

## What a Tesla 'gigafactory' in Nevada would mean for Sacramento (Video)

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Sept. 3 (Bloomberg) -- Tesla Motors, which has broken ground on a potential site in Nevada for its planned massive battery factory, said it will hold a press conference tomorrow with the state's governor to discuss the project. Betty Liu reports on "Street Smart." (Source: Bloomberg)



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Allen Young, Staff Writer- *Sacramento Business Journal*

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Since Sacramento is the biggest metro area west of Nevada along Highway 80, the capital region can expect suppliers to locate in the northeastern part of the metro area, said [John Boyd](#), founder of [The Boyd](#) Co., a Princeton, N.J.-based site selection firm.

“There may indeed be manufacturing suppliers and warehousing companies that choose to locate in that (Highway 80) corridor. But also (there will be) economic development in terms of

the hospitality industry and tourism” in the Lake Tahoe area, said Boyd, who has been widely quoted in recent months on the state race for the Tesla 'gigafactory.'

Those incoming manufacturing jobs could include machinists, tool-and-die makers, logistics suppliers, and packaging companies, Boyd said. White-collar jobs could also arrive in the form of accounting and marketing.

Nevada and perhaps Sacramento also will benefit as lithium technology transcends the automotive industry and moves into home construction to allow greater energy storage, Boyd said.

Nevada likely was chosen for multiple reasons, ranging from the obvious -- its tax structure and relative proximity to Tesla headquarters in Fremont -- to the unique: a small state government that gives easy access to Gov. [Brian Sandoval](#) and a expansive business park that boasts strong access to wind, solar and geothermal power.

“I think that had an attraction for (Tesla CEO) Elon Musk,” said Boyd.

In the state Capitol, lawmakers were immediately lamenting the loss of some 6,500 jobs the Tesla battery factory expects to create. Sen. [Ted Gaines](#) said the news should serve as a wake-up call to state legislators on California’s economic needs.

“Nevada is pulling this huge investment away from its natural home. I’m not sure there could be a stronger signal to legislators about how hard they have made it to operate here,” said Gaines in the statement. “I challenge my colleagues to join me in a bipartisan effort to ensure that we are the number-one destination for the next gigafactory.”

Tesla representatives have said that the company will need to build several large factories to meet its needs for lithium battery production.

Gaines coauthored legislation earlier this year that attempted to cobble together a tax and regulatory incentive package for Tesla.