

economic and business climate

Long-term employment trends show growth of 40%

between 2000 and 2008 in two of the county's largest industries: Professional Services and Logistics. However, recent employment figures show a decline across all key industries. San Bernardino County has the most affordable housing in Southern California. The county continues to build more homes, with the result that there are nearly two housing units for every job created in the county. As the importance of technological know-how increases, so does the county's student access to computers and classrooms with Internet access.

Partnership Accomplishes a Shared Goal

California Steel Industries (CSI) is the Speedway Redevelopment Area's largest employer. In 2008, the County Redevelopment Agency agreed to assist CSI with removing three large smokestacks that were once part of the historic Kaiser Steel complex. In summer of 2010, the company plans to begin using a new reheat furnace in the area where the smokestacks once stood. The furnace project brought 150 temporary construction jobs and will result in 30 new manufacturing jobs at the plant.

The Redevelopment Agency will continue to partner with CSI through the company's planned expansion. The agency has committed \$500,000 to support a \$10 million project to demolish decommissioned buildings from Kaiser Steel and prepare the site for new metals manufacturing businesses expected to create more than 150 new jobs. The anticipated tax revenues from this project are expected to repay the County's investment within three years.

Highest Ranking Among California Peers

Description of Indicator

This indicator measures the Riverside-San Bernardino metro area business climate through *Forbes* magazine’s “2009 Best Places for Business” regional rankings.¹ The *Forbes* ranking compares metropolitan regions by cost of doing business, number of colleges, cost of living, crime rate, culture and leisure amenities, educational attainment, income growth, job growth and net migration.

Why is it Important?

A region’s business climate reflects its attractiveness as a location, the availability of business support and resources, opportunities for growth, and barriers to doing business, all of which are critical in an interconnected national economy where entrepreneurs and businesses have choices about where to locate. Since businesses provide jobs, sales tax revenue, economic growth, and entrepreneurship opportunities, a strong business climate is important for maintaining San Bernardino County’s economic health and quality of life.

How is San Bernardino County Doing?

Forbes’ 2009 national rankings placed the Riverside-San Bernardino metro area at 94th out of the 200 metro areas ranked:

- Among California peers, Riverside-San Bernardino has the highest rank followed by Orange County at 107th and Los Angeles at 180th.
- Among peers outside of California, Riverside-San Bernardino is ranked higher than Phoenix at 113th, but lower than Dallas at 32nd.
- Riverside-San Bernardino’s ranking of 94th is a decline of 16 places from the previous year.

The category of job growth boosted Riverside-San Bernardino’s ranking, while educational attainment and cost of doing business negatively impacted its overall score.

Best Places for Business, Ranking by Component Riverside-San Bernardino, 2009



Source: *Forbes Magazine*, March 25, 2009
(www.forbes.com/2009/03/25/best-cities-careers-bizplaces09-business-places_lander.html)

Best Places for Business Ranking Regional Comparison, 2007-2009

	2007	2008	2009
Dallas Metro	111	93	32
Riverside-San Bernardino	110	78	94
Orange County	70	92	107
Phoenix Metro		44	113
Los Angeles County		154	180

Lowest Rank			Highest Rank	
200-161	160-121	120-81	80-41	40-1
Bottom 40			Top 40	

Source: *Forbes Magazine*, March 25, 2009 (www.forbes.com/2009/03/25/best-cities-careers-bizplaces09-business-places_lander.html)

¹ The data for San Bernardino County is combined with Riverside County as the Riverside-San Bernardino-Ontario Metro Area, referred to as Riverside-San Bernardino in this report when the data for the two counties is combined.

² Share of population over age 25 with a bachelor’s degree or higher.

³ Index based on cost of labor, energy, taxes and office space.

● Connecting the Dots

A key indicator of the **Business Climate** in the Inland Empire is the availability of **Commercial and Industrial Real Estate**.

Income Level and Growth are Lower than Peers

Description of Indicator

This indicator measures per capita income levels and income growth. Total personal income includes wages and salaries, proprietor income, property income, and transfer payments, such as pensions and unemployment insurance. Figures are not adjusted for inflation.

Why is it Important?

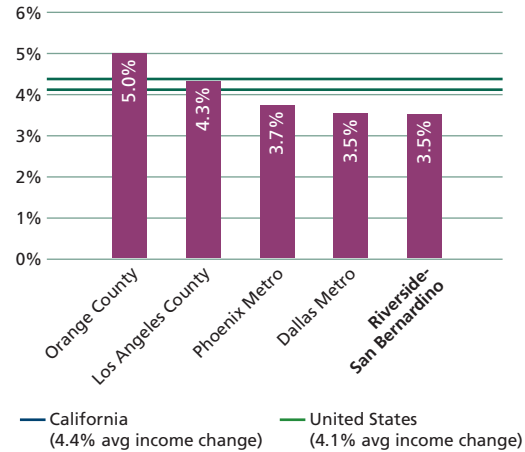
Per capita income can reflect aspects of the economic health of a community, with per capita income rising when a region generates wealth faster than its population increases. A higher relative per capita income signals greater discretionary income for the purchase of goods and services, which contributes to overall economic strength and a sense of material wellbeing as residents have the financial resources needed to survive and prosper. Residents may choose to trade off a higher income with other quality of life factors such as a lower cost of living, affordable housing, and shorter commutes.

How is San Bernardino County Doing?

The Riverside-San Bernardino metro area has experienced low income growth in recent years:¹

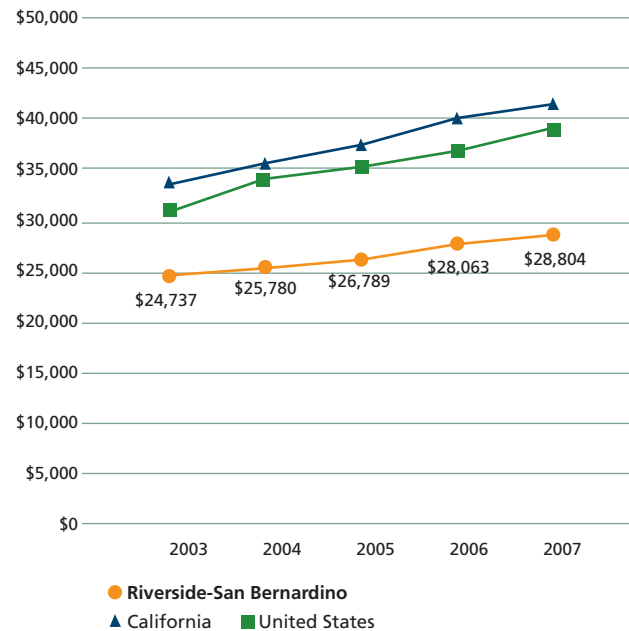
- In 2007, San Bernardino County's per capita income of \$28,804 was lower than the state and national averages and all peers compared.
- This income level (\$28,804) is up 2.6% from \$26,063 in 2006.
- Between 1998 and 2007, the Riverside-San Bernardino metro area posted a per capita income growth of 3.5%, the same or similar to Dallas and Phoenix, but lower than Los Angeles, Orange County and the state and national averages.
- Over this same 10-year period, the average inflation rate was 2.74%. The rate of inflation should be taken into account when interpreting these income growth percentages.
- San Bernardino County's cost of living is lower than many other Southern California counties.
- As a result, San Bernardino County residents enjoy greater purchasing power for their income, of local goods and services.

