

economic and business climate

Leading employment industries still show the effects of a sagging economy, recording job losses and stagnant salaries. Per capita income is lower than the state and nation. But the Riverside-San Bernardino metro area is one of the “best places for business” among peers compared. Adding to the county’s attractiveness, costs for commercial and industrial real estate are comparatively low, the county has the most affordable housing in the region, and student access to computers at school is better than neighboring counties.

Investing in Our Workforce

The Workforce Investment Board of San Bernardino County is comprised of private business representatives and public partners appointed by the County Board of Supervisors. Its mission is to strengthen the skills of the County’s workforce through partnerships with business, education and community-based organizations. Last year, with funding from the Department of Labor’s Workforce Investment Act (WIA), the Workforce Investment Board helped fill 5,700 job openings and provided 1,000 employers with key services such as the Subsidized Training Employment (STEP) and On-the-Job Training (OJT) programs, as well as business consulting, and employee recruiting and hiring assistance.

www.sbcounty.gov/wib

Ranking Improves; Second Highest Among Regions Compared

Description of Indicator

This indicator measures the Riverside-San Bernardino metro area business climate through *Forbes* magazine’s “2010 Best Places for Business” regional rankings. The *Forbes* ranking compares metropolitan regions by cost of doing business, projected economic growth, number of colleges, cost of living, crime rate, culture and leisure amenities, educational attainment, income growth, job growth, subprime mortgages 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 these factors 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’ 2010 national rankings place the Riverside-San Bernardino metro area at 88th out of the 200 metro areas ranked:

- This is an increase of six places since the 2009 ranking of 94th.
- Among neighboring counties compared, Riverside-San Bernardino has the second highest rank, better than Los Angeles and San Diego, but behind Orange County.
- Riverside-San Bernardino is ranked higher than Phoenix (117th), Miami (152nd), and Las Vegas (157th).

Riverside-San Bernardino showed strong rankings in the categories of projected economic growth, culture and leisure, and income growth, while cost of living, educational attainment and subprime mortgages negatively impacted its overall score.

Best Places for Business, Ranking by Component Riverside-San Bernardino Metro Area, 2010

	Rank
Economic Growth (Projected) ¹	32
Culture and Leisure ²	33
Income Growth ³	33
Net Migration ⁴	43
Colleges ⁵	51
Crime Rate ⁶	75
Cost of Doing Business ⁷	80
Job Growth (Projected) ⁸	102
Job Growth ⁹	135
Cost of Living ¹⁰	157
Educational Attainment ¹¹	181
Subprime Mortgages ¹²	191

Source: *Forbes Magazine*, April 14, 2010 (www.forbes.com/lists/2010/1/business-places-10_Best-Places-For-Business-And-Careers_MetroArea.html)

Best Places for Business Ranking Regional Comparison, 2007-2010

	2007	2008	2009	2010
Orange County	70	92	107	79
Riverside-San Bernardino	110	78	94	88
San Diego Metro	92	106	104	89
Phoenix Metro	55	44	113	117
Los Angeles County	159	154	180	120
Miami Metro	148	147	188	152
Las Vegas Metro	136	112	92	157

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

Source: *Forbes Magazine*, April 14, 2010 (www.forbes.com/lists/2010/1/business-places-10_Best-Places-For-Business-And-Careers_MetroArea.html)

¹ 3-year annualized figure
² Index based on museums, theaters, golf course, sports teams and other activities
³ 5-year annualized figure
⁴ 5-year annualized figure
⁵ Measure of 4-year colleges in area with extra credit for highly rated schools
⁶ Crimes per 100,000 residents
⁷ Index based on cost of labor, energy, taxes and office space
⁸ 3-year annualized figure
⁹ 5-year annualized figure
¹⁰ Index based on cost of housing, utilities, transportation and other expenditures
¹¹ Share of population over age 25 with a bachelor’s degree or higher
¹² As a percent of total originations between 2006 and 2008

● Connecting the Dots

Our **Business Climate** ranking represents the outside opinion of our region, which is a key driver for investment into our region and sets the foundation for values in **Commercial and Industrial Real Estate**.



Income Levels Decline

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?

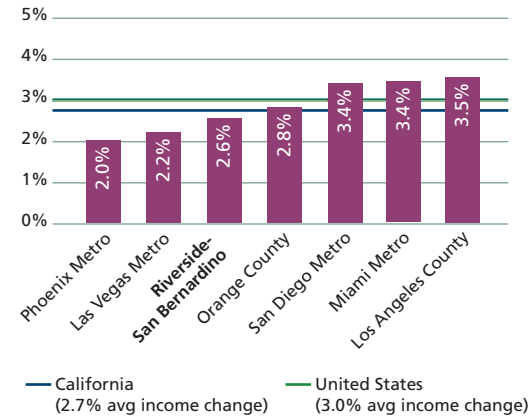
Per capita income reflects the economic health of a region. It signals whether or not a region is generating wealth faster than population growth. A high per capita income relative to the cost of living signals greater discretionary income for the purchase of goods and services. This contributes to overall economic strength and a sense of material wellbeing when residents have the financial resources needed to survive and prosper. However, residents may choose to trade a higher income for other quality of life factors such as a lower cost of living and affordable housing.

How is San Bernardino County Doing?

