

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

844



FROM: Economic Development Agency

SUBMITTAL DATE:
September 10, 2009

SUBJECT: Admission of MVP-EV into Foreign Trade Zone

RECOMMENDED MOTION: That the Board of Supervisors support the admission of MVP-EV into the Foreign Trade Zone (FTZ), and continue to support previously authorized efforts of our legislative advocate in Washington D.C. to work with our elected delegates and Department of Commerce Foreign Trade Zone Boards to expand and staff the current FTZ without increases to Net County Cost.

BACKGROUND: On September 10, 2009, CT&T of South Korea and MVP-EV, a California Corporation, located in the City of Moreno Valley, executed a contractual agreement for the manufacture, production, and sale of Neighborhood Electrical Vehicles. South Korean auto manufacturer CT&T estimated that between 350 and 700 full time jobs would be created when the factory in the City of Moreno Valley is operating at full production capacity. MVP-EV has requested that the County of Riverside formally support the admission of MVP-EV into the FTZ operated by the March Joint Powers Authority (JPA).

(continued)

Departmental Concurrence

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$0	In Current Year Budget:	NA
	Current F.Y. Net County Cost:	\$0	Budget Adjustment:	NA
	Annual Net County Cost:	\$0	For Fiscal Year:	2009/10

SOURCE OF FUNDS: NA	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
BY:
County Executive Office Signature Jennifer L. Sargent

Policy
 Policy

Consent
 Consent

Dept't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: | **District: 5** | **Agenda Number:**

SEP 10 2009 10:52 AM

3.59

For the record, the United States Department of Commerce - Foreign Trade Zone Board has been denying entry into or expansion of the March JPA FTZ on a regular basis, citing a lack of staffing availability. This should not deter the County of Riverside, March JPA, or the JPA members' legislative bodies from supporting such expansion requests by local business on an individual jurisdiction basis. The FTZ is an important part of the County of Riverside and JPA member cities' business attraction and retention strategy. In the case of MVP-EV, the company will be importing all components of the e-car from CT&T of South Korea until such time as local suppliers will be able to provide all needed components for the vehicles. The admission of MVP-EV into the FTZ will allow for expedited imports and inspections; reduce tariffs, taxes, and fees; and create jobs for our local workforce at a time when manufacturing jobs in the State of California are increasingly difficult to come by.