Per Capita Income Average Annual Percent Change Regional Comparison, 1998-2007



Source: U.S. Bureau of Economic Analysis (www.bea.gov)

Per Capita Income Riverside-San Bernardino, California, and United States, 2003-2007



Source: U.S. Bureau of Economic Analysis (www.bea.gov)

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Connecting the Dots

Per Capita Income signals how the county's economy is evolving as a whole, with the future highly dependent on the skills and abilities of our youth, which can be evidenced by College Readiness.

Professional Services Cluster is Largest Employer

Description of Indicator

This indicator shows employment and salaries in five industry clusters chosen to reflect the diversity of San Bernardino County employment, major economic drivers within the county, and important industry sectors for workforce development. Approximately 40% of all San Bernardino County jobs can be found in these five clusters.

Why is it Important?

Employment change within specific clusters illustrates how San Bernardino County's economy is evolving. Tracking salary levels in these clusters shows whether these jobs can provide a wage high enough for workers to afford living in San Bernardino County.

How is San Bernardino County Doing?

Between 2000 and 2008, employment grew in all five of the selected industry clusters:

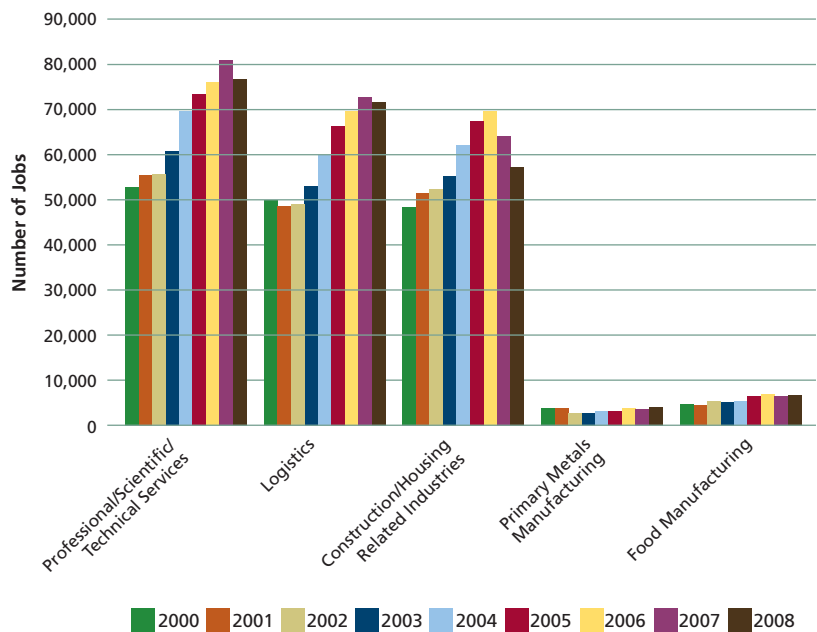
- Professional/Scientific/Technical Services grew by 47%, from 52,533 to 77,398 jobs.
- Logistics grew nearly as much, increasing 45% from 50,123 jobs to 72,744 jobs.
- Construction/Housing Related Industries grew 46% between 2000 and 2006 before dropping dramatically in 2007 and 2008. The resulting total growth since 2000 was 18%.
- Food Manufacturing grew 57% between 2000 and 2008 to over 6,000 jobs.
- Primary Metals Manufacturing grew by about 5% to over 3,500 jobs even as most other manufacturing in San Bernardino County dropped. Employment in this sector centered around California Steel Industries in Fontana, the largest steel mill in the Western United States.

Each of the five industry clusters also experienced salary increases between 2007 and 2008:

- Primary Metals Manufacturing salaries grew the most at 19%.
- Salaries in the Logistics cluster grew the least at about 1%.
- The annual income needed to purchase a median-priced home in San Bernardino County is \$22,400, affordable to all five of these clusters if a down payment could be secured.

The Food Manufacturing industry is a potential economic engine for the region. It is one industry that is hard to move overseas and is heavily dependent on local resources. Given the availability of agricultural areas, this industry has strong growth potential. In addition to a local market of over 20 million people, the county has transportation linkages to facilitate export of final products across the country and around the world.

Employment by Industry Clusters
San Bernardino County, 2000-2008



Average Annual Salaries in Selected Clusters
San Bernardino County, 2007 and 2008

	2007	2008	Percent Change
Primary Metals Manufacturing	\$52,165	\$61,859	19%
Professional/Scientific/Technical Services	\$32,921	\$35,159	7%
Food Manufacturing	\$39,148	\$41,555	6%
Construction/Housing Related Industries	\$42,709	\$44,854	5%
Logistics	\$41,809	\$42,284	1%

Source: Analysis of data from the California Employment Development Department

Connecting the Dots

Employment impacts both the confidence with which people make purchasing decisions and their ability to afford Health Insurance.

More Housing than Jobs

Description of Indicator

This indicator shows the ratio of new housing permits divided by new jobs created in the Riverside-San Bernardino metro area compared with peer metropolitan areas across the state and the country.¹

Why is it Important?

An adequate housing supply is essential for a community's labor force. When an economy is growing, new housing is needed for the additional workers employed. If the housing demand is unmet, it can drive up home prices and apartment rents beyond what is affordable to many workers and residents. In contrast, when job growth is slow fewer new homes are needed.

How is San Bernardino County Doing?

