



COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)



SAN BERNARDINO COUNTY

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ECONOMIC DEVELOPMENT

ADMINISTRATION

(CEDS Annual Update)

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1. EXECUTIVE SUMMARY

San Bernardino County's Five-Year Comprehensive Economic Development Strategy (CEDS) was finalized during May 2017. Formal approval by the U.S. Economic Development Administration (EDA) staff established San Bernardino County and 24 cities as eligible for EDA disaster recovery, public works, planning and technical assistance funding. This third Annual Update report keeps San Bernardino County and its cities in compliance with EDA requirements to describe the changing regional socioeconomic conditions, measure progress made implementing local economic development initiatives, and adjust the Five-Year CEDS Plan as needed.

SOCIOECONOMIC TRENDS

San Bernardino County's pace of job growth slowed down in 2019 to a 1.53 percent annual growth rate. Only 11,800 new jobs were created in 2019 after 19,400 new jobs were created in 2018. However, San Bernardino County continues to expand jobs faster than Southern California's job growth rate (1.23 percent) and California's job growth rate of 1.45 percent.

The County's per capita personal incomes of \$40,040 amounts to only 69.2 percent of incomes earned throughout the Southern California region and 63.0 percent of incomes earned throughout the State. Although San Bernardino County incomes are relatively low, the income growth trends shifted in a positive direction during 2019, as San Bernardino County income gains exceeded the income gains made throughout Southern California and the State.

Lastly, San Bernardino County's population growth rates exceeded the state or regional rate of population growth in 2019, but population growth significantly slowed down in the county, region and State. In a rare occurrence San Bernardino County added only 9,000 new residents while 66,000 people left the Southern California region. It was the first year in decades that the region experienced a population decline that was driven by people leaving Los Angeles and Orange Counties.

PROJECT SELECTION CRITERIA

The economic development initiatives described in the Five-Year CEDS were selected based on three criteria:

- Initiatives that required public private partnership with the public sector funding infrastructure improvements such as new roadway interchanges, water and sewer line extensions, storm drain improvements, flood control and other similar improvements.
- Initiatives that could benefit from federal assistance.
- Willingness and interest of individual cities to include the initiatives in the CEDS.

Privately funded economic development initiatives that do not require public assistance were not included in the CEDS. Housing development projects were also not included even if they were mixed use with a minor commercial component. No cannabis industry projects are included in the CEDS because the federal government will not support cannabis business operations.

METHODOLOGY

In-person interviews with San Bernardino County Staff and the economic development staff of all 24 cities were completed for the Five-Year CEDS. Thirteen cities described economic development initiatives that should be incorporated into the CEDS. The other 11 cities did not identify any economic development initiatives that match the project selection criteria. The Annual Report update relied on email correspondence and telephone interviews with local government staff that identified the progress made implementing various economic development initiatives.

LOCAL ECONOMIC DEVELOPMENT ACCOMPLISHMENTS

Progress continued to be made implementing the various local economic development initiatives in San Bernardino County.

- Ongoing progress was made implementing 13 projects that were initially included in the Five-Year CEDS Report.
- Three projects will be removed from future CEDS reports because they were fully implemented or priorities shifted.
- Six projects were added as new initiatives.
- The Cities of Needles and Grand Terrace decided to participate in the CEDS by adding new project initiatives.
- Thirteen projects languished and made no progress because of lack of funding or shifting local priorities.

City of Hesperia

Due to lack of funding no progress was made implementing Hesperia's six economic development initiatives that ranged from water and sewer extension, road widening and bridge widening initiatives.

Town of Apple Valley

Project Jupiter that is an initiative to attract a new distribution facility is fully implemented. The project will be removed from future CEDS reports.

Apple Valley has now added a new project to attract High Speed Rail service that will eventually connect downtown Los Angeles with Las Vegas. The city in partnership with a private company proposes to build a new rail station on an undeveloped site. The Phase 1 development will connect the High Desert to Las Vegas.

City of Victorville

Slow steady progress was made to implement the Victorville's three economic development initiatives, which are to 1) Attract investors to construct new airplane hangars, 2) develop parcel J at the old SCLA golf course and 3) revitalize old town.

Victorville has now added a fourth initiative that was conceptualized in 2019 to develop a new Hydrogen Production Facility at the SCLA. The proposed project will upgrade the utility system to improve the production and distribution of electricity that will be needed to attract new business tenants.

City of Twentynine Palms

Project Phoenix proposes to improve the infrastructure needed to develop a 30,000-square-foot multi-purpose public building at the City Center. An architect was hired to design the multi-purpose facility and the City continued the civil engineering work required to implement the project during 2019.

City of Barstow

Barstow continued to make progress implementing two economic development initiatives. The third project described below languished due to the difficulty of attracting private investment.

- Efforts to upgrade the Wastewater Treatment Plant moved forward as the city funded an engineering study to design a secondary treatment expansion of this plant.
- Efforts to expand the Barstow Outlet Center moved forward as the property owner installed a new \$5 million sign with a large 10-story high Las Vegas style LED screen that has helped attract additional customers.
- The Spanish Trail Enhancement Initiative proposes infrastructure improvements to support 800,000 square feet of commercial and residential development. Project implementation requires transferring the land to a developer, which has languished due to an inability to attract private investment.

City Needles

- The City of Needles added three economic development initiatives to the CEDS Annual Report update.
- The Needles Highway Improvement Project proposes to rehabilitate this major two-lane highway that runs through the city.
- The proposed City Sewer and Culinary Water Improvement Project will support the expansion of sanitary sewer service and new development to the North Needles Area.
- The Park Moabi 69 KV Line Extension project will support the extension of electrical service along the Colorado River for additional visitor serving activities.

City of Big Bear Lake

Progress was made implementing the Moonridge Road Corridor infrastructure Improvements that are intended to facilitate more commercial and residential uses within the project area. The engineering design plans were completed in late 2019 and City Staff met several times with business owners to refine aesthetic elements that will be incorporated into the final construction plans. The project is now “shovel ready.”

City of Yucaipa

- Very little progress was made to implement the proposed Yucaipa Innovation Center Facility that will focus on entrepreneurial development, workforce training, and business innovation. The City of Yucaipa continued project support discussions with developers, builders and other State officials but the project remains conceptual at this time.
- Some progress was made with efforts to develop the new Yucaipa Freeway Corridor Business Park by extending infrastructure services to a 50-acre business park on a vacant land site located along Interstate 10. The city secured a SCAG grant to cover the costs of amending the Freeway Corridor Specific Plan. This plan amendment will be needed to expand the acreage of the Business Park land use district.

City of San Bernardino

Efforts to revitalize or redevelop the former downtown Carousel Mall have languished as various development agreements have fallen through since 2017. The City made some progress by releasing an RFQ for the Downtown Mixed-Use Development Opportunity during the summer of 2019 and is moving forward to negotiate with two new teams of developers.

