and the small business industry is poised for massive expansion to meet the needs of a soon to be flourishing region. Our highly targeted, place-based Recompete plan prepares individuals for high-quality jobs within the region that supports the broader economic growth and sustainability of the Imperial Valley. By developing a skilled labor force, we are ensuring that local businesses have the support they need to thrive in a competitive global market, contributing to the overall success of our local economy and the advancement of clean energy technologies.

Region's Geography and Proposed Service Area:

¹ https://doi.org/10.2172/2222403

 $^{^2} https://lithiumvalley.imperial county.org/wp-content/uploads/2023/11/LiValleyBOSIn formational Update_11.7.23. pdf$

The Lithium Valley Recompete proposal, submitted by the Policy & Innovation Center (PIC), focuses on revitalizing the Imperial Valley region of Southern California, a region uniquely positioned for transformative economic growth yet marked by stark contrasts: abundant natural resources and the highest unemployment rate in the country; rich agricultural lands and extreme childhood poverty. This region, defined by the vast landscapes of agricultural fields and the ecological significance of the Salton Sea, is on the cusp of becoming the epicenter of U.S. lithium production, dubbed "Lithium Valley." The proposed service area encompasses all of Imperial County's urban centers and rural colonias, from Calexico's bustling border city to Brawley's agricultural heartlands and the innovative green energy projects surrounding the Salton Sea. 86% of the population is Latino, 75% of households speak a language other than English in the home, and the region has the second-highest prime-age employment gap in the country, which is why most workforce development pathways and pipelines will start with English Language Programs³. This proposal presents a community-first, person-centered economic and workforce development strategy targeting the most valuable asset in the Imperial Valley- its people.

Imperial Valley is home to some of the nation's most fertile agricultural lands, a \$2.5 billion industry, with over 500,000 acres under cultivation that contribute significantly to the U.S. and global food supply. Despite this abundance, the region faces the highest unemployment rates in the nation, reaching upwards of 20% in recent years, and nearly 31.5% of its children living in poverty, far surpassing the national average. Decades of pesticide use and agricultural runoff have polluted the Salton Sea. As it has shrunk in recent years, more and more residents are now exposed to toxic dust; at least 20% of children have asthma.

The Salton Sea also holds North America's largest lithium reserves and the region can potentially transform into a lithium powerhouse used for electric vehicle batteries necessary to meet State and Federal climate goals, support a diverse workforce, and address national security concerns associated with global supply chains. But Lithium Valley, in order to lead to long-term economic and equitable growth, will need investments in surrounding sectors to center the region's people. This proposal will uplift and empower the diverse communities of Imperial Valley to benefit from this clean energy transition. Through strategic investments in education, workforce training, and infrastructure, coupled with a forward-looking embrace of sustainable industries, the Lithium Valley Recompete initiative envisions a future where economic growth and social equity flourish and set a precedent for transformative development that can inspire regions across the globe facing opportunities for holistic and equitable green transitions.

Investment Thesis:

The Lithium Valley Recompete initiative will harness the potential of the region's emerging lithium industry, expand high road construction training programs, strengthen the foundational care economy, spur innovation in the ag tech industry, and enhance local employment training opportunities. Without this targeted investment in training and upskilling the local workforce, regional jobs will continue to go to an external skilled workforce. This multifaceted approach is essential to drastically improve prime-age employment (the second lowest in the U.S.), elevate per capita wages, and catalyze sustainable economic development in the region. By 2040, Lithium Valley alone could be responsible for creating an additional 56,000-93,000 jobs. Training to keep these jobs local must begin today!