The Riverside-San Bernardino metro region granted significantly fewer housing permits than all peer regions compared except Orange County:

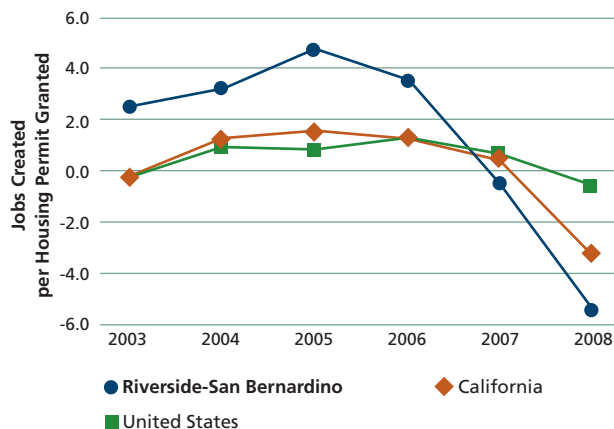
- In 2008, employment dropped by 47,900 jobs while 8,946 new housing permits were granted.
- The resulting ratio of -5.35 jobs (job losses) for every new housing permit leaves Riverside-San Bernardino with a negative number of jobs per new housing permit.
- Since 2004 a total of 98,800 new jobs were created (including losses) compared with 169,692 housing units permitted in Riverside-San Bernardino.
- In other words, for about every 0.58 jobs created in the county since 2004, one housing unit has been permitted. The standard "healthy" ratio of jobs to permits is 1.5 jobs per housing unit.
- Of peer regions compared, only Dallas experienced continued job growth in correspondence with housing permit growth.
- Intra-county commutes between residents in San Bernardino County to jobs in other counties are common, so the jobs-to-housing ratio examining San Bernardino County alone may not capture the entire picture.
- Further, approximately 83% of the housing built in San Bernardino County over the past decade was single-family residences, many of which are over 2,000 square feet in size and may be shared by more than one household, also potentially affecting the jobs-to-housing ratio.

Housing Demand Regional Comparison, 2008

	Housing Permits	Employment Change (Jobs) 2007 to 2008	Ratio of Employment Change to Permits
Dallas Metro	27,270	33,000	1.21
United States	905,359	-558,400	-0.62
Phoenix Metro	18,533	-45,600	-2.46
California	53,600	-173,700	-3.24
Los Angeles County	11,810	-51,100	-4.33
Riverside-San Bernardino	8,946	-47,900	-5.35
Orange County	3,235	-30,300	-9.37

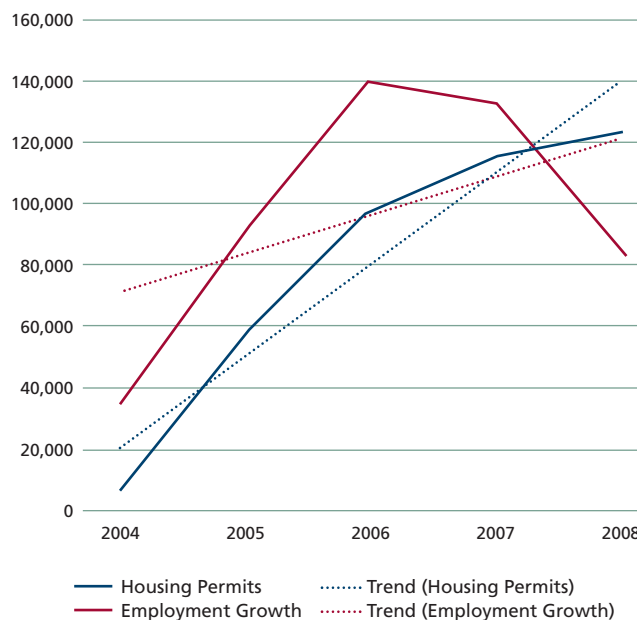
Sources: Hanley Wood Market Intelligence (www.banleywood.com/bwmi) and United States Bureau of Labor Statistics

New Jobs Created per Housing Permit Granted
Riverside-San Bernardino, California and United States, 2003-2008



Sources: Hanley Wood Market Intelligence (www.banleywood.com/bwmi) and United States Bureau of Labor Statistics

Cumulative Growth in Employment and Housing Permits
Riverside-San Bernardino, 2004-2008



Sources: Hanley Wood Market Intelligence (www.banleywood.com/bwmi) and United States Bureau of Labor Statistics

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Connecting the Dots

Housing Demand ties to overall demographics and both the confidence of, and opportunities for, employment (see Employment by Industry Cluster).

Most Affordable Housing in Southern California

Description of Indicator

This indicator measures the value and change in value of the median priced existing single-family detached home. It uses the California Association of Realtors Housing Affordability Index to measure the percentage of households that can afford the existing median priced single-family detached home in San Bernardino County.

Why is it Important?

An adequate supply of affordable housing promotes homeownership. Homeownership increases stability for families and communities and can provide long-term financial benefits that renting cannot. In contrast, a shortage of affordable housing discourages young workers from moving to, or remaining in, San Bernardino County. High relative housing prices adversely impact businesses' ability to attract and retain employees.

How is San Bernardino County Doing?

The single-family median home sale price is significantly less than the previous year:

- The median sale price of an existing single-family detached home in San Bernardino County was \$140,000 in July 2009, down 39.1% since July 2008.
- This price is approximately half of the state median price for a comparable home in July 2009.

Housing affordability has doubled since 2007:

- The minimum household income needed to purchase a median priced single-family home in San Bernardino County is approximately \$22,400 assuming a 10% down payment and an adjustable interest rate of 4.92%.¹
- As of the second quarter of 2009, 82% of households in San Bernardino County could afford an existing single-family detached home that was priced at 85% of median (or \$119,000).
- Housing affordability is up from 63% in 2008 and only 40% in 2007.
- San Bernardino County's affordability rate is higher than all other southern California counties making the county attractive to buyers seeking less expensive housing, such as first-time home buyers.

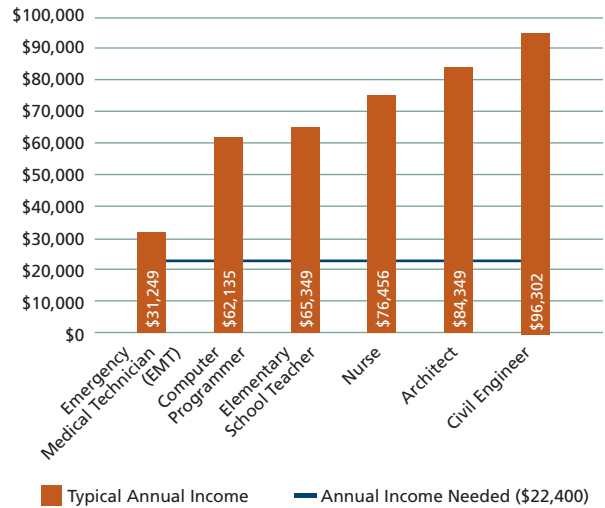
Homeownership rates rose slightly:

- Homeownership rates for the Riverside-San Bernardino metro area stand at 67.8% for 2007.²

Mortgage Cheaper than Rent?