City of Rialto

The City Council changed priorities in 2019 by discontinuing efforts to develop the Advanced Transportation and Logistics Analytical Center (ATLAC) and the Community Based Education and Training Resource Center that would become part of the ATLAC facility. These two projects will no longer be included in future CEDS Annual update reports.

It is unknown how much progress was made to transform the former 1,500-acre Rialto Airport into a business center following a strong 2018 when the city attracted a second Amazon fulfillment center, substantially completed a 460,000 square foot retail center, commenced the construction of a 900,000 square foot industrial park, and entitled land to construct a 135-room hotel.

City of Colton

- Efforts to develop 870 homes and new business space on the 1,400-acre Pellissier Ranch site moved forward in 2019 as infrastructure improvement plans were developed and a new sewer line was installed along Agua Mansa Road.
- A proposal to widen the Mount Vernon Bridges that crosses over the Santa Ana River will assist the free movement of vehicles and people that is necessary to enhance the north/south access across the rail yard and the river. This project moved forward in 2019 as funding was secured.
- A proposal to replace the existing two-lane bridge with a four-lane Agua Mansa Road and a fourteen-foot median move forward as the project is under consideration for funding in conjunction with the Inland Valley Development Authority, a JPA of which Colton is a member.
- The city made no progress implementing the Hub City Health Care Innovation Center in 2019.

City of Highland

It is unknown what progress Highland made in 2019 to implement two economic development initiatives that are briefly described below.

- An effort to extend water, sewer and storm drain services to the Highland Industrial Area, and
- An effort to revitalize the Historical District that includes the city's original town site along with pack houses built along the railroad and the commercial core on Palm Avenue.

City of Grand Terrace

The City included a new project in the CEDS, which is the approved Gateway Specific Plan that will allow for the development of commercial and residential mixed uses combined with recreational open space on 131-acres located north of Grand Terrace High School and along the eastern side of I-215. The Specific Planning process is moving forward and should be completed in late 2020 or early 2021.

City of Rancho Cucamonga

After many years of planning, design and construction, the Rancho Cucamonga Municipal Utility (RCMU) was finally able to expand the City's Broadband System and offer Fiber in 2019. The RCMU is ready to serve some of the fastest internet speeds available in the city.

Continued progress was made in 2019 to implement the Empire Yards Specific Plan. The City's private sector partner explored the potential to develop the project area and added a non-profit affordable housing developer team. The City also worked closely with an adjacent property owner to begin master planning street connections into and around the project area to provide the framework for transit-oriented development around the transit station.

City of Fontana

- Efforts to implement the Ventana at Duncan Canyon Specific Plan moved forward in 2019 as a city-own 90-acre site was sold to a developer who will market the site for commercial and residential development.
- It is unclear what progress was made implementing the Downtown Area Plan in 2019.

BENCHMARKS AND PERFORMANCE MEASURES

Data is available to measure progress made toward accomplishing four of San Bernardino County's regional economic development goals.

ED Goal #1: Job Creation

Job growth slowed down in San Bernardino County, the Southern California region and the entire State during 2019. However, the pace of San Bernardino County's job growth is still more robust than the region or the state.

ED Goal #2: Create Jobs for Residents Seeking Employment

Labor force participation rates went up and unemployment rates went down as the national, state and regional economy continued to improve during 2019. At the same time job growth slowed down, which means that existing employers have actually hired previously unemployed workers.

ED Goal #3: Increase Household Incomes and Wages

Per capita personal income in San Bernardino County lags significantly behind incomes earned throughout Southern California and the entire State. The gap of incomes earned by residents of San Bernardino County, the region and state widened between 2016 and 2018. However, the trends reversed in 2019 when income growth in San Bernardino County exceeded the income gains in the region and state.

ED Goal #4: Improve Educational Attainment and Workforce Training

San Bernardino County performs lower than the State of California on educational attainment measures. A higher percentage of county adults did not graduate from High School. San Bernardino County adults are way behind the percentage of California adults that have earned four-year college degrees. However, San Bernardino County adults have earned higher rates of Associates Degrees than adults throughout California.

That said, San Bernardino County's educational attainment trends are slowly moving in the right direction. The percentage of adults that did not graduate from High School declined between 2015 and 2019. The percentage of adults that earned an Associate's Degrees and Bachelor's Degrees increased during the past four years.



ECONOMIC RESILIENCE

San Bernardino County did not experience any large-scale natural or manmade disasters or sudden and acute shocks to the economy such as large earthquakes, wildfires, flash floods, long-term drought, disease outbreaks, mass shootings, or a new financial crisis. A few relatively small extreme weather or man-made events occurred in 2018 that were managed with existing resources.

A slow moving and expanding trade war with China is a significant international event that could negatively impact San Bernardino County's economy. The economy is very reliant on the shipment and distribution of imported goods through the Ports of Long Beach and Los Angeles. Trade wars that raise the costs of shipping will slow down international trade with China, potentially affecting the movement and distribution of goods through San Bernardino County.

2. INTRODUCTION AND APPROACH

WHAT IS A COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)?

San Bernardino County's Five-Year Comprehensive Economic Development Strategy (CEDS) was finalized in May 2017. Formal approval by the U.S. Economic Development Administration (EDA) staff establishes San Bernardino County, the 24 cities and other local government special districts are eligible to pursue EDA disaster recovery, public works, planning, and technical assistance grants.

The Five-Year CEDS is also a strategic planning document that can focus priorities and improve collaborations between local government partners, facilitate the improvement of public and private partnerships, and assist with efforts to strengthen and diversify San Bernardino County's economy. The CEDS report describes the regional economic development goals and objectives, the strengths, weaknesses, opportunities and threats to San Bernardino County's economy and a plan of action to bring the public and private sectors together to diversify and strengthen the regional economy. An approved Five-Year CEDS report also supports efforts by any local government jurisdiction that pursues sources of federal funding not directly connected to EDA.

WHAT IS THE ANNUAL UPDATE REPORT?

The Annual Update report keeps San Bernardino County, its cities and other local government entities in compliance with EDA requirements to adjust the Five-Year CEDS Plan as needed.

CEDS ANNUAL PLANNING PROCESS

Preparation of this report relied on email correspondence and telephone interviews with local government stakeholders who provided updates on the 2019 progress that each city made to implement the projects included in the Five-Year CEDS, which are documented in this report.

3. SOCIOECONOMIC TRENDS

Three indicators identify some significant socioeconomic changes in San Bernardino County during 2019. The county continued to add new people, but the rate of growth slowed down from the historically high growth rates. Surprisingly, the number of people residing in the Southern California region actually declined in 2019. The pace of job growth also slowed down in San Bernardino County, the region and the State. At the same time household incomes significantly improved with income gains stronger in San Bernardino County than in the surrounding region and state.