1. **Diversifying Economic Opportunities:** Research has identified three critical sectors that support the lithium industry and sustain economic growth. 1) The care economy is essential to community well-being

³ https://www.census.gov/quickfacts/fact/table/imperialcountycalifornia/PST045223

⁴https://labormarketinfo.edd.ca.gov/cgi/databrowsing/localAreaProfileQSMoreResult.asp?viewAll=&viewAllUS=&c urrentPage=1¤tPageUS=&sortUp=&sortDown=&criteria=unemployment+rate&categoryType=employment& geogArea=0604000025×eries=unemployment+rateTimeSeries&more=&menuChoice=localAreaPro&printerFr iendly=&BackHistory=-3&goTOPageText=

and presents opportunities for employment growth and professionalization. The understaffed care economy currently employs over 11,000 workers, but more are needed to meet existing need and support the influx of workers anticipated under current economic growth scenarios. 2) Because agriculture is a foundational aspect of the region's historical development, investments in ag tech will be necessary to ensure that the sector continues to thrive, especially in the face of increased drought. 3) Local government is the region's largest industry (over 20,000 workers) between the two local State prisons, border patrol, county staffing, schools, and more, many of which are regularly short-staffed.

- 2. **Revitalizing Prime Age Employment:** Imperial County has a prime-age employment gap (PAEG) of 18.2%, the second highest in the country. Targeted training programs and educational initiatives for in-demand sectors will reduce the PAEG. In the more immediate future, lithium extraction projects will likely lead to the creation of approximately 6,000 construction jobs and around 850 permanent jobs. Due to the lack of local union training programs, the majority of these jobs will likely be held by people who don't live in the region. The Recompete initiative will create targeted union training programs at local labor hubs. These training programs will provide apprenticeship opportunities for lithium employees, as well as for other construction projects (e.g., housing, hotels, energy, roads) that will help support lithium development in the region. Healthcare and childcare training programs will be expanded, and ag tech incubators will be supported. Case management and wrap-around services will also be incorporated ensuring no local residents are met with barriers to success.
- 3. **Elevating Per Capita Wages:** The median household income in Imperial County is \$49,100, less than 60% of California's median household income. The strategic focus on industries with growth potential and commitment to high-road job creation is designed to raise per capita wages across the region. High-value jobs in the lithium sector, a focus on upskilling workers within the care economy, and stable government positions will contribute to higher living standards and economic vitality, reducing the dependence on seasonal agricultural work. Quality jobs with family-sustaining wages and benefits, including health insurance and paid time off, will be the norm in the region, not the exception.
- 4. **Ensuring Long-Term Economic Sustainability:** This comprehensive approach fulfills both the immediate employment needs and lays the groundwork for enduring economic prosperity. Investments in infrastructure to support the lithium supply chain, robust labor partnerships, agricultural innovation and small business incubation, initiatives to upskill the care economy, and enhance local government service delivery to drive innovation, attract additional investment, and ensure the region's competitiveness in a rapidly evolving economic landscape.

By integrating these diverse yet interconnected sectors, the Lithium Valley Recompete initiative represents Imperial Valley's visionary, place-based approach to economic development. This strategy leverages the unique assets of the region — its natural resources, strategic location, and human capital — to build a more resilient, prosperous, and equitable future for its residents.

Component Projects:

This initiative contains eight elements that will support the vision for a reinvigorated Imperial County, and were carefully crafted with the Imperial Valley community and leaders.

1. Imperial Valley Innovation & Labor Hub - \$9,180,000

In partnership with the San Diego and Imperial Counties Building Trades, at least six unions will expand their training programs to the Imperial Valley. The Labor Hub will span two buildings located at opposite ends of the Imperial Valley, providing robust training programs that equip workers with the necessary skills for emerging industries and fostering sustainable employment opportunities that contribute to the region's economic revitalization. United Domestic Workers staff willupskill existing members and recruit family

members interested in new jobs and training opportunities and Good for Others Foundation will create pre-apprenticeships leading to Building Trades apprenticeships. Operational Expenses: Covering staff salaries, benefits, and the administrative costs of running the hub. Project lead: Good for Others Foundation, a local non-profit leader who currently implements construction pre-apprenticeships in partnership with the San Diego Building Trades

2. Imperial Valley Small Business Development & Expansion Initiative - \$5,855,830

Expanding services and resources offered by the Imperial Valley Small Business Development Center to support local entrepreneurs, particularly in the accessible small business industries of: childcare, food and beverage, and ag tech. Hiring specialized staff and providing benefits to support the increased workload and to ensure quality service provision. Training and Participant Funding: Allocation for specialized training sessions for small business owners and entrepreneurs, including startup funding support for participants facing financial barriers. Project Lead: PIC