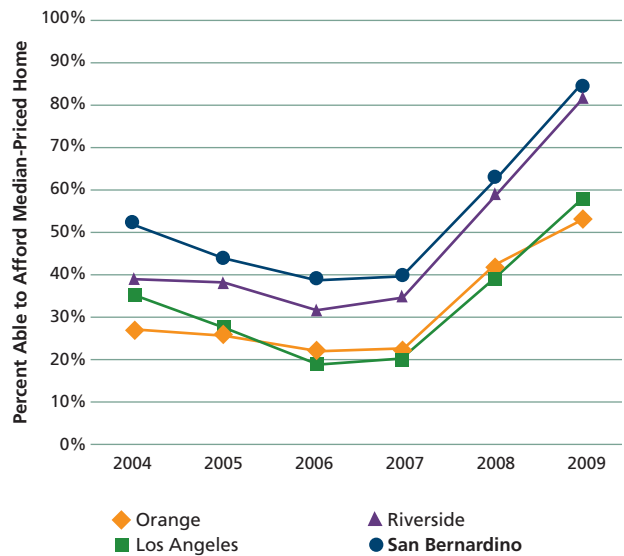
Housing in San Bernardino County is currently more affordable than at any time in recent history. Paradoxically, in many cases it is more economical to buy a house and pay a monthly mortgage (as determined by the California Association of Realtors) than to pay monthly rent (as determined by the National Low Income Housing Coalition). The market is unlikely to sustain this situation, and may adjust in short order as excess demand from renters moving up drives up housing prices and/or drives down rents.

Income Needed to Afford Median-Priced Home (\$140,000) Compared to Typical Salaries
San Bernardino County, 2009



Sources: San Bernardino County Community Indicators Project Analysis of California Association of Realtors data, and California Employment Development Department

Housing Affordability Index County Comparison, 2004-2009



Source: California Association of Realtors (www.car.org)

¹ The California Association of Realtors defines the parameters for the First Time Buyer Housing Affordability Index. For 2009, these parameters were 10% down and a 4.92% adjustable interest rate.

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Connecting the Dots

Housing Affordability has a direct correlation to the supply of housing units in the context of Housing Demand.

Rents Less than California Peers

Description of Indicator

The rental affordability indicator measures the Housing Wage – the hourly wage a resident would need to afford Fair Market Rent. For the Riverside-San Bernardino metro area, Fair Market Rent is the 50th percentile (or median) rent in the market.¹

Why is it Important?

Lack of affordable rental housing can lead to crowding and household stress. Less affordable rental housing also restricts the ability of renters to save for a down payment on a home, limiting their ability to eventually realize the long-term financial benefits of homeownership. Ultimately, a shortage of affordable housing for renters can instigate a cycle of poverty.

How is San Bernardino County Doing?

The Riverside-San Bernardino metro area’s Housing Wage decreased for 2010:

- The hourly wage needed for a one-bedroom apartment fell from \$18.35 in 2009 to \$18.08 in 2010. This Housing Wage is equivalent to an annual income of \$38,168.
- The hourly wages needed to afford two- and three-bedroom apartments also declined.
- Because the wages of numerous occupations are substantially less than the Housing Wage, families may need two incomes to afford even modest housing.
- According to employment projections, most of the occupations likely to have job growth are in industries which have hourly wages far below the Housing Wage (services, manufacturing, and retail trade).

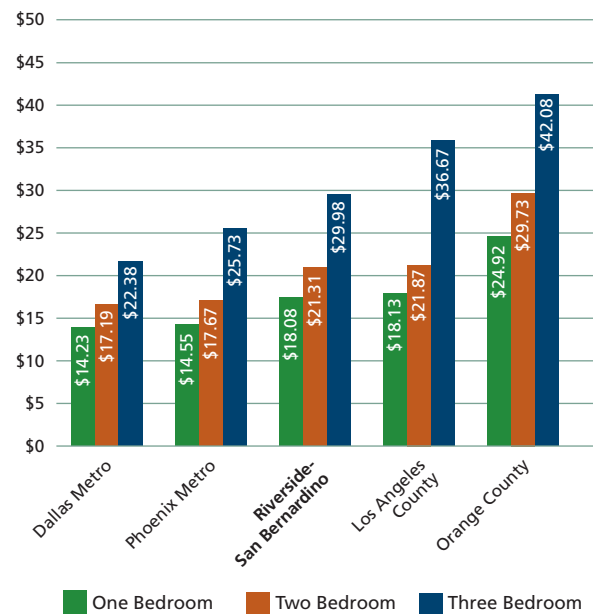
Renting in Riverside-San Bernardino

	2009	2010
Fair Market Rent (Monthly)	2009	2010
One Bedroom	\$954	\$940
Two Bedroom	\$1,125	\$1,108
Three Bedroom	\$1,583	\$1,559
Amount a Household Earning Minimum Wage Can Afford to Pay in Rent (Monthly)	\$ 416	\$ 416
Number of Hours per Week a Minimum Wage Earner Must Work to Afford a Two-Bedroom Apartment	110	108

Rental Costs are Relatively High

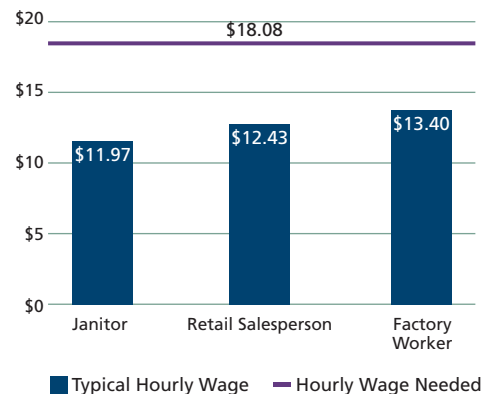
While the Fair Market Rent decreased for 2010, rental costs remain relatively high. Consequently, households that are able to secure a down payment and meet current income and credit requirements may discover that it is less expensive to purchase a house than continue to rent (also see Housing Affordability). While unlikely to last due to normal market corrections, this situation has important policy implications for homeowner assistance programs and warrants further discussion.

Hourly Wage Needed to Afford Fair Market Rent Regional Comparison, 2010



Source: San Bernardino County Community Indicators Project Analysis of HUD statistics using the methodology of the National Low Income Housing Coalition at www.nlihc.org/oor/oor2009/

Hourly Wage Needed to Afford a One-Bedroom Unit Compared to Typical Hourly Wages Riverside-San Bernardino, 2010



Source: San Bernardino County Community Indicators Project Analysis of HUD statistics using the methodology of the National Low Income Housing Coalition at www.nlihc.org/oor/oor2009/ and California Employment Development Department ([www.calmis.ca.gov/file/occup\\$foeswages/riveSoes.xls](http://www.calmis.ca.gov/file/occup$foeswages/riveSoes.xls))

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Connecting the Dots

Rental Affordability is a function of both supply of units and Housing Affordability.

Commute Times Slightly Higher than Most Peers

Description of Indicator

This indicator includes average commute times and residents' primary mode of travel to work.

Why is it Important?

Tracking commuter trends and transportation system demand helps gauge the ease with which residents and workers can move within the county. Traffic congestion adversely affects the efficient movement of goods, contributes to the expense of operating a car, and increases air pollution. Residents may choose to trade off longer commute times for housing affordability or other quality of life factors.

How is San Bernardino County Doing?