3.1 DEMOGRAPHIC TRENDS

San Bernardino County's population expanded very little during 2019 while the Southern California region actually lost population and population growth stagnated in California. These demographic changes that occurred prior to the pandemic are quite surprising as it is a very rare year for Southern California to experience a net loss of people. Although San Bernardino County gained 9,000 new people, the rate of growth was down from the 2018 net gain of 15,400 people. Some more specifics:

- Data released by the California Department of Finance indicates that 2.18 million people live in San Bernardino County as of January 1, 2020.
- The county experienced a net gain of 9,000 new people during the calendar year 2019, which amounts to a 0.4 percent growth rate compared to the historic annual population growth rate of 0.7 percent between 2011 and 2018.
- The county's population growth rate slowed down this past year from the 2018 net gain of 15,400 people.
- Despite the slowdown San Bernardino County's population growth still exceeds the State of California's growth rate that expanded by only 0.1% in 2019.
- For the first time in memory the Southern California region actually lost people. More than 66,000 people left Southern California during 2019, which represents a net loss of 0.3 percent. The region's population losses were fueled by a net loss of people in Los Angeles, Orange and Ventura Counties.

3.2 JOB GROWTH TRENDS

The pace of job growth in San Bernardino County also slowed down in 2019 but the slow down extended throughout the Southern California region and the entire State of California. Below are some updated findings:

- San Bernardino County's pace of job growth slowed down by 39 percent between 2018 and 2019. Only 11,760 new jobs were created in 2019 compared to 19,400 new jobs created during 2018.
- The slow-down of job growth was more rapid in San Bernardino County than was job growth in the Southern California region or the entire State of California. The pace of new job growth declined by 39 percent in San Bernardino County compared to a 35 percent decline throughout Southern California and a 26 percent decline for the entire state.
- Southern California's pace of job growth significantly slowed down in 2019 with 118,200 new jobs compared to 182,700 new jobs created in 2018.
- California's pace of job growth also slowed down with 255,000 new jobs created in 2019 compared to 345,000 new jobs created in 2018.

3.3 INCOME TRENDS

Household incomes in San Bernardino County have historically lagged behind incomes earned throughout the Southern California region and the State of California. However, past trends changed in 2019 as the county's income gains exceeded the pace of gains in the region and state. Summary findings are described below.

- San Bernardino County's per capita incomes were at \$42,040 in calendar year 2019, which amounts to 69 percent of Southern California's income of \$61,060 in 2019 and 63 percent of California incomes that were \$66,620.
- Between 2016 and 2018 inflation adjusted incomes expanded much more rapidly in California and the Southern California region than in San Bernardino County. The county's annual income gains expanded by only 0.8 percent during the three-year period compared to Southern California's annual income gains of 1.4 percent and California's annual income gains of 1.9 percent.
- Income trends completely reversed during 2019 when San Bernardino County incomes expanded by 2.9 percent compared to 2.4 percent throughout Southern California and 2.7 percent for the entire State. San Bernardino County has now started to catch up with the regional and state incomes earned.
- 2019 was a very good year for income gains in the county, region and state as significant income gains were made well above the historical trends.

4. SWOT ANALYSIS

San Bernardino County's strengths, weaknesses, opportunities and threats (SWOT) were originally described in the 2017 Five-Year CEDS. Changes that have occurred during the past few years are incorporated into the updated 2019 SWOT analysis.

STRENGTHS

- Unparalleled freeway infrastructure.
- Strategic location supporting the Southern California goods movement industry.
- Home to major railways such as BNSF and Union Pacific.
- Large, available workforce of 967,700 people.
- Presence of extensive training programs for logistics workers.
- Cultural diversity.
- Seven publicly funded Community College campuses.
- The presence of four year colleges that include California State University, San Bernardino and the Loma Linda School of Medicine.
- Good hospitals and health care facilities.
- Great school systems in some communities.
- Outstanding tourism destinations that include Big Bear Lake, Lake Arrowhead, Joshua Tree National Park, the Mojave National Preserve and other natural area destinations.
- Young County with a median age of 32 years old.
- Consumer purchasing power serving 22.3 million Southern California residents.
- Home to 3 International Airports – Ontario International Airport, San Bernardino County International Airport and Southern California Logistics Airport in Victorville.

WEAKNESSES

- The unemployment rate dropped to 3.8%, which is close to full employment making it challenging to expand the job base without recruiting workers from out of the area.
- Negative self-image.
- Wages earned by area residents are only 63% of state average and 69% of regional (Southern California) average.
- Language barriers among some workers affect job readiness for higher paying occupations.
- Low school performance in some communities.
- Slow adoption of training programs for career advancement potential.
- Brain drain among young, skilled and educated workers seeking new career opportunities elsewhere.
- A business mix that generates a high percentage of low wage jobs.
- Water delivery, wastewater treatment and other infrastructure deficiencies with no clear mechanisms to fund improvements.

- Significant flood control and storm drainage deficiencies.
- Traffic congestion in general and at specific interchanges.
- Inadequate passenger rail service.
- Lack of staff capacity to implement local economic development initiatives.
- Lack of corporate headquarters reduces the business commitment to the region.

OPPORTUNITIES

- Potential water conservation, renewable energy and new technology business development opportunities.
- Creative and less costly solutions to flood control and storm drainage systems.
- Potential to create denser urban mixed use environments that encourage walkability and public transit.
- Potential expansion of the health care industry.
- Opportunities to match workforce readiness efforts with the skills required by established employers.
- Potential to capture some of the air cargo traffic away from LAX.
- Renewable energy development potential.
- A possible new high speed rail service that connects Apple Valley with Los Vegas, and an eventual extension to Union Station in downtown Los Angeles.

THREATS

- Depleted funding sources to expand infrastructure systems that deliver potable water, wastewater treatment, flood control, storm drains and roadway improvements.
- Resumption of drought forcing additional water supply restrictions.
- Potential of new economic downturn or recession caused by an unexpected event such as a pandemic.
- Continued low educational attainment in K-12 and higher education levels.
- Ongoing job displacement created by automation, robotics and other labor saving technologies. Ongoing brain drain of skilled engineers and other professionals.
- Difficulty attracting the young and creative workforce.
- Growing health issues (i.e. asthma and mental illness) from pollution and poor air quality.
- Widening gaps of income distribution and wages earned.
- National political instability.
- Continued degradation of San Bernardino County's environment and natural ecosystem.

5. ECONOMIC DEVELOPMENT GOALS

The Five-Year CEDS identified seven regional economic development goals that cut across San Bernardino County's jurisdictional boundaries. The economic development goals listed below are still relevant and no changes are needed at this time.

- Goal #1: Expand Job Creation.
- Goal #2: Improve Employment Opportunities for Local Residents Seeking Employment
- Goal #3: Increase Household Incomes and Wages
- Goal #4: Improve Educational Attainment and Workforce Training
- Goal #5: Improve Backbone Infrastructure
- Goal #6: Support Funding to Improve Backbone Infrastructure
- Goal #7: Encourage Sustainable Development

6. LOCAL ECONOMIC DEVELOPMENT ACCOMPLISHMENTS (2019)

The information below describes the progress made implementing San Bernardino County's local economic development initiatives in 2019. The initiatives described below are compiled from 15 cities and 11 other cities did not identify any economic development initiatives to be tracked.