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

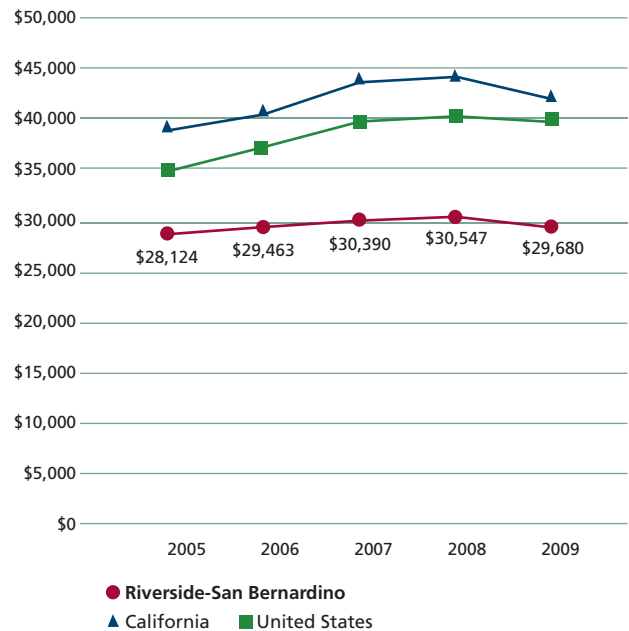
- In 2009, Riverside-San Bernardino metro area's per capita income of \$29,680 was lower than the state and national averages and all regions compared.
- This income level (\$29,680) is down 2.8% from \$30,547 in 2008.
- Between 2000 and 2009, the Riverside-San Bernardino metro area posted a per capita income growth of 2.6%, higher than Phoenix and Las Vegas, but lower than other regions compared and the state and national averages.
- Over this same 10-year period, the average inflation rate was 3.0%. The rate of inflation should be taken into account when interpreting these income growth percentages.¹
- San Bernardino County's cost of living is lower than many other Southern California counties, so a lower per capita income does not necessarily translate to lower purchasing power.

Per Capita Income Average Annual Percent Change Regional Comparison, 2000-2009



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

Per Capita Income Riverside-San Bernardino, California, and United States, 2005-2009



Note: Data have been revised since previously reported.

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

¹ U.S. Dept. of Labor, Bureau of Labor Statistics, Consumer Price Index.

Connecting the Dots

Our Per Capita Income is one of the challenges in providing for Family Income Security.



Logistics and Technical Clusters Experience Losses

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 the five clusters described in this indicator.

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?

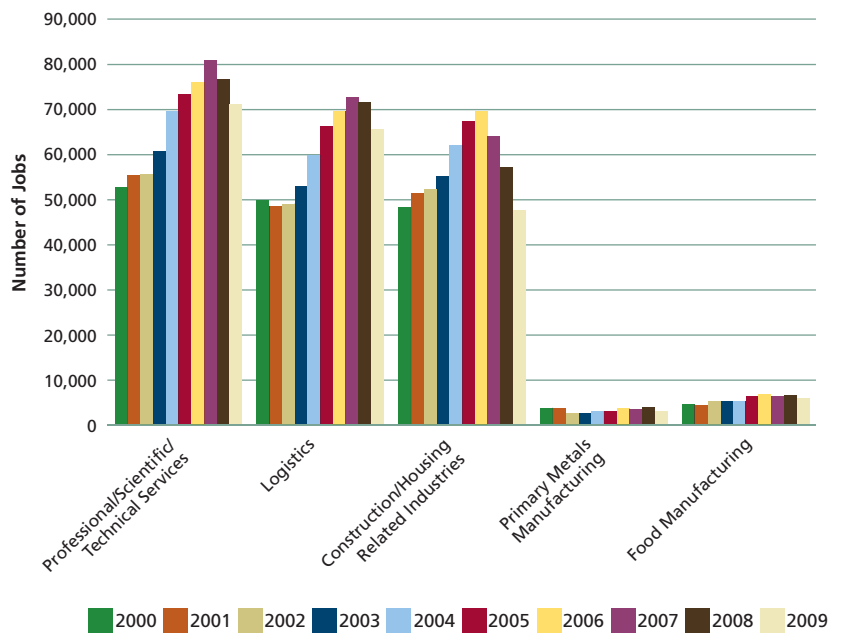
All five selected industry clusters saw a decrease in employment between 2008 and 2009:

- Construction/Housing Related Industries decreased 19% and Primary Metals Manufacturing decreased to fewer than 3,000 jobs (about a 16% decline from the prior year).
- Logistics decreased by 9%, Professional/Scientific/Technical Services decreased by 6%, and Food Manufacturing declined 4%.
- However, during the 10-year period from 2000 to 2009, Food Manufacturing grew by 51%, Professional/Scientific/Technical Services grew 39%, and Logistics increased by 31%.

For the most part, salaries in the selected clusters have remained stagnant or declined:

- Construction/ Housing Related Industries saw an increase of 2%.
- Professional/Scientific/Technical Services, Logistics and Food Manufacturing salaries remained stagnant, while Primary Metals Manufacturing salaries declined by 12%.
- The annual income needed to purchase a median-priced home in San Bernardino County is \$21,300, affordable to all five of these clusters if a down payment could be secured.

Employment by Industry Clusters
San Bernardino County, 2000-2009



Top Ten Private Employers San Bernardino County, 2011

Company	Number of Employees
Champion Envelope Corporation-West	3,000
PPG Architectural Finishes	2,500
San Manuel Indian Bingo & Casino	2,100
Specialty Brands, Inc	1,900
Environmental Systems Research Institute, Inc.	1,530
RHS Corp.	1,450
Wal-Mart Stores, Inc.	1,000
US Merchants Financial Group, Inc.	1,000
Acorn Plastics, Inc.	900
Stater Bros. Markets, Inc.	900

Note: Above employers do not include: hospitals, schools or school districts, military, or local/federal government.