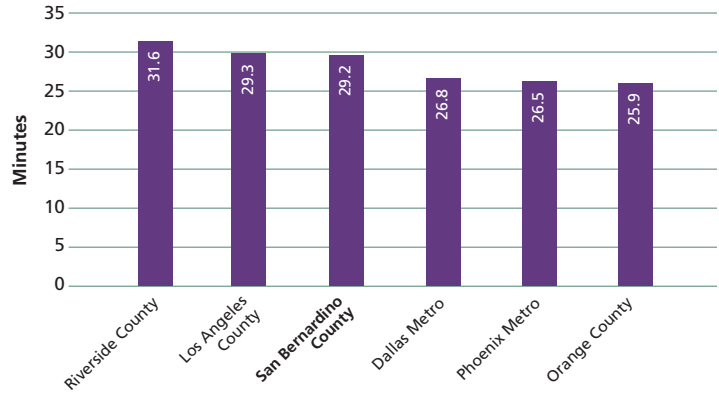
San Bernardino commute times decreased slightly between 2007 and 2008:

- In 2008, the average commute time to work for San Bernardino County residents were an average of 29.2 minutes each way in comparison to 29.7 minutes in 2007.¹
- Compared to peer regions, San Bernardino County's commute time is lower than Riverside County, about the same as Los Angeles County, and higher than the other peer regions.

Most San Bernardino County commuters drive alone:

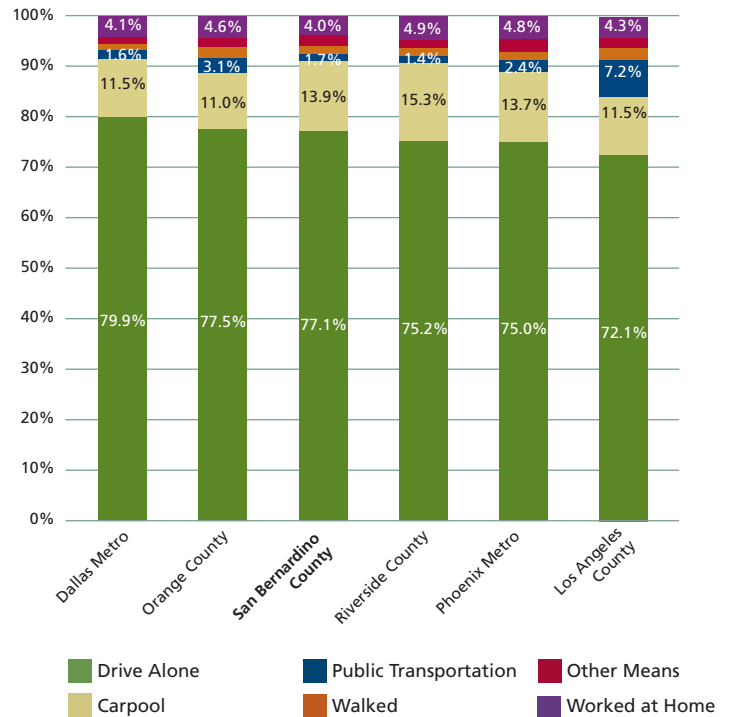
- The majority (77.1%) of San Bernardino County commuters drove alone, a fact that is largely unchanged over this decade.
- At 13.9% of trips, carpooling is the second most common mode of travel to work and is higher than all regions compared except Riverside County.
- More people in San Bernardino County work at home (4.0%) than take public transportation (1.7%).
- Transit use is significantly impacted by the sheer size of the county and the distances between destinations within the county, which may result in lengthy transit trips.

Average Commute Time to Work in Minutes
Regional Comparison, 2008



Source: U.S. Census Bureau, 2006-08 American Community Survey (www.census.gov)

Primary Mode of Travel to Work
Regional Comparison, 2008



Source: U.S. Census Bureau, 2006-08 American Community Survey (www.census.gov)

¹ 2008 and 2007 data is derived from the American Community Survey Three-Year Estimates for 2006-08 and 2005-07, respectively.

Connecting the Dots

Mobility provides the freedom of movement for both people and goods upon which our current economy is, and future economy will be, built. Taken together, mobility and a robust **Technology** infrastructure allow flexibility in the location of workforce and delivery of services.

Rail Ridership Increased While Bus Ridership Decreased

Description of Indicator

This indicator measures ridership on the commuter rail system. It also measures ridership and operating costs for San Bernardino County's bus systems serving San Bernardino Valley (Omnitrans), Victor Valley (Victor Valley Transit Authority), and rural areas (Barstow Area Transit, Needles Area Transit, Morongo Basin Transit Authority, and Mountain Areas Regional Transit Authority). Together, these transit agencies provide potential bus service coverage to more than 90% of the county's population.

Why is it Important?

The ability of residents and workers to move efficiently within San Bernardino County is important to our quality of life and a prosperous business climate. An effective public transit system is essential for individuals who cannot afford, are unable, or choose not to drive a car.

How is San Bernardino County Doing?

Rail and bus typically serve different purposes in San Bernardino County. Rail serves mostly long-distance commuting needs while bus serves local commuters.

Ridership continues to rise on San Bernardino County's commuter rail lines (Metrolink):

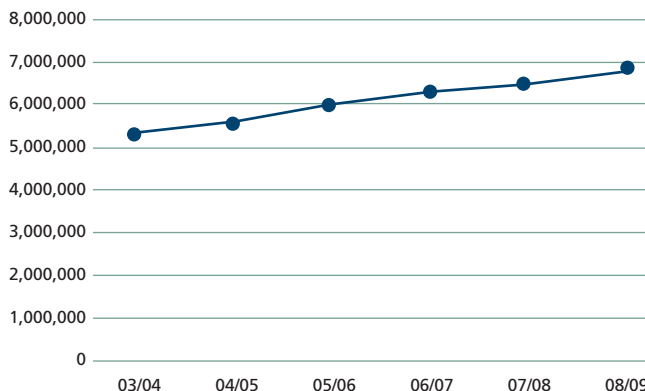
- Ridership on all lines was 6.8 million riders in 2008/09, an increase of 3% in one year.
- Over the past 10 years, ridership has grown an average of 5% per year.
- The San Bernardino Line (parallels the I-10 freeway between San Bernardino and downtown Los Angeles) increased from approximately 3.45 million riders in 2007/08 to 3.61 million riders in 2008/09.
- The Riverside Line (between Riverside and downtown Los Angeles, through Ontario) added 16,706 riders in 2008-09 to reach a total of 1,316,311 riders.
- The Inland Empire Line (between San Bernardino and San Juan Capistrano) ridership was approximately 1.28 million riders during that same period.
- The 91 Line (parallels State Route 91, linking Riverside with Fullerton and downtown Los Angeles) added about 16,000 riders bringing its total to approximately 586,000 in 2008/09.