6.1 ECONOMIC DEVELOPMENT ACCOMPLISHMENTS IN HIGH DESERT COMMUNITIES

Hesperia, Apple Valley, Victorville, Twentynine Palms, Barstow and Needles have ongoing economic development initiatives that are included in this section of the CEDS Annual Report. Yucca Valley and Adelanto have not included any economic development initiatives.

City of Hesperia

The 2017 CEDS included six infrastructure improvement projects that are intended to attract business, expand employment reduce traffic congestion.

2019 Implementation Progress

No progress was made to implement Hesperia's projects due to lack of funding.

Town of Apple Valley

Project Jupiter that was included in the Five-Year CEDS has been fully implemented and removed from the annual CEDS update reports.

A new project to develop a Rail station on an undeveloped site within the city limits could stimulate the establishment of High Speed Rail service between the High Desert region and Las Vegas. The site is planned to be a transit station and maintenance facility that accommodates other transit oriented development uses. Service would eventually be extended to Union Station in downtown LA.

2019 Implementation Progress

The 200-acre station and maintenance site has been secured. An economic impact study was completed that states the proposed project will contribute \$377 million to the area's economy during the next 10 years.

City of Victorville

Progress made implementing Victorville's three economic development initiatives are described below. A proposal to develop a new Hydrogen Production Facility that is intended to improve the adequacy and distribution of electrical power at the Southern California Logistics Airport (SCLA) has been added to the 2019 CEDS update as Victorville's fourth economic development initiative.

Economic Development Initiative #1

Attract private investment to construct new aviation hangars for companies engaged in logistics and aircraft repair.

2019 Implementation Progress

SCLA staff attended several conferences and tradeshows to make connections with potential investors and clients that may eventually attract new business tenants. SCLA also pursued efforts to attract developers that will invest in and construct new hangars able to accommodate large aircraft and commercial air operations.

Economic Development Initiative #2

Sell or develop the former golf course (Parcel J) at SCLA for new business tenants.

2019 Implementation Progress

Developing the former golf course (Parcel J) is constrained by the costs of grading, importing soil and constructing buildable pads on the site. SCLA staff has started to obtain bids and proposals for a preliminary grading plan that would accommodate the development of large distribution and manufacturing buildings and the truck traffic associated with new distribution activities.

Economic Development Initiative #3

Revitalize Old Town Victorville.

2019 Implementation Progress

The Old Town District was designated as an Opportunity Zone, which will provide investors with real estate development tax breaks.

Economic Development Initiative #4

Develop a hydrogen production facility to improve the production and distribution of electrical power within the SCLA.

2019 Implementation Progress

The Hydrogen Production Facility project was conceptualized in 2019 along with the need to upgrade the utility system.

City of Twentynine Palms

Project Phoenix proposes to improve the infrastructure needed to develop a 30,000-square-foot multi-purpose public building at the City Center. This facility will be used for recreation, cultural and/or special event space.

2019 Implementation Progress

The City continued the civil engineering work required to implement the project. An architect was also hired to design the multi-purpose facility during 2019.

City of Barstow

Economic Development Initiative #1

The Spanish Trail Enhancement Initiative proposes infrastructure improvements to support 800,000 square feet of commercial and residential development along the Route 66 segment of the Old Spanish Trail as it extends through the City of Barstow. The proposed improvements include pedestrian and bicycle pathways, benches, landscaping and a Visitors Center that will convey information about the history of the Old Spanish Trail.

2019 Implementation Progress

Extending an offer to transfer the land to a developer was negotiated with the State Lands Commission during 2019. Acquiring funds for the land transfer has slowed down implementation. The selected project developer continued to market the land and specific plan in an effort to attract an investment partner and complete the land transfer. The project developer also invested in land surveying, ALTA mapping and additional engineering and planning to develop the project area.

Economic Development Initiative #2

Upgrade the City's Wastewater Treatment Plant.

2019 Implementation Progress

The City of Barstow funded an engineering feasibility and design study for the secondary treatment expansion of this plant. Current engineering is underway studying the aerobic digesters and ways to rebuild and expand the capacity. The city also expanded the solids handling capacity of the plant with the addition of a second screw press and sludge bed widening.

Economic Development Initiative #3

Improve the water, sewer and storm drain infrastructure systems that are required to support the expansion of the Barstow Outlet Center.

2019 Implementation Progress

The Barstow Outlet Center installed a new \$5 million sign with a large 10-story high Las Vegas style LED screen with miles of visibility. The new sign located along the freeway has become a new area landmark that has attracted more customers to the Outlet stores. This new activity has expanded the demand for more commercial space at the outlet center.

City of Needles

Economic Development Initiative #1

The proposed Needles Highway Improvement Project, Phase 3, Segment "1B" (Project), will focus on rehabilitating and re-profiling 2.6 miles of the Needles Hwy, which is a major two-lane highway that runs through the city. The Project improvements include horizontal realignments, widening, pavement rehabilitation, adding passing lanes and left turn pockets, increasing signage and constructing shoulders.

2019 Implementation Progress

The city applied for a federal grant.

Economic Development Initiative #2

City Sewer and Culinary Water Improvement Project that will support the expansion of sanitary sewer service into the North Needles Area that will need additional storage to handle the anticipated new development.

2019 Implementation Progress

The city met with stakeholders who expressed interest in partially funding the extension of water and sewer service to the North Needles area.

Economic Development Initiative #3

Park Moabi 69 KV Line Extension that will support the electrical service along the Colorado River.

2019 Implementation Progress

Transmission System Study was completed for the expansion.

6.2 ECONOMIC DEVELOPMENT ACCOMPLISHMENTS IN EAST VALLEY COMMUNITIES

The Cities of Big Bear Lake, Yucaipa, San Bernardino, Rialto, Colton, Highland and Grand Terrace have ongoing economic development initiatives that are included in this section of the CEDS Annual Report. The Cities of Loma Linda and Redlands have not identified any initiatives to be included in the CEDS.

City of Big Bear Lake

The proposed Moonridge Road Corridor Infrastructure Improvements are intended to facilitate more commercial and residential uses within the project area. Infrastructure improvements along the Moonridge Road corridor will support new commercial development along with a redesigned roadway, bike lanes, sidewalks and trail gateways. More intensive development along the corridor will enhance the City of Big Bear Lake as a desirable winter and summer visitor destination.

2019 Implementation Progress

The engineering design plans for the Moonridge Road corridor improvements were completed in late 2019. No significant changes or challenges were encountered and the project is now “shovel ready”. Throughout 2019, the city met with business owners along the Moonridge Road corridor several times to refine aesthetic elements and included those specific refinements in the final construction plans.

City of Yucaipa

Economic Development Initiative #1

Establish a Yucaipa Innovation Center Facility that will focus on entrepreneurial development, workforce training, and business innovation.