Source: Hoovers (www.hoovers.com)

Average Annual Salaries in Selected Clusters San Bernardino County, 2008 and 2009

	2008	2009	Percent Change
Construction/Housing Related Industries	\$44,605	\$45,301	2%
Professional/Scientific/Technical Services	\$35,765	\$35,896	0%
Logistics	\$42,988	\$43,004	0%
Food Manufacturing	\$40,741	\$40,735	0%
Primary Metals Manufacturing	\$61,224	\$53,923	-12%

Source: Analysis of data from the California Employment Development Department

Connecting the Dots

Employment by Industry Clusters is supported by the region's ability to create an Educational-Occupational Match.



Job Losses Impact Housing Demand

Description of Indicator

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

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?

In 2009, the Riverside-San Bernardino metro area granted more housing permits than all neighbors and peers compared except Phoenix:

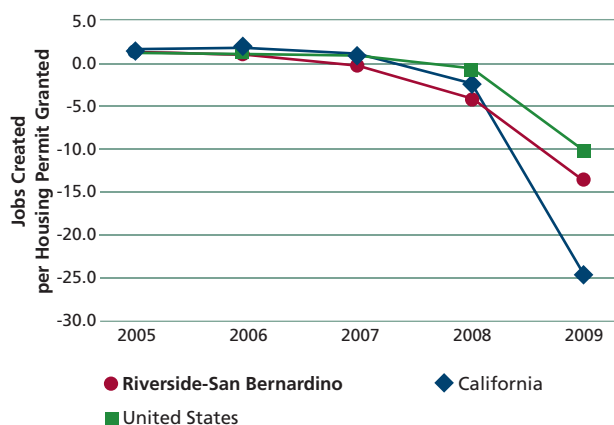
- During 2009, employment dropped by 86,675 jobs while 6,335 new housing permits were granted.
- The resulting ratio of -13.68 jobs (job losses) for every new housing permit leaves Riverside-San Bernardino with a negative number of jobs per new housing permit.
- Since 2005, a total of 65,127 jobs were lost compared with 175,927 housing units permitted in Riverside-San Bernardino.
- In other words, more housing units have been permitted than jobs created since 2005. The resulting jobs-to-housing ratio for this period of time is negative 0.37. The standard "healthy" ratio of jobs to permits is 1.5.
- All neighbors and peers, the state, and the nation experienced job losses in 2009, resulting in a negative job-to-housing ratio in all markets.
- 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.

Housing Demand Regional Comparison, 2009

	Housing Permits	Employment Change (Jobs) 2007 to 2008	Ratio of Employment Change to Permits
United States	582,963	-6,197,817	-10.63
Riverside-San Bernardino	6,335	-86,675	-13.68
Las Vegas Metro	5,688	-86,214	-15.16
Phoenix Metro	9,272	-143,548	-15.48
San Diego Metro	2,946	-69,413	-23.56
California	35,069	-864,962	-24.66
Miami-Dade County	1,395	-55,439	-39.74
Los Angeles County	5,138	-238,010	-46.32
Orange County	2,143	-109,689	-51.18

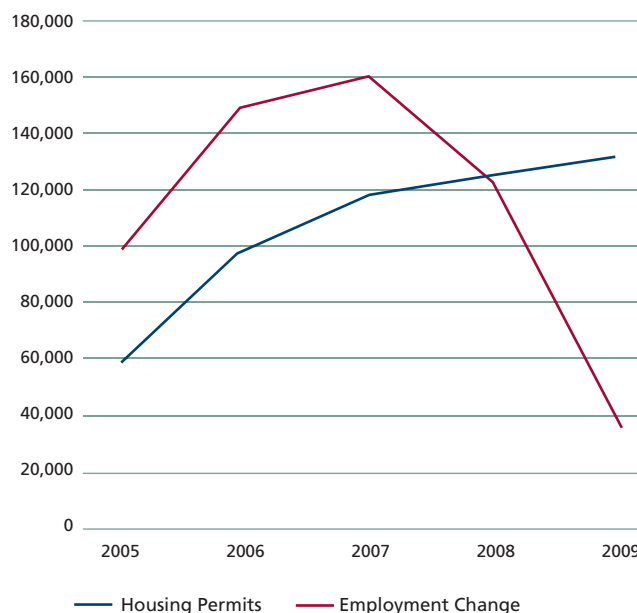
Sources: United States Department of Housing and Urban Development (<http://socs.buduser.org/permits/index.html>), and United States Bureau of Labor Statistics

New Jobs Created per Housing Permit Granted Riverside-San Bernardino, California and United States 2005-2009



Sources: United States Department of Housing and Urban Development (<http://socs.buduser.org/permits/index.html>), and United States Bureau of Labor Statistics

Cumulative Change in Employment and Housing Permits (2004 Baseline) Riverside-San Bernardino, 2005-2009



Note: In 2004, the baseline year, employment in the Riverside-San Bernardino metro area was 1,173,250.

Sources: United States Department of Housing and Urban Development (<http://socs.buduser.org/permits/index.html>), and United States Bureau of Labor Statistics

Connecting the Dots

The long term Housing Demand of the region is influenced by the safety of our communities, one aspect of which is our Crime Rate.



County Remains Most Affordable in Region

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. It also compares homeownership rates.

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 increased from the previous year:

- The median sale price of an existing single-family detached home in San Bernardino County was \$137,585 in March 2010, up 4.4% since March 2009.
- This price is 46% of the state median price for a comparable home in March 2010.

