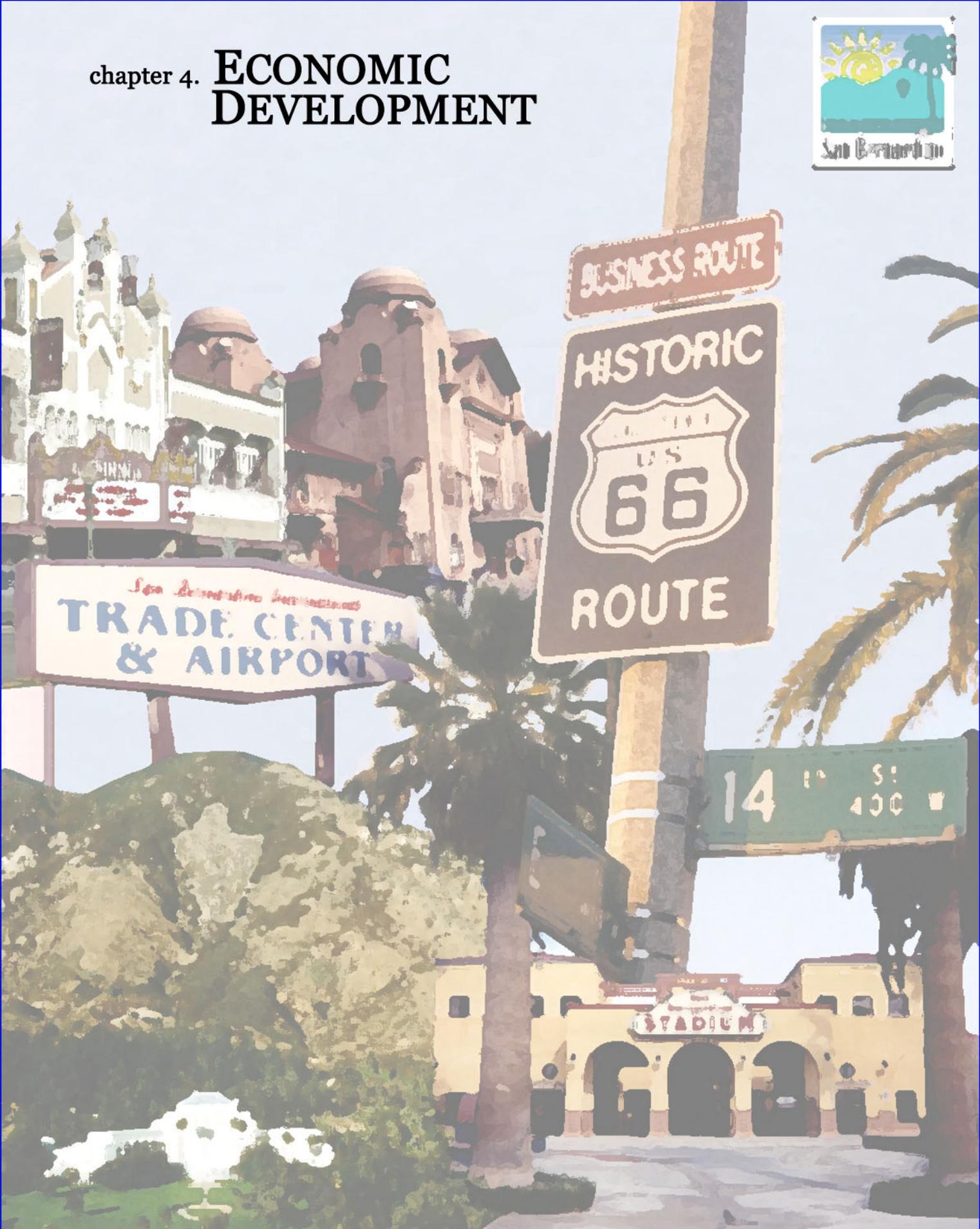


chapter 4.

ECONOMIC DEVELOPMENT



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Chapter 4. Economic Development

INTRODUCTION

The City of San Bernardino has undergone tough economic times over the last decade. With the closure of Norton Air Force Base in 1994, the relocation of the Burlington Northern and Santa Fe Railway (BNSF) and Kaiser Steel, and the economic downturn of the 1990's, we have lost thousands of jobs and our economy has experienced the residual effects of these shifts in employment and the economy. However, the City is actively implementing programs and pursuing projects to position itself for an economic renaissance. In fact, we are making progress and attracting major industries to locate in our City.

We recognize the vital impact that our economic livelihood has on the quality of life in our community and as such, we want to ensure that the proper goals and policies are in place to provide the appropriate direction and guidance to achieve our ideal economic condition. Although an Economic Development Element is not required by State Law, it is included in this General Plan because of its important role in the future of the City.

Purpose

The purpose of the Economic Development Element is to guide the City in expanding the local economy, which provides jobs, attracts and retains businesses, supports diverse and vibrant commercial areas, and brings in sufficient revenue to support local programs and services. To achieve a balanced and healthy economy, the Economic Development Element sets forth the goals and policies necessary to ensure a prosperous economic future and maintain the quality of life within the community.



Relationship to Other Elements

The Economic Development Element is related to the Land Use, Circulation, Public Facilities, and Housing Elements. A healthy economy not only provides the tax base for local services and infrastructure, but also affects the demand for a variety of land uses. A proper balance of land uses helps the local economy by providing the business community with a diverse workforce; housing, recreational, cultural, and retail opportunities for employers and employees; and supporting infrastructure facilities and services that foster economic growth. The Economic Development Element is also related to the Community Design Element because community identity can enhance the economic vitality and marketability of the City.

ACHIEVING THE VISION

Economic development is a dynamic process that increases the wealth of the community and allows it to provide a high quality of life for its residents, businesses, and organizations. The primary purpose of the economic development process should be to identify target economic opportunities that are both realistic and compatible with the City's long-term vision and goals. The Economic Development Element is responsive to our Vision because it represents our desires to:

- ◆ Build upon location and transportation advantages;
- ◆ Partner and collaborate with local institutions;
- ◆ Capture a share of growing markets;
- ◆ Expand our industrial market and office development opportunities;
- ◆ Revitalize underutilized retail development;
- ◆ Revitalize and reinvigorate investment and establishment of businesses Downtown; and
- ◆ Enhance the City's image and role as a gateway to the mountains and desert.