3. Imperial Valley Workforce & Economic Development - \$10,197,000

Imperial County Workforce Development Board: Strengthening the role and capacity of the ICWDB in coordinating and implementing local employment and training strategies. Staff and Participant Support: Funding for staffing needs, benefits, and direct support to participants in workforce development programs. Nationally recognized workforce intermediary Jobs for the Future will provide technical assistance and support. Internship Program and Apprenticeships: Expanding a paid internship program with the local EDC and supporting apprenticeships to provide practical work experience and on-the-job training. Project Lead: Good For Others Foundation

4. Imperial Valley Education & Talent Pipeline - \$11,097,500

Nursing and ESL Programs: Funding for San Diego State University Imperial Valleys (SDSU-IV) nursing program and Vocational English as a Second Language (VESL) training to address local healthcare needs and improve workforce integration for non-native speakers. Revolving Loan Fund: Investments in a revolving loan fund for tuition support for nursing, social worker education, and ag-tech certificate at SDSU-IV, Arizona State University and Northern Arizona University in Yuma, and UC Riverside. Imperial Valley Regional Occupational Program's Trucking Program and Healthcare Training: Expanding a truck driving program and re-launching a Certified Nursing Assistant (CNA) training and Medical Assistant training program to meet the county's logistics and healthcare needs. Additional partners include the Imperial Valley College and Imperial County Office of Education. Project Lead: PIC

5. Imperial Valley Outreach & Engagement Campaigns - \$2,525,519

iHeartMedia Campaign: A comprehensive marketing campaign to promote regional workforce and economic development initiatives. Outreach and engagement will be critical to ensure that the workforce is diverse. Outreach Navigators: Funding for staff to directly engage with the community and potential program participants, linking them to available services and opportunities. Project Lead: PIC

6. Imperial Valley Fenceline Community Prioritization - \$1,800,500

IV Wellness Foundation: Partnering with the IV Wellness Foundation to prioritize health and wellness in community development efforts. Community Coordinators: Hiring coordinators to work directly with unincorporated communities, ensuring their needs are met and voices heard in development projects. Project Lead: PIC

7. Imperial Valley Supportive Services - \$4,950,000

Supportive Services Provision: Allocating funds to provide essential supportive services to participants in training and development programs, addressing barriers such as transportation, childcare, trades tools, emergency rental assistance, etc.. Project Lead: PIC

8. Lithium Valley Recompete Administration & Governance - \$4,393,652

Program Management: Covering the salaries and benefits for the Recompete Coordinator, accountants, Salesforce admin, CFO, COO, Senior Director, Director, and Data and Evaluation staff. Operational Costs: Funds allocated for the indirect costs associated with administering the entire program, ensuring compliance, effectiveness, and impact measurement. Project Lead: PIC

Overview

Our budget reflects a robust strategy to engage over 20,000 people annually and directly serve at least 5,800 individuals through education, training, and workforce and economic development programs. Translating EDA's \$50M investment into enhanced workforce capabilities, reduced unemployment, and a revitalized local economy ready to meet the demands of the 21st century, projects span from labor hubs and education to small business development, career pathways and beyond to facilitate Imperial Valley's revitalization.

External Investments and Complementary Efforts

The initiative will leverage and complement external investments, such as state and federal funding for green energy and infrastructure projects, private sector investments in lithium extraction and battery manufacturing, and other regional economic development efforts. Key stakeholders and findings involved in these efforts have been incorporated into this proposal. Some examples of these commitments and complementary efforts include:

California Jobs First Initiative: In 2021, Governor Newsom launched the \$600 million Regional Investment Initiative (formerly the Community Economic Resilience Fund, or CERF) to create high-quality, accessible jobs. This investment has supported the creation of Jobs First Collaboratives in each of the state's 13 economic regions, with representation from various community partners, including labor, business, local government, education, environmental justice, community organizations, and more. These Collaboratives are in the process of developing roadmaps, including a strategy and recommended series of investments, for their respective regions. PIC, Imperial Valley Wellness Foundation, the San Diego & Imperial Counties Labor Council, and SDSU are co-conveners, and SDSU is also a fiscal agent. The state has recently awarded \$14 million to each of the 13 Jobs First Collaboratives – \$182 million total – to invest in sector-specific pre-development activities, enabling regions to take projects from exploratory and last-mile to ready-to-go projects that can access local, state, and federal funds, as well as private and philanthropic investments.