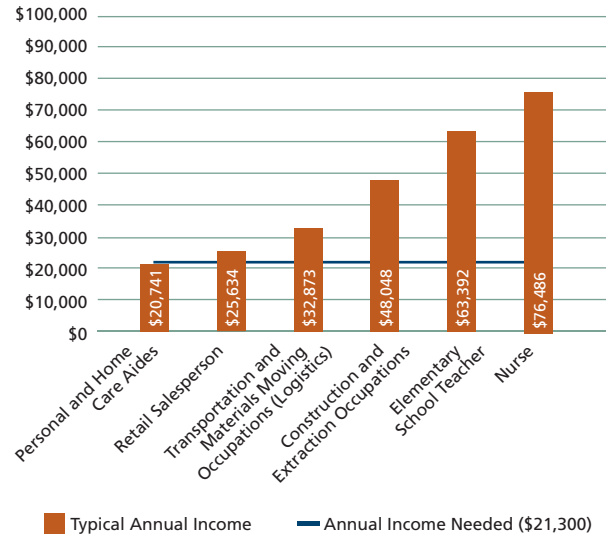
Housing affordability continues to increase:

- The minimum household income needed to purchase a median priced single-family home in San Bernardino County is approximately \$21,300 assuming a 10% down payment and an adjustable-rate mortgage.¹
- As of the first quarter of 2010, 81% of households in San Bernardino County could afford an existing single-family detached home that was priced at 85% of median (or \$116,948).
- Housing affordability is up from 79% in 2009 and 61% in 2008.
- San Bernardino County's affordability rate is higher than all other southern California counties compared making the county attractive to buyers seeking less expensive housing, such as first-time home buyers.

Homeownership rates rose slightly:

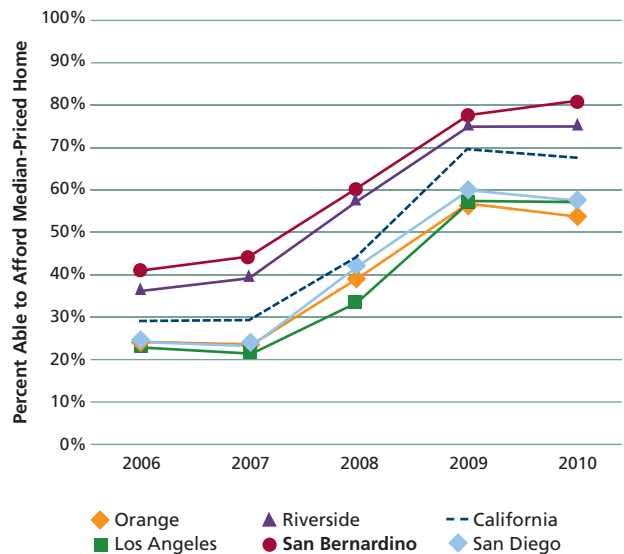
- Homeownership rates for San Bernardino County stand at 64.5% for 2009.
- This rate exceeds the state average and most neighboring counties and peer regions compared. It is only lower than Riverside County, Phoenix and the national average.

Income Needed to Afford Median-Priced Home (\$137,583) Compared to Typical Salaries
San Bernardino County, 2010



Sources: California Employment Development Department, Mean Hourly Wages, First Quarter 2010 (www.labormarketinfo.edd.ca.gov/?pageid=152)

Housing Affordability Index
County Comparison, 2006-2010



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 2010, these parameters were 10% down and a one-year adjustable-rate mortgage from Freddie Mac's Primary Mortgage Market Survey (PMMS).

Connecting the Dots

Housing Affordability presents an immediate opportunity to stretch Per Capita Income farther than it could go otherwise and realize lasting homeownership.



Renting Less Affordable than Buying

Description of Indicator

This 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.

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 perpetuate and exacerbate a cycle of poverty.

How is San Bernardino County Doing?

The Riverside-San Bernardino metro area’s Housing Wage increased for 2011:

- The hourly wage needed for a one-bedroom apartment rose from \$18.08 in 2010 to \$18.65 in 2011. This Housing Wage is equivalent to an annual income of \$38,800.¹
- The hourly wages needed to afford two- and three-bedroom apartments also rose, both by about 3%.
- The Riverside-San Bernardino metro area has more affordable rental housing than all regions compared except Phoenix and Las Vegas.
- Because the wages of numerous occupations are substantially less than the Housing Wage, many families need two incomes to afford even one-bedroom rental housing.
- 67% of the occupations projected to have the fastest rate of job growth between 2008 and 2018 have average hourly wages above the one-bedroom Housing Wage.
- However, only 22% of occupations projected to have the most openings between 2008 and 2018 have average hourly wages above the one-bedroom Housing Wage (see County Profile).²

Renting in Riverside-San Bernardino

	2010	2011
Fair Market Rent (Monthly)		
One Bedroom	\$940	\$970
Two Bedroom	\$1,108	\$1,144
Three Bedroom	\$1,559	\$1,610
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	108	110

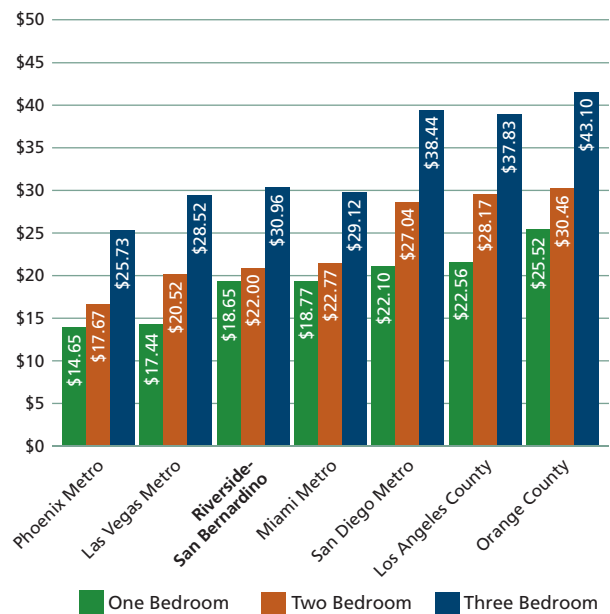
Rental Costs are Relatively High

Rental costs in the Riverside-San Bernardino metro area are high relative to the costs to own. 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.

