

STATE OF CALIFORNIA



EDMUND G. BROWN, JR.
GOVERNOR

GOVERNOR'S OFFICE OF BUSINESS
AND ECONOMIC DEVELOPMENT
PANOREA AVDIS,
DIRECTOR

GOVERNOR'S MILITARY
COUNCIL
ASSEMBLYMEMBER ROCKY CHÁVEZ,
CHAIR

May 3, 2018

Honorable Ryan McCarthy:

On behalf of California Governor Edmund G. Brown Jr., the Governor's Office of Business and Economic Development, and the Governor's Military Council, we jointly write to encourage your earnest consideration in siting the Army Futures Command (AFC) in any of the locations currently under consideration in California. We are confident that any location in California will provide the Army with incredible and unique advanced systems and engineering capabilities from the world's leading human capital assets and academic infrastructure, reinforced by America's largest and most innovative private companies, supported by cohesive legislative leadership that has enabled a significant influx in newly approved public spending programs that sustain benefits to the Army's operations in California over time.

We acknowledge that central to the Army's interest in actively seeking a location for its new fourth Army Command (ACOM), is the focus on the successful discovery, engineering, development, and integration of advanced capabilities, materials and *future* technologies needed for the Army's preparation and readiness of conflict response to *future* threats. As you know, California continues to lead the world in the innovation and development of these capabilities. Based on the Army's AFC requirements, our suggestion in choosing California is supported by the following unmistakable areas of strength and readiness:

1. **Innovation Capital of the World.** California's universities [lead the world](#) in all major fields of scientific and technological research sought by the AFC. No other state leads in [new patents](#) for a reason. California is a magnet for the new innovations that AFC will seek to acquire.
 - a. We understand the Army's prioritization of [artificial intelligence](#). **Two of the top five** and four of the top fifteen [best schools for artificial intelligence](#) are located in California.
 - b. California has [more people](#) and has [more students graduating from high school than any other state](#). California graduates in turn benefit from access to world class academic opportunity.
 - c. California boasts a cohort of the world's finest academic institutions, technical universities, and military schools which already contribute to and supplement the mission and the workforce of the AFC. Universities like Stanford, the California Institute of Technology, the University of California system, the University of Southern California, and the state's robust California State University system will provide the greatest subject matter expertise and institutional support that the AFC requires.
 - d. California's in-state military schools such as the Naval Postgraduate School and the Defense Language Institute add military-focused opportunities for partnership for the AFC.

- e. These existing education powerhouses benefit from synergies realized from a healthy private sector of companies already clustered and within proximity.
2. **Technology Leader of the World.** California companies [lead the world](#) in the products and advanced systems sought by the AFC. Siting a fourth ACOM closer to business centers in California already clustered with future technology developers will enable the Army to advance its discovery and integration of future capabilities with haste and convenience. Proximate location synergies enable the Army in achieving a more agile and interconnected relationship with business and academia.
- a. The Department of Defense has already recognized significant gain from this model having sited its first Defense Innovation Unit Experimental (DIUx) in Mountain View, California. We appreciate the Army's consideration in recently activating an [Enhanced Use Lease opportunity](#) on approximately 30-acres of land adjacent to the Defense Innovation Unit Experimental in Mountain View, California to further its mission and goals.
 - b. According to the [National Center for Science and Engineering Statistics](#), in 2015 California accounted for [one third of all self-funded business R&D in the U.S.](#) California's private companies benefit by having a public equally interested in research in development. In 2016, California government agencies accounted for [one fourth of all government R&D expenditures](#).
 - i. Over the last 25 years, the State of California has invested financially in bringing institutions together to study, innovate, and encourage market utilization. The four California Institutes for Science and Innovation explore nanosystems, information science and technology, quantitative biosciences, and advanced telecommunications.
 - ii. The California Institute for Regenerative Medicine has built university/industry partnerships for advancing cellular and genomic knowledge and applications for pharmaceuticals as well as for diagnostics and medical treatments.
 - iii. The California Energy Commission (CEC) invests more than \$150 million per year in R&D on advanced technologies for efficient electricity generation, supply, and storage.
 - iv. Several California military bases have already partnered with the CEC and its R&D performers. Once located in California, the AFC could move naturally into deep collaboration with these organizations.
 - c. California leads the country in research on topics that are currently shaping the battlefield of tomorrow, such as unmanned systems, autonomy, and artificial intelligence. California has the highest concentration of cyber providers and cybersecurity experts in the nation, a key consideration in the internet-of-things design of next generation warfighting.
 - d. The State is currently leading a [cyber-resiliency initiative](#) for the Department of Defense-Office of Economic Adjustment (OEA) to expand the capacity of California businesses and work force to enhance and strengthen the multi-billion dollar cybersecurity supply chain in the state.
3. **World Class Military Infrastructure.** California's extensive military infrastructure provides unique cross-capabilities for demonstrations, evaluation and testing.
- a. California is the proud home of the Army's National Training Center located at Fort Irwin, CA. This means that an AFC located in California is in close proximity to battalions of soldiers that can quickly test the next generation of technologies and systems that the Command acquires against simulated adversaries in any number of possible battle scenarios. This could save the Army on test equipment costs, simplify logistics, and ultimately increase combat readiness.