Overall per capita bus boardings for San Bernardino County's six transit agencies decreased slightly:

- Total bus passenger boardings were 16,741,575 in 2008/09, down from 17,316,007 in 2007
- This equates to bus boardings of 8.3 per capita in 2008, down from 8.5 per capita in 2007.
- San Bernardino County's bus ridership per capita is lower than all peers compared.
- The Omnitrans bus system operating costs are in the middle (\$3.92/trip) while the Victor Valley Transit Authority operating costs are on the high end (\$5.17/trip) when compared to transit providers in peer regions.¹

Number of Commuter Rail Riders

San Bernardino Line, Inland Empire/Orange County Line, Riverside Line, and 91 Line, 2004-2009



Source: San Bernardino Associated Governments

Bus System Operating Costs per Boarding, Boardings per Capita Regional Comparison, 2008

Regional Transportation System	Boardings per Capita	Cost per Boarding
Los Angeles County Metropolitan Transportation Authority	38	\$2.36
City of Phoenix Public Transit Department (Valley Metro)	25	\$3.25
Orange County Transportation Authority	22	\$3.29
Dallas Area Rapid Transit	19	\$5.31
Omnitrans	9	\$3.92
Victor Valley Transit Authority	5	\$5.17
Riverside Transit Agency	3	\$5.39

Sources: San Bernardino Associated Governments and Federal Transit Administration, National Transit Database, 2008 (www.ntdprogram.gov)

Connecting the Dots

Transit benefits both employment and social service delivery and is part of the solution to improve overall Mobility.

¹ The National Transit Database does not provide operating costs and ridership statistics for the rural area bus service providers. However, according to the San Bernardino County Association of Governments, each has an estimated total ridership of less than 400,000 boardings per year.

Student Access to Computers and Internet is Improving

Description of Indicator

This indicator measures adult access to the Internet either at home or work, the number of K-12 students per computer in public schools, and the number of classrooms with Internet access. It also measures the number of information technology and computer science degrees (technology-related degrees) awarded at colleges in San Bernardino County.

Why is it Important?

Internet access connects residents to a wealth of information, resources, products, and services. Use of the Internet for obtaining or providing services reduces our carbon footprint, lessens congestion on our highways, and can reduce paper costs and the attending impact on landfills. Computer and Internet skills are critical for students in our knowledge- and computer-driven economy. High-tech jobs provide good wages for employees and an increasing number of local graduates with technical skills helps employers avoid having to recruit workers from outside the county.

How is San Bernardino County Doing?

San Bernardino County's Internet access rate for adults is lower than the U.S. metro area average, but student access to Internet-enabled computers continues to grow:

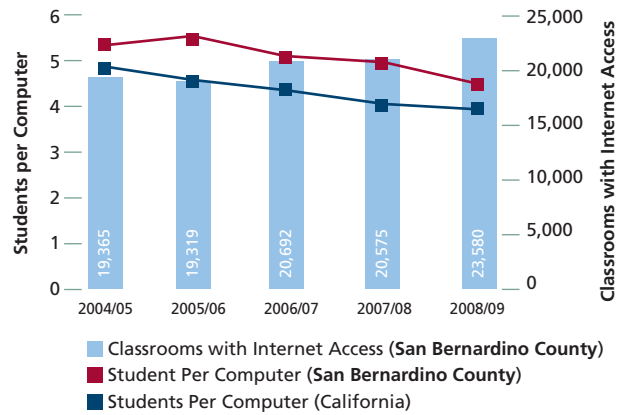
- In 2008, San Bernardino County's Internet access rate for adults was 68%, compared to 73% nationwide.
- At 4.5 students per computer San Bernardino County has a higher number of students per computer than the California average (4.1).¹
- The number of K-12 classrooms with Internet-enabled computers continues to increase, reaching 23,580 in 2008.²

After declining between 2005 and 2008, the number of technology-related degrees awarded at local colleges rose in 2008/09:

- In 2008/09, California State University, San Bernardino awarded 72 technology-related degrees.
- Community colleges awarded a total of 85 Information Technology Associate in Arts or Science degrees, as well as certificates.
- University of Redlands awarded a total of 27 degrees in Computer Science and Information Technology, including both Bachelor's and Master's degrees.
- Together in 2008/09, these institutions awarded a total of 184 technology-related certificates and degrees.

Students per Computer and Number of Classrooms with Internet Access

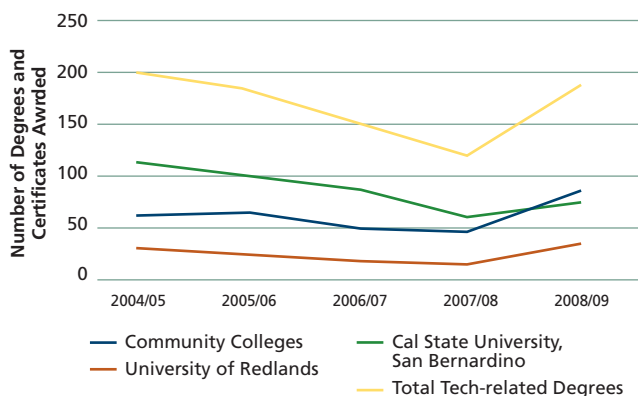
San Bernardino County and California 2005-2009



Source: California Department of Education

Tech-Related Degrees Awarded

San Bernardino County, 2005-2009



Note: Computer technology-related degrees for Community Colleges include Information Technology Associate of Arts, Associate of Science, and certificates; for CSUSB include Information Management and Computer Science majors; and for University of Redlands include Computer Science and Information Technology degrees.

Sources: California State University, San Bernardino (CSUSB), San Bernardino County community colleges, the University of Redlands, and County of San Bernardino Information Services Department.

Electronic Government

The County of San Bernardino's Information Services Department maintains a website that offers a wide range of "e-government" services provided via the Internet such as: agendas and meeting minutes; facility reservations; library services; employment opportunities; a variety of county permits, licenses, applications, and appeals; restaurant ratings; business resources; public safety research and reporting maps and aerial images; and social networking. Taxpayers benefit from the efficiencies of

electronic forms that are legible and pre-validated by computer software. In addition to automating traditional office work, the county has established a structure for a mobile and distributed workforce with secure Virtual Private Networks allowing field workers to accomplish their jobs without driving to and from the office. Further, many workers telecommute which reduces county facility costs while contributing to the quality of life through reduced pollution and traffic congestion.

¹ Many experts agree that a low ratio of four-to-five students per computer represents a reasonable level for the effective use of computers in schools.

² The number of classrooms with Internet access includes all classrooms and other instructional settings at the school (such as a computer lab, library or career center) with an Internet connection. If a classroom has more than one Internet connection, that classroom is still only counted once.

Connecting the Dots

A robust **Technology** infrastructure coupled with a technologically-savvy populace has far reaching impacts, such as a reduced dependency on automobiles and the improved ability to access and deliver telemedicine services such as **Prenatal Care** across the vast geographic expanse of San Bernardino County.