ABOUT OUR ECONOMY

Key Economic Issues

A combination of factors including the national recession of the early 1990s, the closure of the Norton Air Force Base, and increasing regional competitive forces in the commercial/industrial sectors have continued to challenge the City of San Bernardino. The present economic downturn, acknowledged to have begun in early 2001, is also an evolving challenge. Among the above, the closure of Norton Air Force Base had the most adverse effect on the City's economy. San Bernardino instantly lost the multiple levels of economic activity generated by Norton Air Force Base during the last 50+ years of its presence.

Owing in significant part to loss of a number of major employers, San Bernardino has been an economically distressed community for the better part of two decades. Deprived of these longstanding employers and many of the ancillary businesses they supported, the community has suffered a variety of economic and social problems. These include chronic unemployment and the associated need for public assistance, disinvestments in housing stock, and consequent blight and poor health conditions among many poorer residents.

Since the closure of the base that resulted in the loss of approximately 10,000 jobs, the City has been unable to attract significant concentrations of higher quality jobs. The massive loss of jobs also affected the reputation of the City, which is often being identified with concentrated welfare dependent populations. There was a sudden drop in taxable retail sales, resulting in escalating retail vacancies, loss of regional market shares and a decline in fiscal revenues. These issues have also resulted in the City's inability to attract significant higher value residential developments or significant improvements in existing residential sales values.

During the second half of the 1990s, the City's circumstances began to take a turn for the better. In part, reinvigoration stemmed from strong growth in the state and national economies. Additionally, a new mayor helped initiate or has endorsed a number of major economic and community revitalization efforts over the past five years. A more detailed discussion of the City's economic state is presented later in this element. The full existing conditions report prepared by Stanley R. Hoffman and Associates can be found in Appendix 10, *Economic Development, Existing Conditions, and Trends*.

Household Size

From 1990 to 2000, households in the City increased by 3.4 percent while the County's increased by 13.7 percent. The average household size for occupied housing units in 2000 for the City of San Bernardino was about 3.01 persons per household, a little less than the County's 3.05 per household.

Ethnically Diverse

The City is an ethnically diverse community, with a larger Hispanic population (47.5 percent) in 2000 than San Bernardino County (39.2 percent). The City's population of White residents was 28.9 percent, Black residents comprised 16.0 percent of the City's population and Asian residents comprised 4.1 percent of the population.



Socio-Economic Conditions

The City of San Bernardino faces many challenges. Over the past decade, our population, households, earning power, median household income, and housing units have not kept pace with the region. These shortcomings will need to be evaluated and strategies will need to be developed to ensure that the City is keeping up with the region's economic position.

While the population of the City has experienced steady growth over the last decade, it has not kept pace with the County's growth. The City comprised 10.8 percent of the County's population in 2000, a slight decrease compared to 11.6 percent in 1990.

The City's population has a larger proportion of households that earn lower levels of income than the County average. In 1999 dollars, about 40 percent of the City's households earned less than \$25,000 compared to about 29 percent for the County. About 25 percent of the City's households earned \$50,000 or more compared to approximately 37 percent for the County.

The City's estimated median household income in 1999 was about \$32,600, which was lower than the county median of approximately \$40,900. San Bernardino's average household income was also lower (\$39,200) than the County (\$49,200).

While the City's housing stock has remained about the same from 1990 to 2000, the number of dwelling units in the City has increased by about 9 percent from 58,969 to 64,376 units. In comparison, the total number of housing units in San Bernardino County increased by about 12.5 percent. Housing stock consisted primarily of single-family units (60.6 percent), while multi-family units comprised about 32.2 percent of the City's housing units. Mobile homes made up approximately 7.2 percent of the City's housing stock.

Trends in median home prices have been moving upward for the City during this time period. The City of San Bernardino provided more affordable housing with the median at about \$86,000 in comparison to the County at about \$109,000.

Employment and Salaries

The City of San Bernardino has many opportunities for long-term employment growth and stability in the City. Highlights of trends that have important implications for the City include:

- ◆ While total employment for the Riverside–San Bernardino PMSA (Primary Metropolitan Statistical Area) grew at an average annual rate of 3.3 percent from 1990 to 2000, total employment in the City grew relatively less rapidly at an annual average rate of 2.1 percent;
- ◆ The Services sector was the fastest growing non-farm sector in the PMSA from 1990 to 2000, averaging 4.5 percent employment growth over this time period. This sector also showed the most growth, increasing by about 34 percent over the 10-year period;
- ◆ The region’s continued expansion of rail, trucking, and air transportation facilities resulted in increased employment in Transportation and Wholesale Trade related jobs, each sector growing at average annual rate of 4.0 percent from 1990 to 2000.
- ◆ 1999 estimates indicate that the City of San Bernardino had a total of approximately 74,100 jobs, or about 13.9 percent of the total countywide jobs.
- ◆ The major shares of San Bernardino County’s governmental resources are concentrated in the City of San Bernardino (29.3 percent of the total County government employment in 1999). This large cluster provides sustained demand for business, retail, and professional services.
- ◆ In 1999, the City’s employment was comprised primarily of jobs in the Services (42.4 percent), Retail (23.1 percent) and Public Administration (10.1 percent) sectors. Over half (58 percent) of the Services employment was in the Health and Educational Services sectors.
- ◆ Although Services is a key sector for the City, the Manufacturing, Wholesale Trade, and Transportation sectors represent target areas for expansion. These sectors represented only 5.4 percent, 4.4 percent, and 3.5 percent, respectively, of the City’s total employment in 1999.

The City’s payroll increased from about \$1.6 billion in 1991 to about \$2.0 billion in 1998, or about \$336.0 million in nominal dollars. When the City’s payroll is adjusted for inflation, the purchasing power of payroll in the City has increased by about \$97.6 million in constant 2000 dollars or 5.0 percent from 1991 to 1998. Government had the biggest payroll, followed by Retail and Educational Institutions. In constant 2000 dollars the payroll for Governmental Agencies was the largest of all sectors in



1998, or a total of about \$636.8 million. This was followed by the Retail sector at about \$240.7 million. Manufacturing had a total payroll of about \$89.4 million. In constant 2000 dollars, the average annual salary per worker has increased only slightly, from \$28,590 in 1991 to \$30,218 in 1998.