Statewide Investment: The State invested \$5 million in Imperial County to support Lithium Valley. Since 2017, the State has invested over \$27 million on nearly 20 research projects that advance understanding of lithium extraction, technology, and other best practices.

Statewide Lithium Extraction Tax: A statewide volume-based tax structure for lithium extraction was established to leverage lithium development to benefit impacted communities directly (Senate Bill 125, 2022). Twenty percent of the revenues are used for the Salton Sea restoration projects and grants for community engagement or community-benefit projects at or around the Salton Sea. The remaining 80% of funds are disbursed to the counties impacted by lithium extraction activities via a Community Benefit Agreement, which includes:

- \$80 million SDSU Brawley Campus STEM Building.
- \$4 million Imperial County Specific Plan and Programmatic EIR for Lithium Valley.
- \$800,000 for Community Engagement on Specific Planning and Programmatic EIR.
- \$200,000 for a Health Impact Analysis for Lithium Valley.

Local Lithium Tax Incentive: In 2023, Imperial Valley adopted a local lithium tax incentive to spur

economic development in the region.

Recent State Efforts:

- Current state legislation would direct the California Energy Commission (CEC), in consultation with
 other state agencies, to establish a Lithium Battery Production Council to conduct an economic
 analysis of workforce development needs, infrastructure needs, sewage and wastewater treatment,
 and housing needs for lithium battery production (SB 1309, Padilla).
- Blue Ribbon Commission on Lithium Extraction in California

Enhanced Infrastructure Finance District (EIFD) - The County is working with the Southern California Association of Governments (SCAG) and the Kosmont Companies to create an EIFD.

Economic Development District - The Imperial County Community and Economic Development Department is working on updating the Community Economic Development Strategy (CEDS) to request designation from the EDA as an Economic Development District (EDD).

Controlled Thermal Resources (CTR): CTR has broken ground on an almost \$2 billion lithium production facility. Batteries produced from this development will support General Motors and Stellantis vehicles.

Lithium Workforce Report - Imperial County Workforce Development Board has commissioned the RAND Corporation, funded by a \$750,000 WIOA (Workforce Innovation and Opportunity) grant from the State, to analyze the economic and workforce opportunities presented by Lithium Valley.

Project Overlap

All eight proposals will be synergistically linked through comprehensive project management, coordination, and partnerships with key Lithium Valley stakeholders. Staff roles and responsibilities will be aligned:

Apprentices - In order to ensure that the Lithium Valley Recompete proposal plays an active role in training a local workforce, we will create a new dual Department of Labor/Department of Apprenticeship Standards registered apprenticeships for Workforce Development Apprentices modeled after the California Workforce Association's Innovative Workforce Development Board Apprenticeship. These apprentices will work with Recompete participants (the thousands of individuals currently unemployed in Imperial Valley) to ensure they are connected to education and training programs and supportive services. Business Services apprentices will work with local businesses to create pathways to quality jobs for program participants. Additionally, the Good for Others Foundation will create a non-profit leadership apprenticeship to begin creating a more robust non-profit network and leaders in the region.

Outreach Navigators - Bilingual outreach navigators will be the first point of contact for many Recompete participants. They will partner with local community groups and organizations, including the Imperial Valley Food Bank, the Imperial County Office of Education Charter School, churches, and libraries to promote the Recompete program offerings to their prime-age unemployed participants.

Interns - The Lithium Valley Recompete proposal is funding 20 paid business interns a year who will report to the Economic Development Corporation as an expansion of their existing internship program. This program has successfully launched many careers in Imperial Valley and will be a place for participants to gain hands-on experience while also connecting with trainees from other Recompete programs to facilitate mentorship and employment opportunities.