Lowest Asking Rents in Region; Highest Vacancy Rates

Description of Indicator

This indicator shows rental prices and vacancy rates for commercial and industrial real estate in the Riverside-San Bernardino metro area compared to neighboring Los Angeles and Orange Counties. Commercial real estate data includes Class A office space, considered the most desirable, functional and modern, and Class B office space which are older buildings requiring modernization for some office uses. Industrial real estate comprises general and warehouse/distribution properties. These buildings house manufacturing, logistics, and other job-supporting functions.

Why is it Important?

A key factor for businesses seeking commercial or industrial real estate is the cost of rent. Relatively low rental prices may help draw businesses to, or keep existing businesses in, the Riverside-San Bernardino region. Vacancy rates, another key factor, signal the health of the market as well as available space for business expansion. Lower vacancy rates can signal a need for new investment. Higher vacancies can mean reduced costs for business and opportunities for end-users.

How is San Bernardino County Doing?

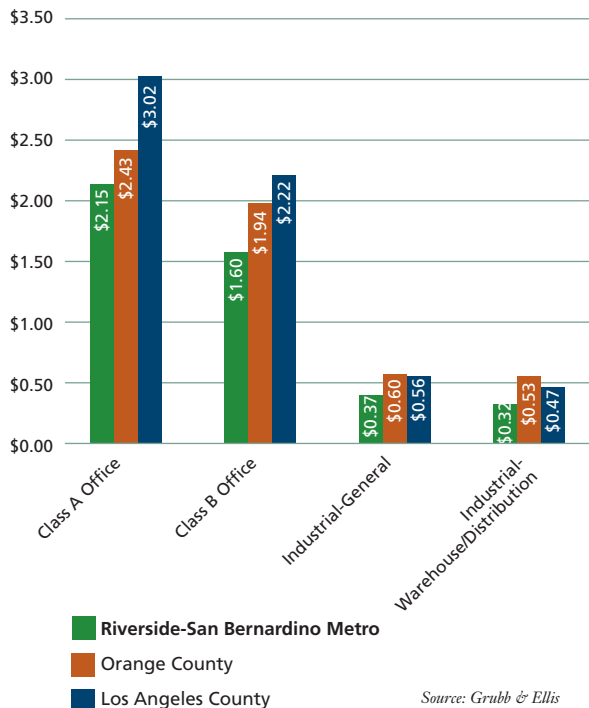
Across all categories of commercial and industrial real estate, costs in the Inland Empire were significantly below Los Angeles and Orange Counties in the fourth quarter of 2009:

- In most cases, the coastal counties are 30% to 50% more expensive for comparable space.
- This cost separation gives the Inland Empire a strong comparative advantage and a good tool for attracting businesses.

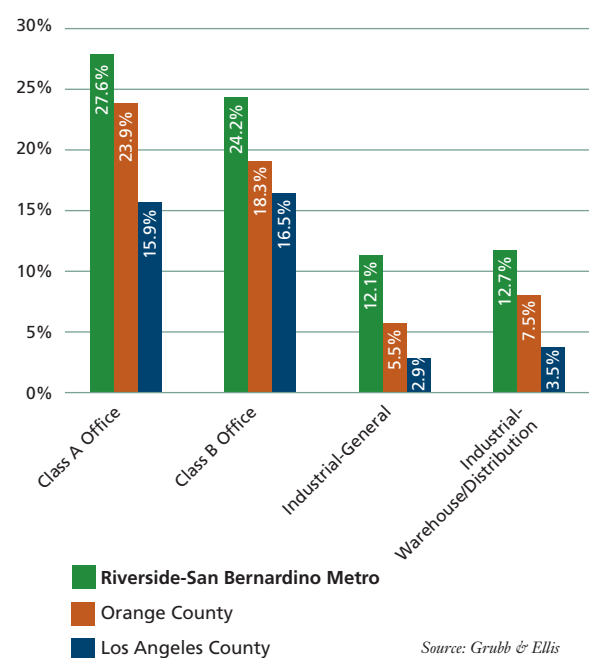
In the fourth quarter of 2009, vacancy rates were higher in the Riverside-San Bernardino metro region compared to neighboring counties:

- High vacancy rates indicate that the region is currently oversupplied with certain types of job-creating real estate, a fact that discourages new investment.
- Builders requested an unprecedented low number of building permits for new commercial and industrial buildings throughout 2009 and the first quarter of 2010.

Commercial and Industrial Real Estate Asking Rent Regional Comparison, Fourth Quarter 2009



Commercial and Industrial Real Estate Vacancy Rate Regional Comparison, Fourth Quarter 2009



Connecting the Dots

Commercial and Industrial Real Estate provide a source of jobs and economic opportunity for the Inland Empire, which contributes directly to the region's Quality of Life.

Residents and Visitors Enjoy Many Amenities

Description of Indicator

This indicator examines quality of life in San Bernardino County through residents’ responses to the Inland Empire Annual Survey, and by assessing natural attributes and amenities available to residents including climate, cultural and recreational opportunities, and access to airports, hospitals, and institutions for higher learning.

Why is it Important?

Quality of life is a complex concept that comprises overall ease of living, access to amenities, and the range of opportunities available to residents. While all indicators in this report reflect the county’s quality of life, this indicator focuses on specific attributes not considered elsewhere in the report.

How is San Bernardino County Doing?

Resident Satisfaction

According to the 2008/09 Inland Empire Annual Survey, a majority of residents consider the county a good place to live:

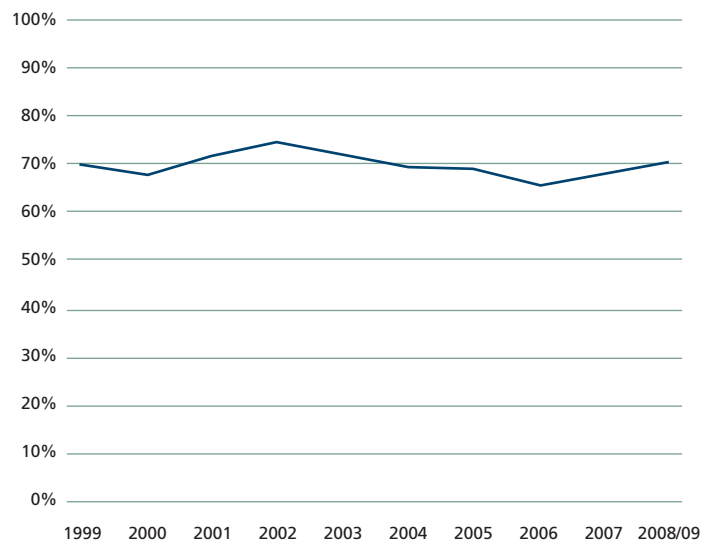
- 69% of survey respondents indicated San Bernardino County was a “very good” or “fairly good” place to live.
- Over the past 10 years, this rating has fluctuated from a low of 66% in 2005 to a high of 74% in 2002.
- The top positive factors about the county, according to survey respondents, were: good area/location/scenery (36%), followed by good climate/weather (17%), affordable housing (8%), and not crowded (5%).
- Crime and gang activity were the top negative factors (31% of respondents), followed by smog/air pollution (9%), and traffic (7%).