¹ Assumes 2,080 paid hours per year (52 weeks at 40 hours per week).

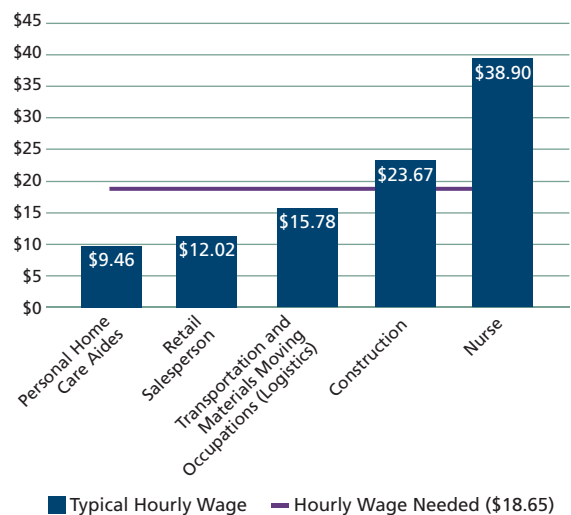
² California Employment Development Department, 2008-2018 Occupations with the Most Job Openings (www.labormarketinfo.edd.ca.gov/?pageid=145)

Hourly Wage Needed to Afford Fair Market Rent Regional Comparison, 2011



Source: Analysis of Housing and Urban Development 2011 Fair Markets Rents (www.buduser.org/portal/datasets/fmr.html) using the methodology of the National Low Income Housing Coalition (www.nlihc.org/oor/oor2010/)

Hourly Wage Needed to Afford a One-Bedroom Unit Compared to Typical Hourly Wages Riverside-San Bernardino, 2011



Source: Analysis of Housing and Urban Development 2011 Fair Markets Rents (www.buduser.org/portal/datasets/fmr.html) using the methodology of the National Low Income Housing Coalition (www.nlihc.org/oor/oor2010/); California Employment Development Department, Mean Hourly Wages, First Quarter 2011 (www.labormarketinfo.edd.ca.gov/?pageid=152)

Connecting the Dots

Rental Affordability allows income restricted residents, including Veterans, to thrive in San Bernardino County.



Nearly 15% of San Bernardino Commuters Carpool

Description of Indicator

This indicator measures 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, workers and goods 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?

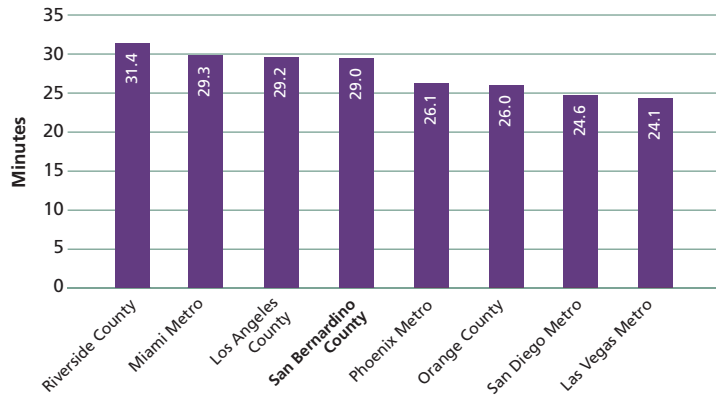
San Bernardino commute times decreased slightly:

- In 2009, the average commute time to work for San Bernardino County residents was 29.0 minutes, down from 29.2 minutes in 2008 and 29.7 minutes in 2007.
- San Bernardino County's commute time is in the mid-range compared to neighboring counties and peers compared, and higher than both California (27.0) and the U.S. (25.3).

Most San Bernardino County commuters drive alone:

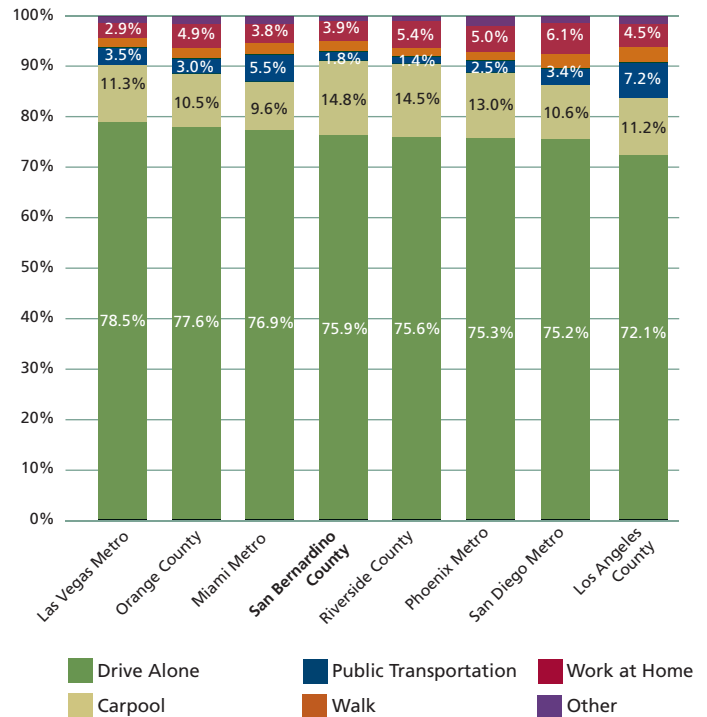
- In 2009, 75.9% of San Bernardino County commuters drove alone – lower than Orange County and Miami but higher than other locations compared.
- At 14.8% of trips, carpooling is the second most common mode of travel to work and is higher than all regions compared.
- More people in San Bernardino County work at home (3.9%) than take public transportation (1.8%).
- Transit use is likely 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, 2009