2019 Implementation Progress

The City of Yucaipa continued discussions with developers and builders to secure participation in the project. The city also continued to work with State officials to ensure that the proposed project components will meet Sustainable Communities Grant application objectives and requirements.

Economic Development Initiative #2

The Yucaipa Freeway Corridor Business Park Improvement project will extend access to water and wastewater treatment services that will help attract new business to the 50-acres of vacant land site located along Interstate 10 adjacent to the Live Oak Canyon Road interchange. A lift station will need to be installed along with 2,500 feet of gravity line. Water service delivery will require the installation of a water tank.

2019 Implementation Progress

The city secured a SCAG grant to cover the costs of amending the Freeway Corridor Specific Plan that will be needed in order to expand the acreage of the Business Park land use district. In addition, the Business Park land use designation was expanded to include an additional 48 acres.

City of San Bernardino

The city’s ongoing effort to redevelop the Former Downtown Carousel Mall has taken a number of twists and turns as various development agreements have fallen through for various reasons since 2017. The city intends to repurpose the site by taking advantage of its excellent location along 2nd Street adjacent to Interstate 215.

2019 Implementation Progress

The City of San Bernardino released an RFQ for the Downtown Mixed-Use Development Opportunity during the summer of 2019. The City is now moving forward to negotiate with two teams of developers.

City of Rialto

Rialto invested significant resources to redevelop and replace its former airport with a new business center. It is unclear what progress was made on this initiative in 2019. The City Council discontinued two other projects that were former economic development priorities, and these projects will not be included in future CEDS Annual update reports.

Economic Development Initiative #1

Continue Infrastructure Improvements at the former Rialto Airport.

2019 Implementation Progress

The city made significant progress redeveloping and attracting new business to the former Rialto Airport during 2018. However, it is unclear if and what accomplishments were implemented in 2019.

Economic Development Initiative #2

Develop an Advanced Transportation and Logistics Analytical Center (ATLAC) that will track and coordinate goods movement shipments from the Ports of Los Angeles and Long Beach into and out of the Inland Empire. This project is conceptual, but the initial planning phase is underway. The ATLAC will provide real time tracking of goods movement shipments from the Ports of Los Angeles and Long Beach into and out of the Inland Empire. The time of use data will help optimize the existing transportation infrastructure and implement congestion management pricing. The project may also include installation of high-speed fiber optic cables to accelerate transmission of data to users.

2019 Implementation Progress

The City Council discontinued the project in October 2019. The grant provided through CalOES was reallocated to develop a traffic management center that should proceed to be implemented in 2021. This project will be removed from future CEDS Annual update reports.

Economic Development Initiative #3

Expand and relocate the Community Based Educational and Training Resource Center to the proposed new ATLAC Facility.

2019 Implementation Progress

The City Council discontinued the ATLAC project as of October 2019. This project will be removed from future CEDS Annual update reports.

City of Colton

Progress made to implement Colton's four economic development initiatives are described below.

Economic Development Initiative #1

The proposed Hub City Health Care Innovation Center will create programs to advance public health education, engage in health care skills training, and provide facilities for the research and development of medical devices.

2019 Implementation Progress

The city made significant progress implementing this initiative in 2018 but no progress was made in 2019.

Economic Development Initiative #2

A proposal to extend the infrastructure services needed to support new development at the 1,400-acre Pellissier Ranch will allow for the development of 874 homes known as Roquet Ranch along with new job creating industrial uses. The area needs a new sewer lift station, gravity and force main sewer lines, water lines and expanded wastewater treatment plant capacity.

2019 Implementation Progress

Infrastructure improvement plans were developed in 2019 and a new sewer line was installed along Agua Mansa Road.

Economic Development Initiative #3

A proposal to widen the Mount Vernon Bridges that cross over the Santa Ana River will assist the free movement of vehicles and people that is necessary to enhance the north/south access across the rail yard and the river. The proposed project will widen two separate bridges that are located very close together that will better connect two major retail areas.

2019 Implementation Progress

Funding was secured in 2019 and project implementation is proceeding.

Economic Development Initiative #4

The City proposes to replace the existing two-lane bridge with a four-lane Agua Mansa Road and a fourteen-foot median. Widening of the road to accommodate traffic through one of Colton's last remaining industrial areas will attract industrial job-creating uses to this area.

2019 Implementation Progress

The proposed project is under consideration for funding in conjunction with the Inland Valley Development Authority, a JPA of which Colton is a member.

City of Highland

Progress made to implement Highland's two economic development initiatives are described below.

Economic Development Initiative #1

Extending water, sewer and storm drain services to the Highland Industrial Area will encourage the expansion and attraction of new industrial and business-park uses to the Highland Industrial area. This corridor can benefit from the momentum created by the multi-phased industrial development occurring adjacent to the San Bernardino International Airport.

2019 Implementation Progress

The city made significant progress acquiring a portion of the infrastructure improvement funding during 2018. However, it is unclear what progress was made in 2019.

Economic Development Initiative #2

Revitalize the Highland Historic District that includes the city's original town site along with pack houses built along the railroad and the historic commercial core on Palm Avenue. Many of the old buildings burned down, but the historic character of the district remains, presenting an opportunity to create a new destination for a mix of business, commercial, entertainment and residential destination. Project is still conceptual, but the vision now includes streetscape improvements.

2019 Implementation Progress

Minimal progress was made in 2018 and it is unclear what progress was made in 2019.

City of Grand Terrace

The City approved a Gateway Specific Plan that will allow for the development of commercial and residential mixed uses combined with recreational open space on 131-acres located north of Grand Terrace High School along the eastern side of I-215. The project area is also located just east of the \$105 million Barton Road Interchange project. The proposed project will create a new major arterial that connects Commerce Way with Taylor Street. This new 4-lane divided road alignment is projected to be an alternative to Michigan Avenue that will reduce traffic, noise and congestion on existing city streets.

2019 Implementation Progress

The Specific Planning process is moving forward and should be completed in late 2020 or early 2021.

6.3 ECONOMIC DEVELOPMENT ACCOMPLISHMENTS IN WEST VALLEY COMMUNITIES

The Cities of Rancho Cucamonga and Fontana have ongoing economic development initiatives that are included in this section of the CEDS Annual Report. The Cities of Loma Linda and Redlands have not identified any initiatives to be included in the CEDS.

City of Rancho Cucamonga

Progress made to implement Rancho Cucamonga's two economic development initiatives are described below.

Economic Development Initiative #1

Expand the City's Broadband System that is owned and operated by the Rancho Cucamonga Municipal Utilities (RCMU). The city owned conduit and cable covers only 10 percent of the city, leaving large areas of empty space available to serve. A broader network of publicly owned broadband provides the City with the flexibility to offer lower costs and better service than Verizon, AT&T, Comcast and other corporate broadband service providers. Some new business prospects have found alternative locations away from Rancho Cucamonga because the existing service providers lacked the capacity to expand broadband service.