The highest average annual salary was in the Utilities sector at an average \$49,323 annually, followed by the Government sector at \$41,196. Other Services and Business Services have lower average salaries, with Retail salaries the lowest, at an average \$18,471 annually. Another economic consideration is the relative salaries generated by the different industries. Although the Retail sector had the second highest payroll during 1998, retail salaries are among the lowest salaries of all sectors. Selected categories within the Services sector, such as Education, Health and Engineering, and Management, can have higher average salaries than the Service sector as a whole suggesting that if the right mix of basic industries can be expanded or attracted to the City, there is the potential to increase average incomes in the local area.

Market Trends

The Inland Empire as a whole has undergone a tremendous transformation over the last 15 to 20 years and has become a major industrial center for Southern California. With most of the I-10 freeway corridor now becoming a mature market, commercial, and industrial developments are seeking locations farther east. San Bernardino is in a good position to take advantage of these market conditions with the City's access to the I-10, I-215 and I-15 freeways. Also, the extension of the Foothill Freeway from San Bernardino to La Verne will be completed within five years, providing significant east-west connections. This section addresses the trends in the retail, office, and industrial markets and their implications for San Bernardino.

1. Retail Trends

Although the City continues to attract retail dollars from neighboring communities, its position as a retail center has been declining. The loss of a large share of the City's employment base and corresponding disposable income due to the Norton Air Force base closure was a significant contributor to this decline. Increasing retail competition from newer regional centers, such as Ontario Mills, is also contributing to the erosion of San Bernardino's regional retail market base.

Inventory

As of mid-year 2000, the City had a total inventory of about 4.1 million square feet of leasable retail space. About 43 percent of this total inventory was comprised of community serving centers and neighborhood centers. The 29-year old Carousel Mall has over 1.0 million square feet and is the largest regional center in the City, followed by the 35-year old Inland Center at about 1.0 million square feet. Carousel Mall has lease rates ranging from \$18 to \$40 per square foot per year, while smaller centers have lease rates in the range of \$16 to \$25 per square foot per year.

Most of the City's centers were built from 1956 to 1989 and are in need of revitalization. Many of the City's strip centers are underutilized and many are in need of aesthetic enhancement. Major commercial corridors are in need of landscape and median improvements. As the overall image of the City slowly changes over time, it can become a highly sought after place to conduct business and invest.

Occupancy

Occupancy rates for properties larger than 85,000 square feet vary from 60 to 85 percent. Only the Tri-City Shopping Center and the University Valley Center reported occupancy greater than 87 percent.

Opportunities

Preliminary analysis indicates that the existing retail stock is over-built by about 400,000 square feet. However, the City is likely to be the focus of continuing interest by large value-oriented retailers such as Wal-Mart, Kohl's, and home stores such as Lowe's or Home Depot. The Sam's Club at Harriman Avenue and the I-215, adds about 250,000 square feet of additional retail space to the City. As a result of larger value-oriented stores, the existing retail developments will be highly vulnerable to new competition. Therefore, only marginal increases will occur in the total net volume of occupied retail space in the City of San Bernardino.

2. Office Trends

In the last few years the Inland Empire has started to emerge as a desirable location for office development. The primary thrust behind the region's growth has been the affordability of housing relative to Los Angeles and Orange Counties. In addition, continuing expansion of Ontario airport passenger traffic and the future potential of the San Bernardino International Airport and Trade Center make the area more attractive for

Characteristics of the Inland Empire and San Bernardino area markets as of 3rd quarter 2000 include the following:

- The Inland Empire market has added approximately 1.48 million square feet of space during 1995-2000 to reach a total rentable inventory about 13.5 million square feet;
- The San Bernardino sub-market (San Bernardino, Colton, Redlands and Loma Linda) had about 3.73 million rentable square feet as of the 3rd quarter 2000, and the City had about 3.03 million square feet;
- Average asking rent in the Inland Empire region is approximately \$1.45 per square foot per month as of the third quarter of 2000, compared to the San Bernardino sub-market, at \$1.42 per square foot.



office use, which generates and attracts business travel. Supportable space estimates indicate that the City of San Bernardino's office market is currently overbuilt. However, projected employment growth shows that the City could capture as much as 170,000 square feet annually over the next five years, particularly in the downtown.

Inventory and Absorption

The approximate volume of multi-tenant space located in the City of San Bernardino is about 3.03 million square feet. This does not include single use governmental space. About 551,300 square feet of this total is vacant resulting in an overall vacancy rate of 18.2 percent. As of the 3rd quarter 2000, about 530,000 square feet of office space was under construction, all of which was in the Airport area and the Riverside area.

The demand for office space in the Inland Empire is expected to remain strong as the neighboring office markets of Los Angeles and Orange Counties continue to tighten. As of the 3rd quarter of 2000, the San Bernardino sub-market had absorbed about 268,000 square feet of the 550,000 total square feet absorbed in the Inland Empire region, or about 49 percent of the total.

Opportunities

A net new demand of about 850,000 square feet of new office space is forecasted in the City. Opportunities for office development will be primarily in the downtown area with infill and mixed commercial development, as well as lower-density office park type development in the northern part of the City along the I-215 corridor or adjacent to California State University, San Bernardino (CSUSB).

3. Industrial Trends

As a shortage of industrial space is occurring in Orange County, the Inland Empire has experienced a large number of firms taking advantage of available land at affordable prices relative to other markets. Industrial space absorption in the Inland Empire has therefore remained strong. The area around the junction of the I-15 with the I-10 and Route 60 freeways is now reaching capacity and space costs are beginning to rise. As a result, industrial developers and manufacturing clients are now increasing their activity further east. The City of San Bernardino is benefiting from this trend.

Inventory and Absorption

The total Inland Empire market inventory was approximately 215.9 million square feet as of the third quarter of 2000. The San Bernardino/Redlands submarket contained about 11.8 million square feet or about 5 percent of the regional total. About 9.5 million square feet of the San Bernardino/Redlands submarket was located in the City of San Bernardino. The City of San Bernardino had a vacancy rate of about 4.8 percent, lower than the San Bernardino/Redlands submarket of 6.0 percent and the region’s 7.1 percent.