1. Imperial Valley Recompete Innovation & Labor Hub: The Labor Hub serves as the central nexus for labor unions and training programs, directly feeding into the broader objectives of regional economic development. By providing pre-apprenticeships leading to apprenticeships, the Labor Hub ensures a steady pipeline of skilled workers ready to meet the demands of the region's growing infrastructure and lithium

extraction projects. This directly links training and employment opportunities, ensuring workforce development program participants have immediate employment avenues, boosting local wages, and revitalizing prime-age employment. Workforce apprentices will be provided supportive services and case management and wrap-around services. Outreach navigators will support outreach and recruitment efforts.

- 2. Imperial Valley Recompete Small Business Development and Marketing, Outreach, Recruitment & Engagement: Expanding services and resources offered by the Small Business Development Center (SBDC) is crucial for nurturing local entrepreneurship. This project is complemented by the Imperial Valley Outreach & Engagement Campaigns, which aims to raise awareness of these opportunities among potential entrepreneurs and small business owners. The marketing campaign and the deployment of Outreach Navigators will drive engagement with the SBDC, facilitating access to the tools, training, and financial support needed to thrive, and fostering a vibrant local business ecosystem. Workforce apprentices will provide supportive services.
- 3. Imperial Valley Recompete Education and Supportive Services & Community Engagement: Education initiatives, particularly those focusing on nursing and ESL programs, address critical local healthcare needs and enhance workforce integration. These programs are supported by the Supportive Services & Community Engagement project, which provides essential services like transportation and childcare, removing barriers to participation in educational and training programs. Community engagement activities further ensure that these educational opportunities are aligned with the community's needs and aspirations, enhancing the relevance and impact of the training provided. While most Imperial Valley residents will qualify for financial aid, Recompete will partner with educational institutions to ensure that any ancillary costs are covered and supportive services to ensure that students can complete their training.
- **4. Fenceline Community Prioritization and Administration**: Focusing on Fenceline communities ensures that the most underserved areas receive direct benefits from the initiative. Community Coordinators, hired from the local communities, are pivotal in meeting these communities' needs. This effort is supported by the Administration project, which ensures effective program management and compliance. It facilitates a targeted approach to community development that leverages insights and feedback from Fenceline areas to inform broader strategic decisions. Workforce apprentices provide supportive services.

Mutual Reinforcement

By addressing workforce development, small business support, education, supportive services and community engagement in a coordinated manner, the initiative ensures that investments in one area bolster outcomes in others. For instance, a more skilled workforce enhances the viability of local businesses, which in turn creates jobs and stimulates economic activity, fostering a growth cycle. Additionally, by aligning these efforts with external investments, the initiative positions the region to maximize the benefits of broader economic trends, ensuring that the local community is not just a participant but a driver of sustainable development and innovation.

Our Equity-minded Framework

At the core of the Lithium Valley Recompete initiative lies an unwavering dedication to equity, recognizing that without a solid foundation of fairness and inclusivity, even the most innovative projects cannot achieve their full potential. We are not just committed to equity; we are propelled by it, ensuring that every facet of our economic development and workforce training initiatives brings transformative benefits within reach of every community member, prioritizing those historically marginalized and frontline communities first to be impacted by environmental changes. As a key leader in the California Jobs First initiative, we understand the critical need for collaboration and an equity-minded approach to support our communities. Our approach is not merely comprehensive; it is a roadmap to dismantle systemic barriers and champion

equitable opportunities with urgency, understanding that the time to act is now to build a truly inclusive future of shared progress and prosperity.

Intended Outcomes for Equity:

Local Hiring Policies and Workforce Development: Central to our equity goals is the implementation of local hiring policies across all projects and prioritizing employment of residents from the Service Area, particularly from underserved communities. Working with employers like Controlled Thermal Resources, who have committed to prioritizing 95% local hires, the Recomepte initiative will ensure employers have a locally-trained workforce. This ensures the direct benefits of job creation and wage gains are experienced by those within the region, reducing unemployment and underemployment in marginalized communities and fostering a sense of ownership and pride within the community, reinforcing the foundation upon which sustainable, inclusive prosperity will be built.