2019 Implementation Progress

After many years of planning, design and construction, RCMU was finally able to offer Rancho Fiber in 2019. They are ready for businesses and to serve some of the fastest internet speeds available in Rancho Cucamonga. King's Fish House inside the Victoria Gardens Shopping Center signed up as the first official Rancho Fiber customer in October 2019 where they are currently getting one gigabit per second (1 GBps) internet service.

Economic Development Initiative #2

Implement the Empire Yards Specific Plan that allows the area surrounding the Metrolink Station to be redeveloped with a mix of new housing, retail, a theater, a school and a parking structure. Utility poles must be realigned in advance of implementing the Specific Plan.

2019 Implementation Progress

Continued progress was made in 2019. The City's private sector partner explored the potential to develop the project area and added a non-profit affordable housing developer team. The City also worked closely with an adjacent property owner to begin master planning street connections into and around the project area to provide the framework for transit-oriented development around the transit station. Finally, the City began investigating a range of transit-supportive and transit-complementary uses for the planning area, including office, education, and a range of housing options.

City of Fontana

Progress made to implement Fontana's two economic development initiatives are described below.

Economic Development Initiative #1

Implement the Ventana at Duncan Canyon Specific Plan that allows for the development of a master planned mixed-use community that includes an outlet mall, entertainment center, Class A Office buildings and a full service hotel. Implementation of the Specific Plan would help transform the vacant and underutilized sites into a high-quality "destination" type development along the I15 Freeway.

2019 Implementation Progress

The city-own 90-acre site was sold to a developer to implement the specific plan in 2019. The developer will continue to market this site for commercial and residential development.

Economic Development Initiative #2

Implement the Downtown Area Plan that presented a vision of how downtown Fontana can be transformed into a more walkable, transit friendly destination. The Downtown Area Plan will be added to the General Plan update.

2019 Implementation Progress

It is unclear what progress was made implementing the Downtown Area Plan in 2019.

7. BENCHMARKS OF PROGRESS

The benchmarks described below document the progress made toward accomplishing the regional economic development goals recognizing the lack of current socioeconomic data.

ED Goal #1: Job Creation Benchmarks

The California Employment Development Department most recent data indicates that San Bernardino County's job growth slowed down to 1.5 percent in 2019, which is down from the 2018 growth rate of 2.2 percent and the 2017 growth rate of 3.5 percent. This job growth slow-down has occurred throughout the Southern California region and the State. Job creation indicators from 2017 to 2019 are listed below (data rounded).

- San Bernardino County total jobs – 782,100 (2019); 770,300 (2018); 752,460 (2017)
- Private sector jobs – 643,600 (2019); 641,200 (2018); 624,100 (2017)
- Total Jobs Created – 11,800 (2019); 19,400 (2018); 25,360 (2017)
- Total Private Sector Jobs Created – 2,400 (2019); 14,290 (2018); 21,650 (2017)
- San Bernardino County Job Growth Rate – 1.53% (2019); 2.58% (2018); 3.5% (2017)
- Southern California Job Growth Rate – 1.24% (2019); 1.94% (2018); 1.5% (2017)
- California Job Growth Rate – 1.45% (2019); 2.00% (2018); 2.0% (2017)

ED Goal #2: Create Jobs for Residents Benchmarks

Labor force participation rates are going up and unemployment rates are going down as the national, state and regional economy continues to improve. At the same time job growth slowed down, which means that existing employers have actually hired previously unemployed workers. Labor market indicators are listed below.

- San Bernardino County Labor Force Participation Rates – 44.4% (2019); 44.2% (2018); 44.1% (2017); 43.6% (2016).
- Southern California Labor Force Participation Rate – 48.7% (2019); 48.1% (2018); 48.3% (2017); 48.1% (2016).
- California Labor Force Participation Rate – 48.8% (2019); 48.5% (2018); 48.5% (2017); 48.5% (2016).
- San Bernardino County Unemployment Rate – 3.8% (2019); 4.0% (2018); 4.9% (2017); 5.8% (2016)
- Southern California Unemployment Rate – 4.0% (2019); 4.2% (2018); 4.6% (2017); 5.1% (2016)
- California Unemployment Rate – 4.2% (2018); 4.6% (2017); 5.0% (2016)

ED Goal #3: Increase Household Income Benchmarks

Per capita personal income in San Bernardino County lag behind incomes earned throughout Southern California and the entire State. The data indicates that the gap of incomes earned by residents of San Bernardino County, the region and state widened between 2016 and 2018. However, the income trends reversed in 2019 when income growth in San Bernardino County exceeded the income gains in the region and state. Income indicators are listed below.

- Per Capita Personal income earned in 2019 – San Bernardino County (\$42,040); Southern California (\$60,550); California (\$66,620).
- Ratio of incomes earned in San Bernardino County compared to the Southern California region – 69.4% (2019); 69.2% (2018)
- Ratio of incomes earned in San Bernardino County compared to the State of California – 63.0% (2019); 63.1% (2018)
- Inflation adjusted per capita personal income gains (2016- 18) –San Bernardino County (0.8%); Southern California (1.4%); California (1.9%).
- Per Capita Personal Income Gains (2019) – San Bernardino County (2.9%); Southern California (2.4%); California (2.7).

7.4 GOAL #4: IMPROVE EDUCATIONAL ATTAINMENT BENCHMARKS

- San Bernardino County performs lower than the State of California on educational attainment measures. The latest data from 2019 indicates that:
 - 20.5 percent of San Bernardino County adults did not graduate from High School compared to only 17.1 percent of California residents.
 - San Bernardino County adults are way behind the percentage of California adults that have earned four-year college degrees. Only 20.3 percent of county adults earned a Bachelor’s Degree or higher compared to 33.3 percent of California adults.
 - However, San Bernardino County have earned higher rates of Associates Degrees than adults throughout California (8.3 percent compared to 7.8 percent).

San Bernardino County’s educational attainment trends are slowly moving in the right direction.

- The percentage of adults that did not graduate from High School fell from 21.4 percent during calendar year 2015 to 20.5 percent in 2019.
- The percentage of adults that earned an Associate’s Degree increased from 8.1 percent during calendar year 2015 to 8.3 percent in 2019.
- The percentage of adults that earned a Bachelor’s Degree increased from 19.0 percent during calendar year 2015 to 20.3 percent in 2019.

¹ Headwaters Economics is the data source.

7.5 GOAL #5: IMPROVE BACKBONE INFRASTRUCTURE BENCHMARKS

No data is available to measure progress made to improve San Bernardino County's backbone infrastructure. Measuring progress to improve backbone infrastructure will require a ground up data collection effort since this type of information is not available on-line or via other secondary sources. Progress made delivering infrastructure improvements to properly zoned and available business sites should be documented and periodically updated. The infrastructure improvements in need of ground up documentation includes:

- Wastewater treatment improvements
- Storm drainage improvements to prevent periodic flooding
- Improvements in the availability of a clean and adequate water supply
- Roadway improvements that facilitate business expansion

7.6 GOAL #6: BACKBONE INFRASTRUCTURE IMPROVEMENT BENCHMARKS

No data is available to measure progress made to fund backbone infrastructure improvements, which will also require a ground up data collection effort since this type of information is not available on-line or via other secondary sources. Suggested benchmarks that can be tracked in the future are listed below.