- b. California features primary training centers for the Navy, Marines, and Air Force. Key developmental test and evaluation sites like Edwards Air Force Base, Naval Air Weapons Station China Lake, Naval Base Ventura County's Point Mugu Sea Range and the Marine Corps Air Ground Combat Center Twentynine Palms ensure that the Army will be able to integrate its innovative technologies in a real-time testing and training environment working across military service branches.
- c. The California National Guard, the country's largest, most active, and most operationally diverse, could allow the AFC to test the integration of their innovative technologies into Guard and Reserve components.

4. Significant Public Initiatives Underway.

- a. California is funding significant public improvements that will enhance Army operations in California including improved mobility which can lead to significant work productivity increases California is building the country's only high-speed rail system and is slated to invest \$54 billion over the next ten years in highway and roadway infrastructure improvements.
- b. California is working to address socio-economic disparities that enhance Army personnel and their families. California recently passed a comprehensive housing package to increase the state's housing supply and affordability.


5. State-Level Economic Stability and Investment

- a. Since the nation's Great Recession, no state has done more than California to achieve solid fiscal stability. The State has significantly increased government spending with historic growth in education funding, the creation and expansion of the state's first Earned Income Tax Credit, a minimum wage that will increase to \$15 per hour over time, and the expansion of health care coverage for millions of Californians. By the end of the next fiscal year, the state's expansion will have matched the longest in postwar history.
- b. The proposed 2018-19 state budget is projected to have a healthy, one-time surplus that will help California stay the course while planning and saving for the future. The state continues to invest in its Rainy Day Fund to help maintain a balanced budget and protect against future cuts, which bodes well for our people and the business community and a future fourth ACOM. California continues to invest in areas which will benefit business located in the state including: education, infrastructure, transportation, as well as job creation and economic development.

As the recognized global leader in both commercial and defense innovation, as the country's premier center of academic institutions leading their fields in science, technology and math, and as the proud home of the Army's National Training Center and a state with a firm commitment to our nation's security, California is the most optimal place for the Army to house its Futures Command. The state stands ready to fully support the siting of the Command in California to ensure the readiness of the U.S. Army. The state's world-renowned culture of innovation, core competencies in autonomous systems, artificial intelligence, cybersecurity, and integrated cluster of industry and academia represent a powerfully collaborative public-private ecosystem out of which will come the next generation of defense technology that ensures our nation maintains its competitive strengths.

We look forward to partnering with your office in bringing a West Coast ACOM to California. Please let us know if we can assist you in any way.

Sincerely,




Panorea Avdis
Director
California Governor's Office,
Business and Economic Development



Col Rocky Chávez, U.S. Marine Corps (ret.)
Chair, California Governor's Military Council
California State Assemblymember (AD-76)



Vice Admiral Jody Breckenridge,
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Major General Eldon Regue, U.S. Army (ret.)
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cc: California Congressional Delegation
City of Los Angeles
City of San Diego
City of San Francisco