The majority of the new industrial space constructed in the Inland Empire during the year 2000 was comprised of speculative projects, which accounted for about 63 percent of the total new buildings. As of the 3rd quarter of 2000, about 6 million square feet was pre-leased, and about 40 percent of the new tenants were from outside the Inland Empire.

Opportunities

The City could absorb about 400,000 square feet of industrial space annually over the next four years, with the capacity to accommodate about 2.0 million square feet by the end of the planning period. Mattel, Stater Brothers, Pep Boys, and Kohl’s all constructed warehouse distribution centers near the airport. The larger parcels of land in northwest part of the City that have frontage along the I-215 Freeway could attract warehouse-distribution and light manufacturing firms. For instance, the Southeast Industrial Park (265,000 square feet) has space for infill development.

Alliances between the City and educational/health institutions will be an effective tool to attract high technology and medical manufacturing firms to the City. In addition, The San Bernardino International Airport and Trade Center (SBIA) represents a prime opportunity for industry and economic growth.

Characteristics of industrial market trends in San Bernardino include:

- About 49 firms and agencies have located in the City from 1994 to 1999, bringing 5,500 new jobs into the economic base (San Bernardino Economic and Community Profile);
- As of 3rd quarter 2000, there was about 9.5 million square feet of industrial space, or about 80.1 percent of the total San Bernardino/Redlands market, located in the City of San Bernardino;
- The City has a low vacancy rate of 4.8 percent when compared to the sub-market area’s 6.0 percent, as well as to the Inland Empire average of 7.1 percent; and
- Industrial rents are about \$3.56 per square foot per year (NNN) and are slightly lower than the regional average of \$3.83 per square foot per year (NNN). Triple net (NNN) refers to a lease requiring the tenant to pay, in addition to a fixed rent, the expenses of the property such as taxes, insurance, and maintenance.



GOALS AND POLICIES

The following presents the goals and policies for economic development in the City of San Bernardino Planning Area:

Business Retention, Growth, and Attraction

The current market activity in San Bernardino provides numerous opportunities for the benefit of both regional and local residents. Pursuit of these opportunities can involve expansion of current activity, intensification/consolidation of existing active areas and facilities, and development of selected areas and facilities.

Goal 4.1 Encourage economic activity that capitalizes upon the transportation and locational strengths of San Bernardino.

Policies:

- 4.1.1 Proactively seek out and retain businesses that create jobs and generate sales tax revenue.

- 4.1.2 Proactively seek out and retain businesses that are suited for our market, including:
 - a. Attracting industrial and manufacturing users.
 - b. Attracting commercial passenger and air cargo business.
 - c. Pursuing airport development with a focus on transforming the area into a commercial aviation center with ancillary industrial and warehouse facilities.
 - d. Attracting non-polluting, light manufacturing and assembly uses to industrial infill and buffer sites. Examples include high value printing and publishing, light packaging etc.
 - e. Attracting industries/firms that require rail transportation, transportation-related industries, warehousing, and similar uses.
 - f. Seeking collections of unique retailers/"outfitters" that can maintain market draw and sustain regional

reputation (e.g. "mountain-related stores"; trucking training; information centers; etc.). (E-5)

4.1.3 Integrate long-range plans as outlined in the 2002 ten-year master-development agreement for the San Bernardino International Airport and Trade Center (SBIA) as part of the City's overall revitalization efforts.

4.1.4 Diversify the industrial use mix with a balance of warehousing/ distribution, manufacturing, and research and development uses.

Goal 4.2 Retain and expand the City's Government/Public Office cluster uses.

Policies:

4.2.1 Maintain strong intergovernmental relations with public sector agencies to be up to date with their needs.

4.2.2 Capitalize on the government, courthouse, and similar public sector uses in the City to attract and retain dependent employment sectors.

4.2.3 Attract public sector tenants to occupy historic/adaptive reuse projects. (E-5)

4.2.4 Revitalize and improve downtown streetscapes to attract new users and retain existing users. (CD-1)

Goal 4.3 Continue and expand the City's marketing and promotional campaigns.

Policies:

4.3.1 Market industrial vacancies and new opportunity sites in the City to maintain occupancies at a level higher than the regional average.

4.3.2 Develop marketing programs to establish an awareness of the opportunities and programs in each Strategic Policy Area (see Land Use Element).



- 4.3.3 Improve public rights-of-way along commercial corridors to attract new business and encourage existing retail outlets to remain in San Bernardino. (CD-1)
- 4.3.4 Establish a marketing program to promote the attributes of the City in order to attract new businesses and encourage existing businesses to remain in San Bernardino, with special emphasis on the following uses:
 - a. Office;
 - b. Retail;
 - c. Large-scale government agencies in downtown;
 - d. Medical offices;
 - e. Business services; and
 - f. Upscale housing. (E-6)

Goal 4.4 Attract businesses through an efficient improvement program.

Policies:

- 4.4.1 Provide the necessary public infrastructure to enable businesses to operate successfully and direct new businesses to areas that can adequately serve new uses. Prioritize and market improvements to allow development to anticipate the location and timing of infrastructure improvements.
- 4.4.2 Expand/invest in high-speed communications infrastructure to attract technology oriented users.
- 4.4.3 Implement and market streetscape improvement efforts to prepare for oncoming economic activities. (CD-1)

Goal 4.5 Identify and attract new employment types/land uses that complement the existing employment clusters and foster long-term economic growth.

Policies:

- 4.5.1 Focus on developing the export-oriented economic capacity of the City, which includes 'production businesses' (i.e., manufacturing and service firms). (E-5)

- 4.5.2 Maintain and enhance commercial regional cores and economically sound community-serving commercial concentrations by attracting new regional outlets, maintaining the existing regional retail base, and stabilizing the future regional retail base.
- 4.5.3 Expand the City’s industrial base and manufacturing-related employment through public improvements, community events, and marketing efforts.
- 4.5.4 Expand, through business attraction and local business development, private sector export activity. (E-5)
- 4.5.5 Attract high-technology businesses to the City, focusing on Loma Linda University Medical Center, a research university with some interest in technology and transfer and commercialization. (E-5)
- 4.5.6 Capitalize on the unique educational and research assets of the City by facilitating growth of technology businesses and related industry around California State University, San Bernardino (CSUSB). This would include the potential business/tech park that would abut CSUSB. This facility would serve as a new economic and employment hub in the north end of the City. (E-8)

Goal 4.6 Establish employment sectors that support business growth.