- EDA Infrastructure Grant Applications and Awards of Funding
- Efforts to establish an Enhanced Infrastructure Finance District (EIFD) or Community Revitalization
- Investment Authority (CRIA) that will fund backbone infrastructure facilities
- Local or County Revenue Bonds Issued to Fund Infrastructure

7.7 GOAL #7: ENCOURAGE SUSTAINABLE DEVELOPMENT BENCHMARKS

No data is available to measure progress made with sustainable development initiatives. It will require a ground up data collection effort to measure progress made by local governments to plan and implement renewable energy, weatherization, agriculture, water conservation, smart growth land uses, and creative sustainable development projects since this type of information is not available on-line or via other secondary sources.

8. ECONOMIC RESILIENCY

A 7.1 earthquake and a series of aftershocks hit the small, unincorporated Town of Trona between July 4 and 12. Trona is located about 100 miles north of Barstow and at the western edge of Searles Lake southwest of Death Valley.

In order to respond to the earthquake impacts the Governor issued a State of Emergency proclamation that provided access to a variety of programs that are available from state and federal agencies to assist individuals, households, businesses, private non-profit organizations, local government agencies and special districts. They include:

- A Disaster Loan Outreach Center was established in Trona to manage the SBA loan program that allows businesses to borrow up to \$2 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory and other business assets.
- The SBA Economic Injury Disaster Loans were made available to help businesses access working capital needs regardless of whether the business suffered any property damage.
- The California Department of Tax and Fee Administration offers tax relief for property owners and business affected by the earthquake. Property owners that suffered damage to their real estate can apply for a reassessment of property value.

Fortunately, San Bernardino County experienced no additional large-scale disasters or sudden and acute shocks to the economy such as wildfires, flash floods, long-term drought, disease outbreaks, mass shootings, or a new financial crisis during 2019.

Going forward, a slow moving and expanding trade-war with China could negatively impact San Bernardino County's economy, which is very reliant on the shipment and distribution of imported goods through the Ports of Long Beach and Los Angeles. Trade wars that raise the costs of shipping will slow down international trade. Other disruptions in the globalized economy can also slow down the movement and distribution of goods that pass through San Bernardino County.

APPENDICES

HESPERIA ECONOMIC DEVELOPMENT INITIATIVES

City of Hesperia				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2018 PROGRESS	STATUS
Extension of Sewer Service to West of U.S. Highway 395	City would like to extend sewer lines from Mesa Linda to west of U.S. Highway 395 along Main Street. Currently, the closest sewer line is at Main Street and Mesa Linda east of the Oro Grand Wash. A lift station will be required to extend the sewer line under the wash.	\$35 million to extend sewer infrastructure to west of Highway 395. Funding sources are unknown.	City made no progress implementing this initiative.	City will continue to seek funding to extend sewer service to this significant industrial area at the juncture of two major transportation corridors. EDA funds may be pursued to assist with project implementation.
Interstate 15 Corridor Water and Sewer Improvements	<p>The City proposes to construct critical water and sewer infrastructure that will encourage development in and around the Rancho Road and I-15 Interchange. The project encompasses the construction of new sewer lines and lift stations due to ground elevations and challenges posed by the presence of the Union Pacific rail line. The extensions of water lines are also needed, requiring pump stations, a pressure reducing station, domestic water booster pumps and fire pumps.</p> <p>This project will support future commercial development of retail, entertainment and eateries, which is estimated to absorb more than 100 acres of vacant land.</p>	Estimated total project cost: \$24 - \$30 million	City made no progress implementing this initiative.	City will continue to seek funding for design and construction. EDA funds may be pursued to assist with project implementation.
3. Mariposa Road Widening Project	<p>The city proposes that Mariposa Road be widened to a minimum of three lanes, including turn pockets. Widening of this I-15 frontage road will relieve traffic congestion and open up new to be developed for a hospital or other commercial uses. It is expected traffic studies will show the future use will far exceed the capacity of the existing two-lane Mariposa Road.</p> <p>Interest has been expressed in building a hospital and medical office buildings adjacent to a widened Mariposa Road.</p>	Costs are unknown	City made no progress implementing this initiative.	City will study the potential to widen Mariposa Road.

HESPERIA ECONOMIC DEVELOPMENT INITIATIVES

City of Hesperia				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2018 PROGRESS	STATUS
4. Rancho Road Widening Project (Phase 3)	<p>The Rancho Road Widening Project is a partnership between the City of Hesperia and San Bernardino County that will widen a five-mile stretch of Rancho Road from two to four lanes between I-15 and the Phase 1 undercrossing at the BNSF Railway. The project would also include the construction a new bridge over the Southern California Aqueduct and widening of an at-grade railroad crossing.</p> <p>The Project will provide improved access to I-15, facilitate freight movement, and accommodate traffic for existing and planned commercial and residential development in the area. It will also alleviate traffic congestion on the adjacent I-15/Oak Hill Road and I-15/Main Street interchanges. This improvement will greatly enhance access to and from the southernmost east-west corridor through the City.</p>	<p>The widening of the roadway, Aqueduct Bridge and rail crossing, the final part of the three-phase Rancho Road Corridor Project, is expected to cost approximately \$35 million.</p>	<p>City made no progress implementing this initiative.</p>	<p>Funding improvements is a partnership with the City of Hesperia; San Bernardino County; the San Bernardino County Transportation Authority (SBCTA), from which approximately \$20 million already has been committed. Additional funding could be sought from private developers who want to build new residential and commercial space within the project area. Funding from EDA will also be considered.</p>
5. Main Street Aqueduct Bridge Widening	<p>The proposed project will construct a new clear span bridge adjacent to the existing bridge, accommodating three lanes of traffic in each direction.</p> <p>Proposed project will expedite freight movement, improve safety response times for emergency vehicles and improve storm water flow. This project will allow for further development of vacant land and job creation for commercial enterprises on the west side of the City.</p>	<p>The estimated costs are \$16 million.</p>	<p>City made no progress implementing this initiative.</p>	<p>Project is to be funded by a combination of Local Transportation Funding (Article 8) and other funding as available. Construction will be delayed until funding sources are secured.</p>
6. Sewer, Water and Street Improvements for the G Avenue Rail Park	<p>The City-owned rail lead track was completed in 2012, however, within this 110-acre Rail Park, two unimproved roads and wet utilities infrastructure are lacking which has prevented development by companies requiring rail service.</p> <p>This project will provide water and sewer infrastructure and complete street improvements to approximately 40 acres at the northernmost area of the rail park, and at the southernmost portion of the park, will provide complete street improvements as well as extend sewer service to another 40 acres.</p>	<p>Cost estimates for this project are \$2M.</p>	<p>City made no progress implementing this initiative.</p>	<p>Funding sources have not been identified. Potential funding from EDA will be considered.</p>