Source: U.S. Census Bureau, 2007-09 American Community Survey (www.census.gov)

Primary Mode of Travel to Work
Regional Comparison, 2009



Source: U.S. Census Bureau, 2007-09 American Community Survey (www.census.gov)

Connecting the Dots

Mobility will continue to be a challenge as long as our Housing Affordability is high relative to the surrounding regions and high-paying jobs are located outside the county.



Bus Ridership Up, Rail Ridership Down

Description of Indicator

This indicator measures ridership on the commuter rail system, as well as ridership and operating costs for San Bernardino County’s bus systems. The bus systems serve 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 an important contributor to 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. Rail and bus typically serve different purposes in San Bernardino County: rail serves mostly long-distance commuting needs while bus serves local commuters.

How is San Bernardino County Doing?

After years of steady increase, ridership on San Bernardino County’s commuter rail lines (Metrolink) fell:

- Ridership dropped 9% to 6.2 million riders on all lines in 2009/10, down from 6.8 million the previous year.
- The San Bernardino Line (parallels the I-10 freeway between San Bernardino and downtown Los Angeles) declined from approximately 3.61 million riders in 2007/08 to 3.26 million riders in 2009/10.
- The Riverside Line (between Riverside and downtown Los Angeles through Ontario) fell from 1,316,311 riders to 1,311,443 riders during the same period.
- On the Inland Empire Line (between San Bernardino and San Juan Capistrano) ridership dropped from 1,284,558 riders to 1,075,257 riders, while the 91 Line (which parallels State Route 91, linking Riverside with Fullerton and downtown Los Angeles) fell from 586,525 riders to 552,887 riders.
- Still, the long-term trend is upward with an average of 2% growth in ridership over the past five years.

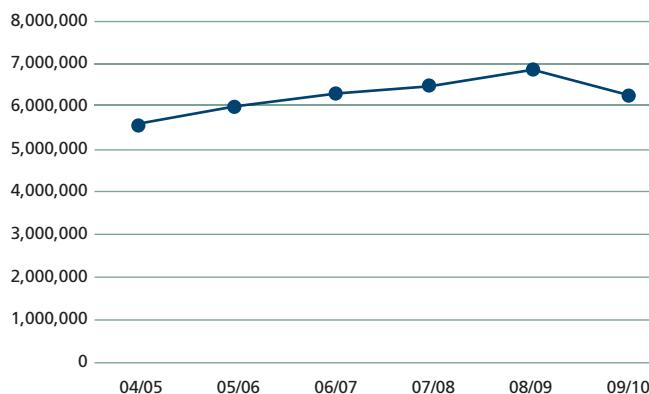
Overall per capita bus boardings for San Bernardino County’s six transit agencies increased:

- In 2009/10 total bus passenger boardings were 17,592,190, up from 16,741,575 in 2008/09.
- San Bernardino County’s bus ridership per capita is on the low end compared to neighboring counties and lower than peers compared.
- The Omnitrans bus system operating costs are in the middle (\$4.35/trip) while the Victor Valley Transit Authority operating costs are highest (\$6.52/trip) of the regions compared.

The 2010 Inland Empire Annual Survey (see Resident Satisfaction) asked residents about their use of alternatives to driving alone. Thirty-two percent of respondents reported they use public transportation, share a ride, walk, or bicycle as opposed to driving alone at least once a month.

Number of Commuter Rail Riders

San Bernardino Line, Inland Empire/Orange County Line, Riverside Line, and 91 Line, 2005-2010



Source: Southern California Regional Rail Authority (www.scrta.org)

Bus System Operating Costs per Boarding, Boardings per Capita Regional Comparison, 2009

Regional Transportation System	Boardings per Capita	Cost per Boarding
Los Angeles County Metropolitan Transportation Authority	44.7	\$2.42
Regional Transportation Commission of Southern Nevada (Las Vegas)	33.8	\$2.64
Valley Metro (Phoenix Metro)	32.6	\$3.41
Miami-Dade Transit	32.1	\$4.92
San Diego Metropolitan Transit System	23.2	\$2.74
Orange County Transit Authority	20.7	\$3.84
Omnitrans	10.7	\$4.35
Riverside Transit Agency	4.9	\$6.26
Victor Valley Transit Authority	4.0	\$6.52

Note: Boardings per capita calculated using the service area population for the transit providers. Boardings include bus and demand responsive service.

Source: National Transit Database (www.ntdprogram.gov)

Connecting the Dots

An effective Transit system is an important Community Amenity, helping all segments of our community to enjoy our region.



Students-per-Computer Ratio Strong

Description of Indicator

This indicator measures adult access to the Internet either at home or work, the number of K-12 students per computer less than 48 months old used for instructional purposes in public schools and the number of classrooms with high-speed Internet access. It also measures the number of information technology-related degrees awarded at colleges in San Bernardino County, including certificates requiring 18 or more credits and Associate's, Bachelor's and Master's degrees.¹

Why is it Important?