Recreation and Culture

The county is known for its many recreational facilities which offer both winter and warm weather activities:

- The climate and weather are advantageous for residents and visitors alike, with the county boasting an average of 284 sunny days per year.¹
- The San Bernardino National Forest offers year-round outdoor opportunities with nearly 677,000 acres of open space spanning San Bernardino and Riverside Counties
- San Bernardino County is home to two national parks, Joshua Tree National Park and the Mojave National Preserve.
- There are more than 100 regional and local parks, museums, golf courses and numerous fairs.
- Multiple arts venues include performing arts and concert facilities, along with major museums such as Cal State San Bernardino Art Museum, the San Bernardino County Museum, and the Planes of Fame Air Museum.
- San Bernardino County also has three professional minor league baseball teams, the Rancho Cucamonga Quakes, the San Bernardino Stampede, and the Adelanto Mavericks.
- Penske Motorsports hosts world class NASCAR and Indy car races at the California Speedway in Fontana.

Percent of Respondents Indicating San Bernardino County is a “Very Good” or “Fairly Good” Place to Live, 1999-2008/09



Source: Inland Empire Annual Survey, California State University, San Bernardino, Institute of Applied Research and Policy Analysis

San Bernardino County Regional Parks, 2010

Regional Park	Acres
Big Morongo Canyon Preserve	177
Calico Ghost Town	480
Cucamonga-Guasti	112
Glen Helen	1,340
Lake Gregory	150
Moabi	1,027
Mojave Narrows	840
Mojave River Forks	1,100
Prado	2,280
Santa Ana River Trail	17*
Yucaipa Regional Park	1,124
Total	8,630

* Note: Not included in total acreage.

Source: San Bernardino County Regional Parks Department

¹ Sperlings Best Places (www.bestplaces.net/county/San_Bernardino-California.aspx#)

Airports

Ontario International Airport's redeveloped facility is eight times larger than the former terminal and can accommodate up to 10 million passengers a year:

- 10 passenger airlines and 11 freight carriers operate out of Ontario International Airport, with over 220 daily operations.
- Passenger traffic declined sharply in 2008 and 2009.
- Tons of freight also declined after peaking in 2004.

The San Bernardino International Airport provides cargo service, passenger airlines, and general aviation:

- The airport is also located close to several major freeways, and within two miles of the Burlington Northern Santa Fe (BNSF) Intermodal Rail Facility, making it well-positioned as a distribution center for air cargo and ground shipments.
- The airport conducts approximately 60,000 annual flight operations comprised mainly of charter, corporate and general aviation users.
- A redesigned passenger terminal facility was recently completed in anticipation of future passenger airlines services.

Southern California Logistics Airport specializes in goods movement:

- This airport serves both international and domestic air cargo needs.
- It is designated as a U.S. Customs Port of Entry, can accommodate all commercial and military aircraft with 24-hour tower operation and emergency response capabilities.
- The airport is also a top contender for a \$200 million intermodal facility planned by BNSF Railway.²

Hospitals and Medical Facilities

There are 22 hospitals serving residents and visitors to San Bernardino County:

- Two are trauma centers: Loma Linda University Medical Center is a Level I trauma center, and Arrowhead Regional Medical Center is a Level II trauma center.
- San Bernardino County alone is home to 10 of the nation's 86 Baby Friendly hospitals, which foster breastfeeding over formula feeding, and couplet care (keeping parents and infants together at all times from birth through discharge to promote bonding).
- Arrowhead Regional Medical Center operates the Edward G. Hirschman Burn Center, which provides complete burn care to patients of all ages for four counties: San Bernardino, Riverside, Inyo, and Mono.

Volume of Passengers and Freight
Ontario International Airport, 2000-2009



Note: Freight totals include U.S. mail.

Source: Los Angeles World Airports (www.lawa.org/welcome_ont.aspx?id=810)

Six County-Owned Airports

The San Bernardino County Department of Airports provides for the management, maintenance and operation of six county-owned airports, located strategically throughout the county: Apple Valley Airport, Baker Airport, Barstow-Daggett Airport, Chino Airport, Needles Airport, and Twentynine Palms Airport.

Fit Friendly Hospital

Arrowhead Regional Medical Center is designated "Fit Friendly" by the American Heart Association, receiving the Gold recognition level for offering employees physical activity support, increased healthy eating options, promoting a wellness culture, and implementing activities related to physical activity, nutrition, and culture.

² Southern California Logistics Airport (www.logisticsairport.com/page.aspx)

Universities and Colleges

San Bernardino County has a wide range of higher educational institutions located throughout the county to serve the education needs of its population and develop a strong workforce:

- **University of Redlands** is ranked a “Best Western College” and considered among the top 371 colleges nationwide by The Princeton Review. It includes a School of Business, College of Arts and Sciences, and School of Education (www.redlands.edu).³
- **California State University, San Bernardino** is also ranked a Best Western College by The Princeton Review, offering over 45 Bachelor Degree programs and over 25 Masters Degree programs (www.csusb.edu).
- **Loma Linda University** offers over 100 degree and certificate programs centered on health sciences. Student enrollment is approximately 4,000 students (www.llu.edu).
- **San Bernardino Community College District** includes San Bernardino Valley College in San Bernardino and Crafton College in Yucaipa. San Bernardino Valley College student enrollment is approximately 12,000 students and Crafton College enrollment is approximately 5,300. As of March 2009, the College District reported that after two years of declining enrollment, the student population grew over 12% at both colleges (www.sbccd.org).
- **Chaffey Community College District** serves western San Bernardino County with a student population of more than 20,000. Campuses within this district include Rancho Cucamonga, Chino Center, and Fontana Center (www.chaffey.edu).
- **Copper Mountain College** offers associate degrees and certificates in 24 fields of study. As of October 2009, student enrollment was 2,156, up from 2,106 the previous year (www.cmccd.edu).
- **Victor Valley Community College** serves the high desert region. In 2007/08, student enrollment was 9,211. After losses in 2005/06 and 2006/07, student enrollment increased in 2007/08 and was projected to increase in 2008/09 (www.vvc.edu).

San Bernardino County Colleges and Universities

Universities

University of Redlands
California State University, San Bernardino
Loma Linda University

Colleges

Chaffey Community College District
Copper Mountain College
San Bernardino Community College District
Victor Valley Community College

³ The Princeton Review (www.princetonreview.com/college-rankings.aspx)

● Connecting the Dots

Our Quality of Life will determine the type of people we attract to our county which can be monitored by all types of civic engagement including **Voter Participation**.