Specialized Training and Education Programs: With an emphasis on the care economy, local government jobs, and emerging industries like lithium battery manufacturing and ag tech, our training and education programs are tailored to build capacities in high-demand sectors. These programs are designed to be inclusive, offering Vocational English as a Second Language (VESL) and support for re-skilling, thereby ensuring that non-native speakers and those transitioning from declining industries can find meaningful employment.

Process for Considering Equity:

Wraparound Services: We will provide wraparound services, including childcare, transportation assistance, and emergency rental support, to remove barriers that often prevent marginalized individuals from accessing or completing training programs. These services are crucial for enabling participation and ensuring that training leads to employment and wage gains for those who need them most.

Safe, Healthy, and Accessible Workplaces: Our commitment to equity extends to the work environment. All funded projects and partner employers must adhere to strict standards to ensure safe, healthy, and accessible workplaces. This includes, but is not limited to, compliance with occupational safety regulations, provisions for accessibility, and supportive policies that respect the needs of a diverse workforce.

Engagement with Trusted Intermediaries: Recognizing the importance of community trust, our initiative will build and maintain relationships with trusted intermediaries, including community organizations, local non-profits, and faith-based groups. With deep ties to underserved populations, these intermediaries will play a crucial role in outreach, recruitment, and ongoing support, ensuring our efforts are grounded in the community's needs and aspirations.

Safeguards to Ensure Local Benefits:

Affordable Housing Initiatives: In partnership with local authorities and developers, we will explore opportunities to support the production and preservation of affordable housing as part of our broader economic development strategy. This ensures that the workforce benefiting from Recompete projects can afford to live in the communities they serve, addressing displacement and promoting sustainable local development. Community Benefits Agreements (CBAs) and Project Labor Agreements: For large-scale projects, particularly those involving lithium extraction and manufacturing, we will advocate for CBAs and PLA's that outline specific commitments to local hiring, environmental stewardship, and community investment. These CBAs will serve as a safeguard, ensuring that the economic benefits of such projects are shared equitably with the local population.

Climate and Environmental Responsibility

The Lithium Valley Recompete effort is deeply rooted in principles of climate and environmental responsibility. We recognize the critical importance of sustainable development in addressing the dual

challenges of economic revitalization and environmental stewardship. At its core, this Project will enable the transition to a just clean energy economy and achieve the Administration's climate goals. Our approach integrates considerations of climate-related impacts, opportunities, and risks across all component projects and commitments, emphasizing sustainability, resilience, and conservation.

Addressing Climate-Related and Environmental Impacts: Our strategy focuses on developing infrastructure and jobs contributing to sustainability and economic growth. The Labor Hub and clean energy projects (including lithium battery manufacturing) are designed to minimize environmental footprints and integrate on-site renewable energy and energy efficiency measures where feasible.

Water Conservation and Management: Water conservation and sustainable management practices are paramount in an area known for its agricultural productivity. Our initiatives in ag tech will support advanced irrigation technologies and practices that reduce water usage and protect this vital resource, ensuring long-term sustainability for the sector.

Leveraging Opportunities and Mitigating Risks:

Climate Adaptation and Resilience Building: Projects are designed with an understanding of the region's vulnerability to climate impacts, including heat waves and water scarcity. By investing in climate adaptation, such as heat-resistant infrastructure and emergency preparedness training, we aim to build a resilient community that can withstand and recover from climate-related events.

Engaging with Stakeholders for Sustainable Development: Recognizing that environmental responsibility is a shared concern, our approach includes extensive engagement with local communities, environmental groups, and other stakeholders. This collaborative effort ensures that projects are informed by local knowledge and expertise, align with community values, and contribute positively to the region's environmental goals.

Education and Awareness Campaigns: To foster a culture of environmental ethos, we will implement education and awareness campaigns focused on sustainability, conservation, and climate resilience. The campaigns will empower residents with the knowledge and skills to make environmentally conscious decisions and actively participate in regional sustainability efforts.