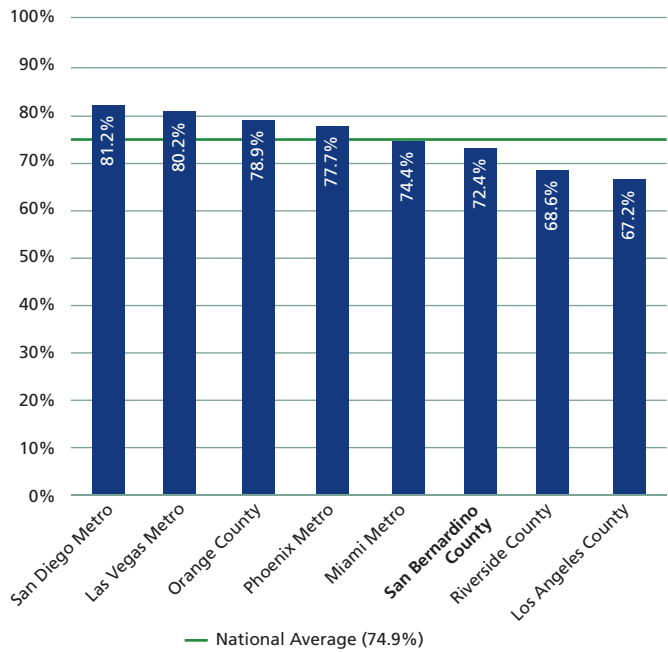
Internet access connects residents to a wealth of information, resources, products, and services. Use of the Internet for obtaining or providing services may reduce carbon footprints, lessen congestion on highways and reduce paper costs and associated impacts on landfills. Computer and Internet skills 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 computers is strong:

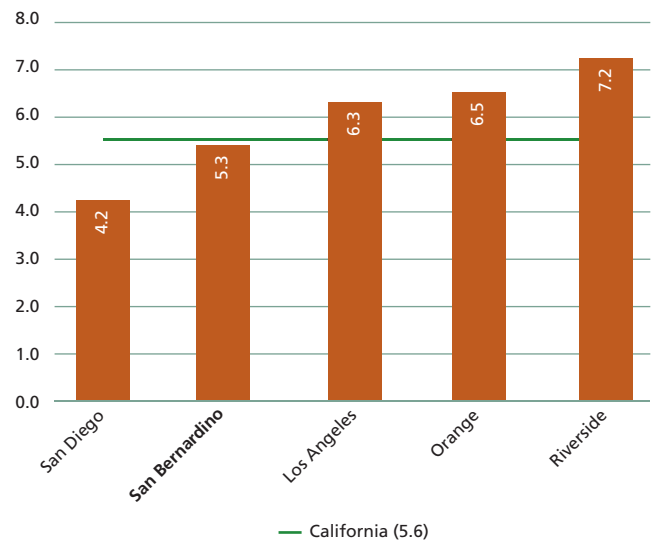
- In 2010, San Bernardino County's Internet access rate for adults was 72.4%, a significant increase over 68% in 2008.
- At 5.3 students per computer less than 48 months old, San Bernardino County has the second best ratio of students per computer among locations compared.²
- 20,625 K-12 public school classrooms had high-speed Internet access in 2009/10.³

Adults with Internet Access
Regional Comparison, 2010



Source: Scarborough Research

Students per Computer Less than 48 Months Old
County Comparison, 2010



Source: Scarborough Research

¹ Due to changes in the data for all components of this indicator except adult Internet access, the data presented in this indicator is not comparable to the data presented in the 2010 San Bernardino County Community Indicators Report.

² 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.

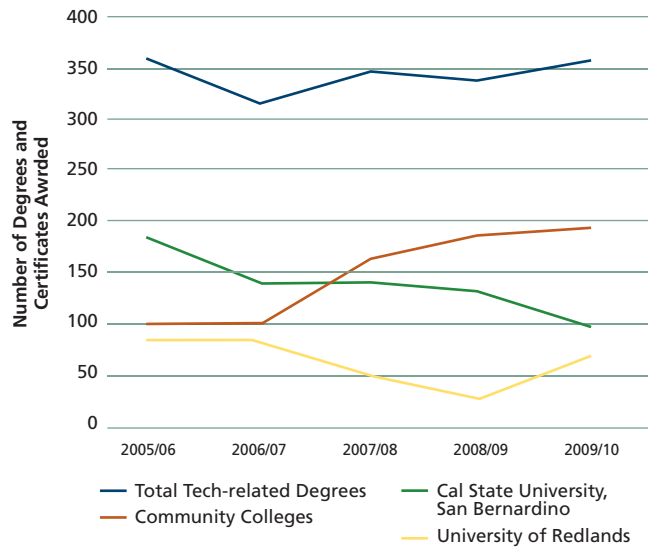
³ The number of classrooms with Internet access includes all classrooms and other instructional settings at the school (such as a computer lab, library or career center) with an Internet connection. If a classroom has more than one Internet connection, that classroom is still only counted once.



The number of information technology-related degrees awarded at local colleges is trending upward:

- Community colleges awarded a total of 187 Information Technology Associate’s degrees and certificates requiring 18 or more semester units, an increase of 91% over the past five years.
- University of Redlands awarded a total of 74 graduate and undergraduate degrees in Computer Science, Information Technology and Geographic Information Systems (GIS).
- In 2009/10, California State University, San Bernardino awarded 99 information technology-related degrees, representing a 46% decline over the past five years.

Information Tech-Related Degrees Awarded
San Bernardino County, 2006-2010



Note: Information technology-related degrees for Community Colleges include Information Technology Associate of Arts, Associate of Science, and certificates requiring 18 or more semester units; for CSUSB include Information Management and Computer Science graduate and undergraduate degrees; and for University of Redlands include Computer Science, Information Technology, and Geographic Information Systems (GIS) graduate and undergraduate degrees.