Policies:

- 4.6.1 Identify specific clusters of economic activity to target for recruitment (e.g. seek additional public and proprietary educational institutions and technology education). (E-5)
- 4.6.2 Attract federal and private training center functions to the SBIA, including aerial forest fire suppression, regional air marshal’s training; airlines flight crew training; law enforcement aircraft operations training; etc. (E-5)
- 4.6.3 Develop a program to retain and attract services that interact with governments, (e.g. legal offices; accounting/auditing firms; design and engineering firms; finance-insurance, real estate services firms; etc.). (E-7)



4.6.4 Market existing and attract new hosting capacities for business/public events, which are thematically different from those in Ontario. (E-6)

Goal 4.7 Build on the Health Care clusters to attract and retain related employment sectors.

Policies:

4.7.1 Work with area educational institutions to expand medical technology education and training programs. Identify programs and facilities funding sources to commit to such training. (E-8)

4.7.2 Attract medical specialties (biomed; biotech; medical devices; etc.) to capitalize upon needs of the Loma Linda Medical Center. (E-5)

4.7.3 Implement strategies in the Community Hospital Opportunity Area as identified in the Land Use Element.

Goal 4.8 Build on Transportation clusters to attract and retain dependent employment sectors.

Policies:

4.8.1 Examine opportunities to capitalize on the City's train and distribution uses as well as the historic Santa Fe Depot and its Metrolink Passenger Services.

4.8.2 Fund key surface transportation improvements including new interchanges along 1-215 and access from the 1-10 to the San Bernardino International Airport and Trade Center along Waterman, Mountain View, Tippecanoe, and Mill.

Goal 4.9 Prevent retail sales leakage and recapture regional retail expenditure through key sectors.

Policies:

4.9.1 Monitor and strive to capture an increasing percentage of the day-to-day regional shopping needs of the resident population. (E-3)

- 4.9.2 Proactively attract and provide incentives to developers and tenants that draw retail sales from the broader region.

Redevelopment and Revitalization

Redevelopment Areas

To maintain and enhance its quality of life, the City of San Bernardino has focused on economic revitalization in a variety of ways. The City continues to maintain a redevelopment program that is comprised of ten Project Areas throughout the City, as shown on Figure ED-1, City Redevelopment Areas, and described as follows:

1. Central City North Plan

Adopted August 6, 1973

Total gross acres: 278

Central City North, a mixture of retail, commercial, restaurants, professional services, and single-family residences, is generally located east of the I-215 freeway, west of Arrowhead Avenue, south of 8th Street, and north of 4th Street. Since its adoption, various developments have occurred such as:

- Senior housing facilities;
- California Theatre;
- Main library branch;
- Stater Bros Central City Plaza;
- Social Security Offices;
- Administrative offices for the City Unified School District;
- Community College District;
- Renovation and remodel of the 60-year old California Theater, home of the Civic Light Opera and Inland Empire Symphony Association;
- Cinema Star Luxury Theaters at Fourth and "E" Streets;
- Central Police Facility that allows police staff, communications and jail facilities to be consolidated into one location; and
- An eleven-story consolidated office tower and parking garage for the State Dept. of Transportation (Caltrans).



2. Central City Projects Plan

Adoptions:

Meadowbrook - August 22, 1958

Central City - March 27, 1965

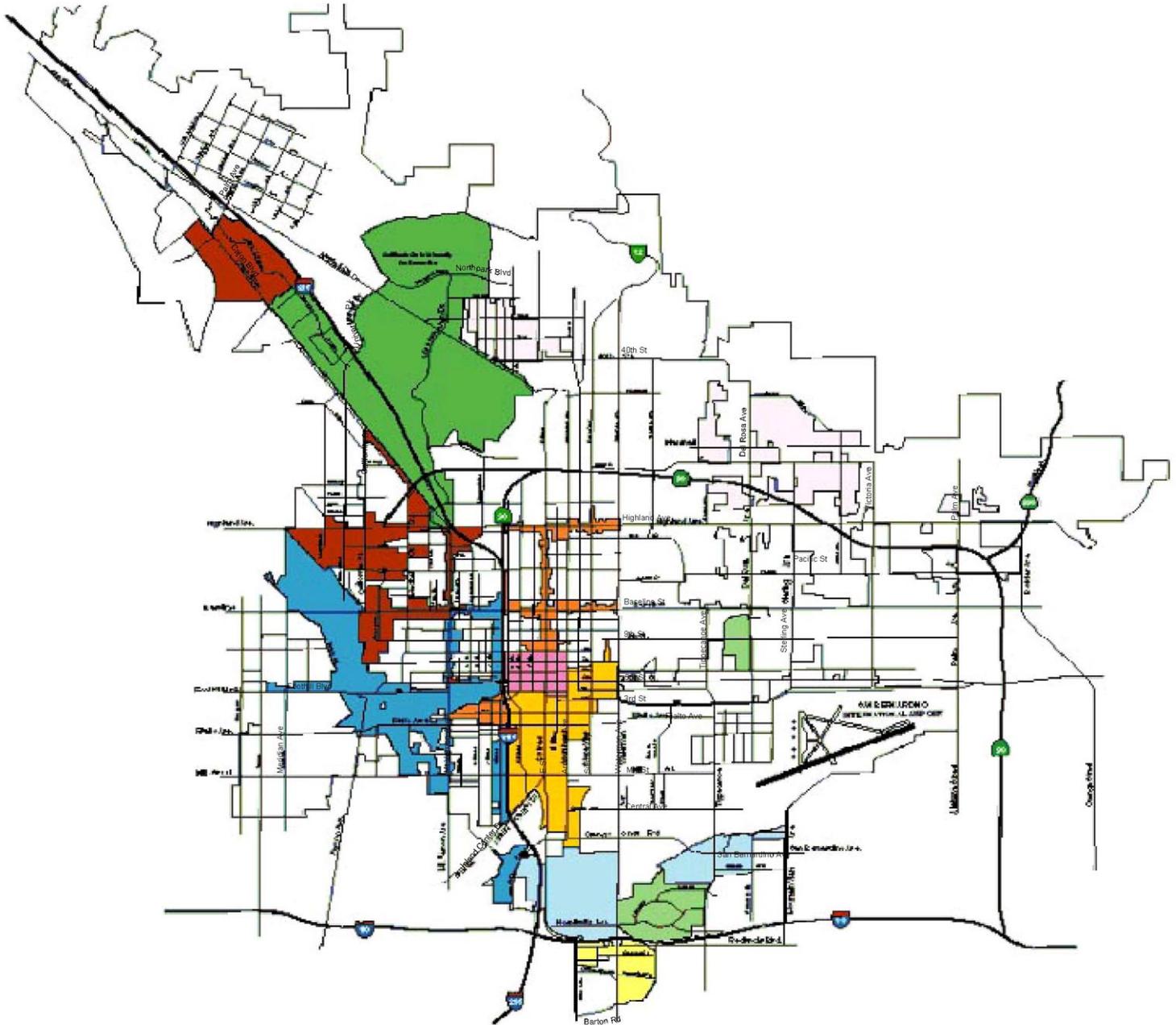
Central East - May 3, 1976

Central City South - May 3, 1976

Projects merged in 1983 - Total gross acres: 1,008

Central City Projects is the combination of three redevelopment Project Areas: Meadowbrook/Central City, Central City East, and Central City South. This Project Area is generally located east of I-215, north of Orange Show Road, south of 7th Street, and west of Waterman Avenue. Developments include:

- Administrative offices for federal, state, county, and City departments;
- Seccombe Lake State Urban Park (55-acres);
- National Orange Show with 136-acre fairgrounds, which is host of the Annual Citrus Fair & Music Festival, provides a variety of exhibit & convention facilities and a stadium with race track;
- Court Street Square at the corner of Court & "E" streets with its covered outdoor stage provides a site for a variety of public oriented activities such as music concerts, arts & crafts, stage theater performances;
- American Sports University;
- Arrowhead Credit Union Park, a 5,000 seat facility, home to the Inland Empire 66ers (Class "A" farm team for the Dodgers); and
- The Inland Center mall.



- Central City Projects
- Central City North
- Central City West
- State College
- Southeast Industrial Park
- Northwest
- Tri City
- South Valley
- Uptown
- Mt. Vernon Corridor

- City Limits
- County areas within city limits



Source: City of San Bernardino Economic Development Agency



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3. Southeast Industrial Park

Plan Adopted: June 21, 1976

Total gross acres: 870

Southeast Industrial Park, located in the southeast quadrant of the City, is divided into two sections:

- The 520-acre western area is located adjacent to the I-10 and I-215 freeway interchange and west of Waterman Avenue. This area offers a mix of professional office complexes, a restaurant row, a hotel with convention facilities and various motels, retail, commercial, and light industrial groups; and
- The 350-acre eastern area that is generally zoned for light industrial uses and has airport, I-10 freeway, and rail access, making it ideal for distribution and manufacturing facilities. This area is generally located west of I-215 and east of Auto Plaza Drive.

Developments include:

- E Street sewer main replacement;
- Industrial and office buildings; and
- Self storage buildings.

4. Northwest

Plan Adopted July 6, 1982

Total gross acres: 1,500

Located in the northwest quadrant of the City, this Project Area is generally west of I-215 and north of Foothill Boulevard. The Northwest Project Area focuses on industrial uses and commercial corridors along portions of Highland Avenue, Baseline, Medical Center Drive, and Mt. Vernon Avenue. Major employers within the area include San Bernardino Community Hospital and the Westside Shopping Center. Developments include:

- Alere Distribution (872,000 square feet on 50 acres); and
- Pacific Coast Steel (76,000 square foot manufacturing facility).



5. South Valle

Plan Adopted: July 9, 1984

Total gross acres: 289.3

The South Valle redevelopment project is located south of the I-10 freeway, on either side of Redlands Boulevard, within the very southern portion of the City limits. Ideal for commercial and light industrial, South Valle is within the sphere of two commercial and industrial centers. The project has I-10 and I-215 freeway access and rail service. A transcontinental truck terminal is also located adjacent to the project at the southwest corner of Hunts Lane and Redlands Boulevard. Developments include:

- Hardin Marine; and
- Redlands Boulevard Pavement Rehabilitation.

6. Tri-City

Plan Adopted: June 20, 1983

Total gross acres: 378

Located in the southeast section of San Bernardino, this Project Area includes Hospitality Lane and is generally bound by Tippecanoe Avenue on the east, Waterman Avenue on the west, I-10 on the south, Brier Drive on the north. The Tri-City redevelopment Project Area is divided into Subareas I and II as follows:

- Subarea I is 95 acres in size, is located west of Del Rosa Avenue and north of Sixth Street to Baseline, and is designated for residential development.
- Subarea II consists of 283 acres and is located east of Waterman Avenue, west of Tippecanoe Avenue, and north of the I-10 freeway. Subarea II contains the Tri-City Corporate Center and Hospitality Lane, which provide a mix of office, retail, commercial, restaurant uses.

Developments include:

- Hampton Inn (105 room hotel); and
- ITT Tech (41,700 square foot educational facility).

7. State College Plan

Adopted April 27, 1970

Total gross acres: 1,800

This Project Area is located within the northwest sector of the City and is generally located north of the 30 Freeway and east of I-215. The State College Plan area consists of single & multi-family residential, open space, recreational, commercial, and industrial land uses. Developments include:

- Adjacent to I-215 freeway and University Parkway is the 350-acre State College Business Park. Access to the I-215 and I-15 freeways and the A.T. & S.F. and Union Pacific railroads makes the park an ideal location for distribution and manufacturing facilities.
- The campus of California State University San Bernardino is located near the foothills of the project; and
- Shandin Hills Golf Course creates an attractive entrance to the City.

Developments include:

- Lowe's Retail Center; and
- Sun Newspaper (55,000 square foot office building).