Outcomes and Objectives

Long-term Outcomes: Labor Force Participation Gains: Our principal objective is to significantly reduce the PAEG in Imperial County. By the end of Year 5, our goal is to ensure that Imperial County no longer records the highest unemployment rate either in California or nationally. This transformative change will be achieved by targeting the prime-age unemployed and facilitating labor force re-entry. Upskilling and Employment Gains: We aim to provide comprehensive upskilling opportunities to over 5,000 residents through tailored training programs aligning with local industry demands, particularly in sectors such as green energy, healthcare, and advanced manufacturing. These programs will enable participants to ascend to higher-skilled, higher-paying jobs. Wage Increases: Through targeted training and placement in high-demand sectors, we anticipate a 20% increase in average wages among program participants, shifting the income paradigm and enhancing the living standards within the community. Jobs Created, Placed, and Retained: By the completion of this project, we aim to have created and filled at least 3,000 new jobs, with an emphasis on sustainable placements that offer long-term employment, thereby also focusing on retaining these positions within the community.

<u>Short-term Outputs</u>: **Programs Launched and Expanded**: Initiate and expand a series of apprenticeship and pre-apprenticeship programs, focusing on sectors like construction, technology, and renewable energy.

The target is to launch at least 10 new programs and expand 5 existing ones within the first three years. Participants Recruited: We plan to recruit over 1,000 participants annually into our various training programs, with a strong focus on inclusivity and reaching underrepresented communities. Job and Apprenticeship/Internship Placement: Each year, we aim to achieve at least 500 job placements and 300 apprenticeship or internship placements, tracking progress towards bridging the employment gap and fostering a skilled workforce. **Data Collection**: Implement a comprehensive data management system to track participant progress, job retention, wage increases, and overall program efficacy. This system will collect data on demographics, program completion rates, job placement success, and wage metrics post-placement. **Equity Goals**: Special attention will be given to equity-focused metrics, ensuring that benefits are equitably distributed across all population segments, particularly focusing on historically marginalized groups. Metrics will include demographic participation rates, access to high-paying jobs, and long-term career advancement.

Timeline: **Year 1-2**: Launch and expand training programs, begin intensive recruitment and placement efforts. **Year 3-4**: Focus on retention and upskilling, begin measuring wage impacts, and expand outreach. **Year 5**: Evaluate progress towards reducing the unemployment rate to below the state and national averages, adjust strategies as necessary to meet all outlined goals.

Phase 2 Updates

Between the selections for Phase 1 and the submission for Phase 2 of the Recompete effort, our initiative has undergone a profound transformation, underscored by an intensified commitment to an equity-minded framework. Our revised approach, shaped by comprehensive stakeholder feedback throughout Imperial County, pivots from a singular focus on lithium production to a holistic strategy that uplifts the entire community, ensuring equitable access to resources and opportunities as a foundational step. Key changes:

Shift in Focus: Originally concentrated on capitalizing on the region's lithium reserves for economic and workforce development, we've expanded our vision to address broader community needs first to address barriers experienced by residents, establishing a robust foundation upon which innovative projects can thrive. This evolution reflects a deeper understanding that true innovation cannot flourish without addressing underlying inequities and building community resilience.

Engagement and Partnerships: A significant increase in community engagement activities has informed our new direction, strengthening collaborations with key partners such as the County of Imperial, Imperial Valley Wellness Foundation, Imperial Valley Food Bank, Imperial Valley College (IVC), and local workforce development board. New partners, including grassroots organizations and additional educational institutions, have joined our coalition, expanding our capacity to address the nuanced needs of Imperial County's diverse population.

Mitigation of Risks: Through our revised approach, we've identified and begun to mitigate new risks, including potential disparities in access to the benefits of lithium extraction and renewable energy projects. Our equity-focused strategy includes targeted workforce development programs, infrastructure enhancements, and policy advocacy to broadly share the economic benefits. We have also engaged Jobs for the Future, a national nonprofit that works to ensure educational and economic opportunity for all, to provide technical assistance.

The Lithium Valley Recompete initiative has evolved from a project centered on economic transition through lithium extraction to a comprehensive effort aimed at holistic community development. By prioritizing equity, inclusivity, and accessibility, we aim to build a resilient foundation for sustainable growth and innovation where all residents of Imperial County thrive.