Sources: California State University, San Bernardino (<http://ir.csusb.edu/>), California Community Colleges Chancellor’s Office (<https://misweb.ccco.edu/mis/online/stat/awards.frm>), University of Redlands, and County of San Bernardino Information Services Department

Connecting the Dots

Technology and its expanded use may be an important tool for Nonprofits to reach their constituents.



Rents Lowest in Region; Vacancy Rates Decrease

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, Orange, and San Diego counties.¹

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 may signal a need for new investment. Higher vacancies may mean reduced costs for business and opportunities for end-users, but can also discourage new investment.

How is San Bernardino County Doing?

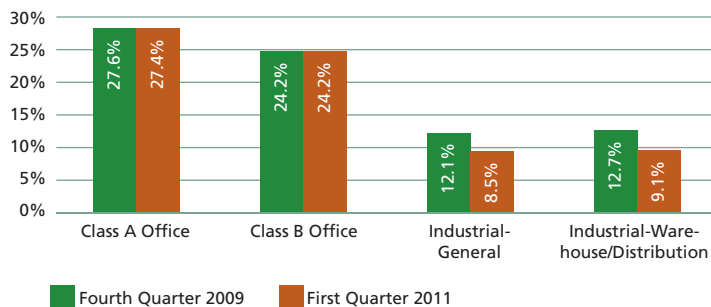
Across all categories of commercial and industrial real estate, costs in the Riverside-San Bernardino metro area were comparatively low:

- In the first quarter of 2011, Los Angeles, Orange and San Diego counties were 56% more expensive on average for comparable space.
- Compared to the fourth quarter of 2009, Riverside-San Bernardino rents decreased for all categories of commercial and industrial real estate, except for Industrial-General, which increased 5%.

Riverside-San Bernardino's high vacancy rate signals the region is over-supplied with real estate, particularly Class A and B:

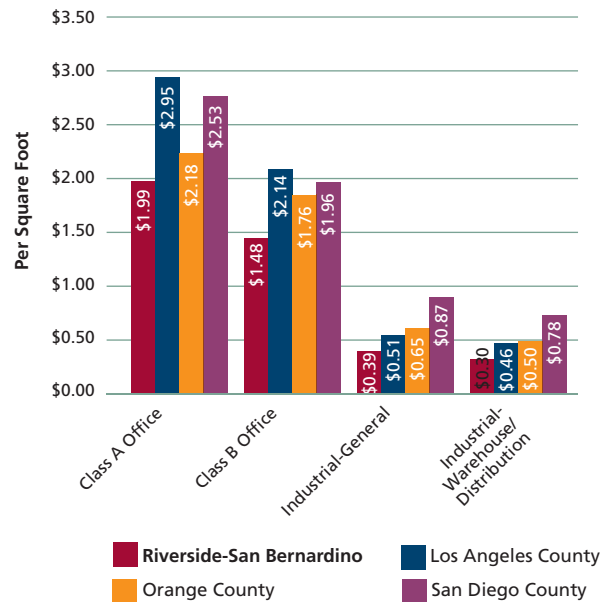
- In the first quarter of 2011, vacancy rates for Class A and B categories were higher in the Riverside-San Bernardino metro region compared to neighboring counties; for the Industrial categories, vacancy rates were higher compared to neighboring counties, except for San Diego.
- However, both General and Warehouse/Distribution industrial space categories have seen almost a 30% drop in vacancy rates since the fourth quarter of 2009.
- There has been virtually no change in the vacancy rates among Class A and B categories over the same period.

Vacancy Rates of Commercial and Industrial Real Estate Riverside-San Bernardino, 2009 and 2011



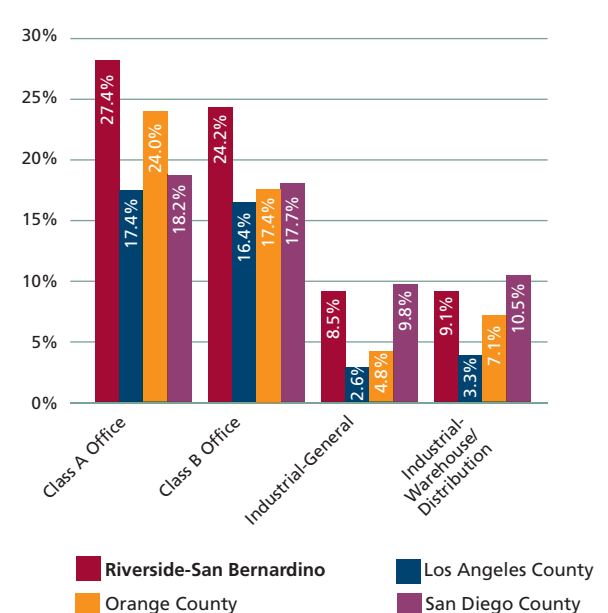
Source: Grubb & Ellis

Commercial and Industrial Real Estate Asking Rent Regional Comparison, First Quarter 2011



Source: Grubb & Ellis

Commercial and Industrial Real Estate Vacancy Rate Regional Comparison, First Quarter 2011



Source: Grubb & Ellis

¹ Class A office space is considered the most desirable, functional and modern; Class B office space comprise older buildings requiring modernization for some office uses. Industrial real estate comprises general and warehouse/distribution properties.

Connecting the Dots

The intensification of **Commercial and Industrial Real Estate** development is our best opportunity to affect the jobs-housing imbalance and the impact that has on commute times represented in **Mobility**.