8. Central City West Plan

Adopted February 17, 1976

Total gross acres: 4

Located at the northeast corner of Fifth Street and Mount Vernon Avenue, Central City West Plan is an area long recognized as the gateway to the upper Mt. Vernon Avenue retail and commercial district. Historically this intersection has been the westerly turning point for Highway Route 66 and a major intersection for traveler movement toward many inter-city and intra-city destinations. The area reflects early Spanish motifs and architectural styling, with open space, along with tile roofs and concreted plaza areas, and has enhanced the entire area. Developments include:

- Don's Drug Store (façade improvements); and
- Esperanza Ranch Market (façade improvements).



9. Uptown

Plan Adopted: June 16, 1986

Total gross acres: 432

Located within the central section of San Bernardino, the Uptown redevelopment Project Area encompasses the business corridors of "E" Street, Baseline, and Highland Avenues and includes much of the City's service and retail business sectors. The majority of the City's small to mid-sized medical clinics, dental offices, laboratories, and related services are either in or adjacent to the Project Area. This redevelopment area is located adjacent to the Metrolink Commuter Station and Amtrak Train Depot and includes properties bounded by Mt. Vernon Avenue, King Street, Rialto Avenue, and the I-215 freeway. Developments include:

- Santa Fe Depot Planning;
- 100,000 square foot Retail Warehouse; and
- 9th Street Pavement Rehabilitation.

10. Mt. Vernon Corridor

Plan Adopted: June 25, 1990

Total gross acres: 1,938

The Mt. Vernon Corridor redevelopment Project Area comprises a portion of the City that was once a dominant and representative expression of the City's cultural history. This Project Area is generally located east of I-215, north of the City limits, and south of Highland Avenue. The Project Area includes:

- Commercial uses along main thoroughfares such as Mt. Vernon Avenue and Foothill Boulevard
- Public flood control lands in the northwest portion of the plan, west of the I-215 freeway, and north- westerly of Orange Show Road/Auto Plaza Drive.
- A combination of commercial, industrial, residential and public land uses with residential uses predominately located along the west side of the I-215 freeway between Fifth Street and Baseline.

Developments include:

- La Plaza Park Fencing and Lighting; and
- Renovation of Mt. Vernon Avenue Bridge.

Inland Valley Development Agency

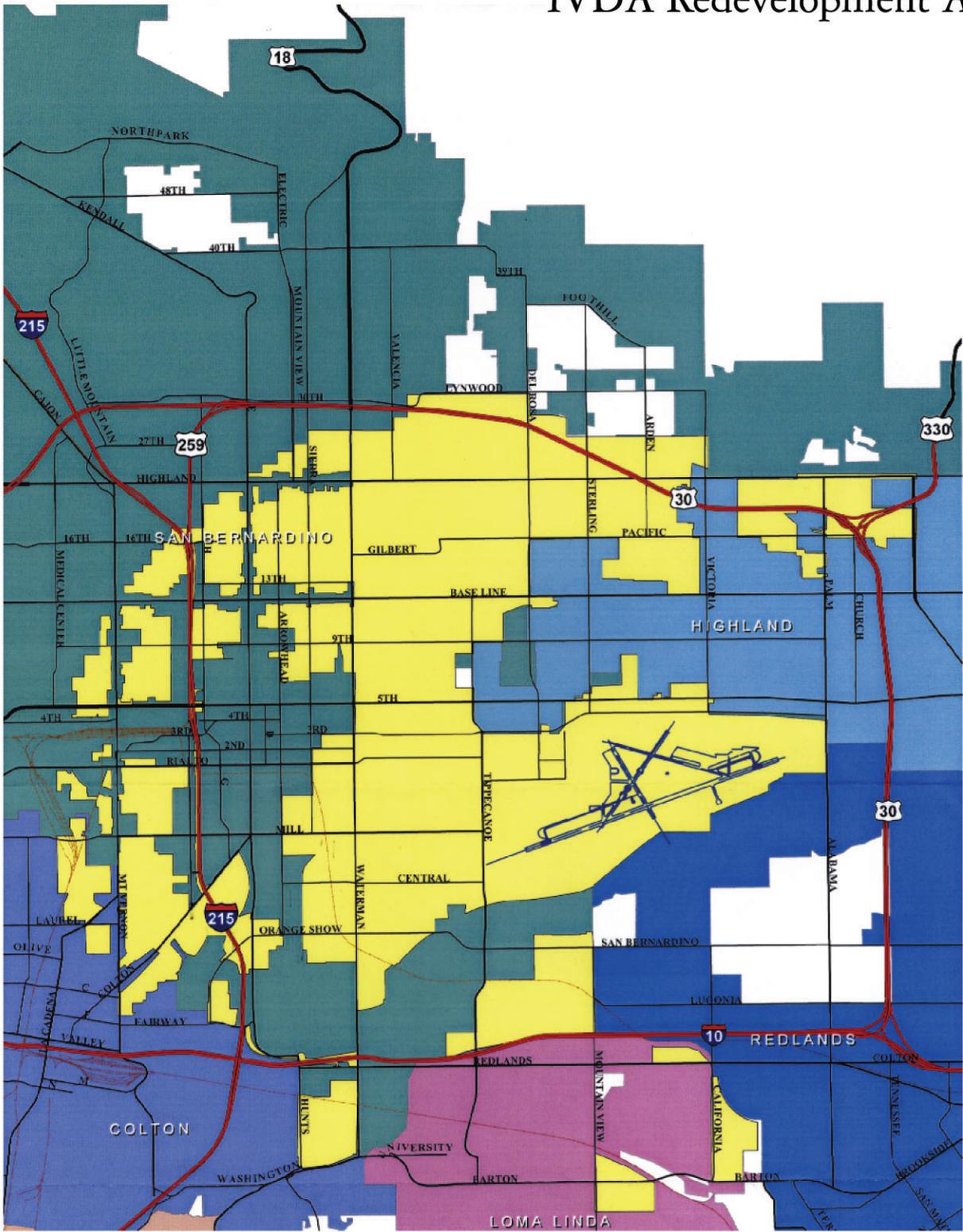
The Inland Valley Development Agency (IVDA) is a regional Joint Powers Authority formed in 1990 to redevelop the San Bernardino International Airport and Trade Center properties and replace the 10,000 jobs that were lost when the Norton Air Force Base closed in 1994.

Along with the San Bernardino International Airport Authority (SBIAA), the IVDA serves as master developers of the 2,100 acres of the San Bernardino International Airport and Trade Center. In addition to the Airport property, the IVDA redevelopment project area includes approximately 14,000 acres in a three-mile radius of surrounding property outside the base, as shown on Figure ED-2.



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IVDA Redevelopment Areas



 Inland Valley Development Agency Redevelopment Areas





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Other Economic Development Efforts

The Economic Development Agency also implements the City's Economic Development Strategy. This strategy includes aggressive business promotion and consulting services focusing on business retention attraction and expansion services for new or existing businesses by providing resources in technical assistance, financial assistance, and development permit assistance.

The Business Support Network (BizNet) was developed in partnership with San Bernardino Valley Community College, California State University, San Bernardino, the Inland Valley Manufacturer's Council, and the San Bernardino Area Chamber of Commerce to assist local businesses with potential for significant growth and job creation.

Through the implementation of the Economic Development Strategy and supplemental business development tools such as BizNet, the City is positioning itself to become a premiere location in the Inland Empire to conduct business. By reinvigorating business investment into the community, the City will also foster redevelopment and revitalization of areas that have been under utilized for extended periods of time.

Goal 4.10 Optimize existing redevelopment project areas to identify and prioritize development opportunities.

Policies:

- 4.10.1 Utilize all available redevelopment agency/City tools to revitalize and enhance strategic areas of the City. (E-1, E-2, E-3, and E-4)
- 4.10.2 Market the City and proactively attract users by:
- Concentrating on the Southeast Industrial Park in the near term to attract high value employers.
 - Attracting high value industrial/R&D uses to develop the Northwest and the State College (west of I-215).
 - Enhancing Downtown as a Public/Government sector core.
 - Seeking development opportunities to the west of I-215 in the vicinity of the Santa Fe rail depot.
 - Promoting revitalization of the Carousel Mall Downtown through a mixture of land uses, such as additional office and mixed-use space.



- Considering expanding uses adjacent to the Arrowhead Credit Union Park to include uses such as a Stadium Business Park office complex or a parking structure.

Goal 4.11 **Ensure fiscal viability in order to provide a high level of services to the community and finance capital projects.**

Policies:

- 4.11.1 Address the availability of new financing sources to supplement the primary revenues for both capital facility costs and ongoing operations and maintenance costs. (E-1)
- 4.11.2 Expand opportunities by encouraging an appropriate mix of revenue-generating land uses to maintain a competitive edge and a strong sales tax base.
- 4.11.3 Continue to maximize opportunities that generate taxable sales in targeted growth areas.
- 4.11.4 Annually evaluate the City’s overall fiscal performance through a monitoring program that tracks the City’s annual retail and non-retail taxable sales performance.
- 4.11.5 Determine the need for a fiscal impact analysis as part of the Development Review process. The purpose is to provide input into assessment of overall impact of development activities and to determine potential costs to the City. (E-1)
- 4.11.6 Monitor the fiscal impact of the mix of development proposals and activity on an annual basis to determine which or what kind of activities, if any, should be encouraged or delayed (according to their net positive or negative fiscal impact).

Workforce Development – Job Promotion, Training, and Career Education

Many of the local schools and universities have mentor and training programs as part of their available curriculum. These programs can be expanded and enhanced to generate a skilled workforce that will remain in the community as long as employment opportunities are available. Creating reciprocal relationships with the City’s workforce population, major institutions, and educational facilities that provide training programs can foster reinvestment into the community by those that live and work there. Identifying the skills of the City’s current workforce can also help to define the types of uses that should be attracted to the City.

Goal 4.12 Positively define and capitalize on available workforce skill capabilities to attract new employers.

Policies:

- 4.12.1 Define and market the regional labor force in areas within commuting distance from San Bernardino.
- 4.12.2 Attract large employers with bilingual labor force needs and modest skills. Examples include Call Centers and Billing Centers.
- 4.12.3 Provide tax incentives and technical assistance to encourage home-based businesses/offices.
- 4.12.4 Promote bilingual capacities of the resident labor force as an asset.

Goal 4.13 Partner with the existing educational institutions to effectively deliver job training programs to residents.

- 4.13.1 Identify training and labor force needs of oncoming employment sectors.
- 4.13.2 Provide vocational training opportunities to the resident labor force in conjunction with the San Bernardino Valley College and CSUSB. (E-8)



- 4.13.3 Pursue development of joint incubator projects sponsored/ fostered by CSUSB, San Bernardino Valley College, and private entities. (E-8)
- 4.13.4 Partner with CSUSB to create an endowment and attract funds towards the formation of an engineering school. (E-8)

Recreational, Cultural, Entertainment, and Educational Activity Areas

Recreational, cultural, entertainment, and educational opportunities have the potential to create a draw to the City of San Bernardino. Highly publicized events such as the Route 66 Rendezvous help to convey a positive image of the City and should be capitalized upon.

Goal 4.14 Enhance, maintain, and develop recreational, cultural, entertainment, and educational facilities within the City.

Policies:

- 4.14.1 Continue and expand educational, cultural, recreational, and supporting uses at California State University, San Bernardino and San Bernardino Valley College.
- 4.14.2 Seek and attract uses that foster a high level of evening activity (e.g., theaters and restaurants).
- 4.14.3 Attract uses that complement and intensify the Convention Center in downtown San Bernardino, including expanding convention facilities, hotels, restaurants, theaters, and similar uses.

Goal 4.15 Expand on historic and the natural assets to attract recreational visitors.

Policies:

- 4.15.1 Stimulate hotel occupancies to achieve performance consistent with the regional market through marketing efforts and public improvements.

- 4.15.2 Continue to promote 'identity-building' events such as 'Route 66', 'Citrus', etc.
- 4.15.3 Promote the Santa Fe Depot District as a destination with easy connections via the Metrolink.
- 4.15.4 Build on the 'Gateway to the Mountains' theme to attract overnight visitors.
- 4.15.5 Allow and encourage the intensification of recreational uses at The National Orange Show, connecting it with the surrounding area and expanding allowable uses on the site (e.g. conference center, water feature).



The annual Route 66 Rendezvous has created as an economic stimulant for the San Bernardino region through tourism.



The Orange Pavilion at the National Orange Show. Source: National Orange Show Website



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