APPLE VALLEY ECONOMIC DEVELOPMENT INITIATIVES

Town of Apple Valley				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
Brightline High Speed Rail Station	Brightline West is a private company that has proposed to construct a High Speed Rail project that connects Union Station in downtown L.A. with Las Vegas. Phase 1 proposes to construct a station on an undeveloped 200-acre site located at the I-15 interchange at the Dale Evans Parkway exit. The site is planned to be a transit station, maintenance facility, and a future commercial and transit oriented development. During Phase 1 Brightline West passengers would drive to Apple Valley, park their cars and take the train to Las Vegas.	Project will be privately financed. Public funding that may be needed for infrastructure services or roadway improvements are unknown at this time.	The 200-acre station and maintenance site has been secured. An economic impact study was completed that states the proposed project will contribute \$377 million to the area's economy during the next 10 years.	The project is still in planning phase and may begin construction in 2021. Later phases of the project will extend the rail line from Victor Valley to Rancho Cucamonga and then to Union Station. The system will also connect to Palmdale during a later phase.

VICTORVILLE ECONOMIC DEVELOPMENT INITIATIVES

City of Victorville				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
<p>1. Attract Private Investors to Construct New Aircraft Hangars at the Southern California Logistics Airport (SCLA)</p>	<p>The Southern California Logistics Airport (SCLA) is an industrial airport with a mix of firms engaged in aircraft maintenance, flight testing, aircraft research and development, aircraft asset management and aircraft end-of-life cycle services. World-class aerospace service providers and tenants include The Boeing Company, General Electric, International Aerospace Coatings, ComAv, General Atomics and many others.</p>	<p>A 70,000 to 90,000 square foot hangar would cost approximately \$25 million to develop. Funding sources have not been identified.</p>	<p>In an effort to identify and develop partnership for the construction of new aircraft hangars, SCLA staff attended several conferences and tradeshow.</p> <p>These industry specific events allow SCLA staff to make connections with potential investors and clients who are expanding their operations while also marketing and branding the Airport's real estate assets and facilities. Although meetings and site tours were provided, identifying an investor that specializes in aircraft development and financing remains unidentified. SCLA continues to grow its tenant base by maintain almost 90% fully leased. The remaining facilities are in the process of being repaired to become available for leasing by an aerospace and aviation user. With ample space for expansion and more than 180,000 square feet leased in 2019, SCLA continues to pursue development of new hangars able to accommodate large aircraft and commercial operations.</p>	<p>The increase in demand for large hangars has affected SCLA's financial position. As the demand for hangar or building space exceeds the supply of space. SCLA is making as many repairs as possible and upgrades as it can financially support to the existing dilapidated structures. The condition of the buildings have deteriorated, but the lack of a private investor to develop new hangars has required SCLA to reserve funds from its operating budget in hopes of releasing a building for leasing in the upcoming years.</p> <p>The SCLA will be seeking financial assistance from the EDA to fund the building repairs for multiple existing facilities. The COVID-19 pandemic has caused many aircraft companies ground and redirects their aircraft fleet to perform essential maintenance repairs and upgrades. Several of SCLA's tenants such as ComAv, Boeing, and Keurig Dr. Pepper have all expressed their increased in operations and desire to obtain additional lease space to support expanded operations.</p> <p>While the SCLA is unable to finance the development of new hangars or buildings, it has determined that it may be able to meet its tenants immediate demand by making repairs to existing buildings that were scheduled for demolition.</p>

VICTORVILLE ECONOMIC DEVELOPMENT INITIATIVES

City of Victorville				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
2. SCLA's Parcel J at Former Golf Course site	The City has an opportunity to attract new industrial and logistics user if water, sewer and other infrastructure improvements can be implemented. New industrial and logistics tenants will complement airport operations and will provide jobs and revenue for city and other residents while expanding the City's economic base. The SCLA now has administration and operational oversight of the Former Golf Course site, which is approximately 158-acres. Funding opportunities are currently being sought out to improve local infrastructure services to the site or identify a user of the site where they can acquire and make necessary improvements.	The infrastructure improvement costs are unknown and funding sources have not been identified.	SCLA has contracted with a real estate broker but has struggled to identify a user or buyer for Parcel J that are concerned about the costs of grading and constructing buildable pads. SCLA staff has started to obtain bids and proposals for the preparation of a preliminary grading plan that would accommodate the development of large distribution and manufacturing buildings and the truck traffic associated with new distribution activities.	The site is zoned for industrial activity and can accommodate large distribution/warehouse facilities that have potential to create hundreds of jobs for the City of Victorville and the Victor Valley Region as sites in this size are in high demand. The City would like to explore options that include having the cost of grading covered to make the property more attractable to potential users. The SCLA anticipate discussing this project with the EDA in hopes of obtaining financial assistance in the cost for drafting a preliminary grading plan, grading and leveling of the property making for a highly valuable site when completed.
3. Old Town Revitalization Project	Victorville's 500 acre downtown is blighted and in need of revitalization to attract retail and service businesses and needed goods and services for local residents. Located on historic Route 66, a specific plan revision will address obsolete infrastructure and buildings. Revitalization of the downtown would be a dynamic business development tool and increase the local quality of life.	The costs of undergrounding the utilities and improving public infrastructure services in the downtown area are unknown as are sources of funding to make the improvements.	The Old Town District has been designated as an Opportunity Zone. As the purpose of these zones is to spur economic growth, this comes at a perfect time to pair with the already outlined Old Town Specific Plan.	The City will be releasing a Request for Proposals (RFP) at the end of 2020 for its City-owned properties where qualified affordable housing developers and teams can submit their concepts, project costs and pro-formas and experience in affordable housing development. The City will also attempt to identify financial investors who may be interested in creating an Opportunity Fund for the purpose of providing financial assistance to the selected developers of the RFP. Various promotional channels have been identified including social media, publications, and local news sources.

VICTORVILLE ECONOMIC DEVELOPMENT INITIATIVES

City of Victorville				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
4. Southern California Logistics Airport Hydrogen Production Project	<p>The Victorville Municipal Utility Services (VMUS) offers electrical and gas service for commercial and industrial customers located at the SCLA. World class companies and top employers of the Victor Valley Region that are highly dependent on VMUS for their competitive utility rates and high quality service.</p> <p>The SCLA and VMUS are in negotiations with a private company (StratosFuel) to develop a Hydrogen Production Facility that will reuse approximately 8 acres of former military bunkers.</p> <p>In order to facilitate the development of the Hydrogen Production Facility the SCLA will be required to incur the costs of demolition, grading, asphalt capping and soil clearance. However, the VMUS electrical distribution system is not capable to meet the demand of the Project and the services must be to meet the electrical demand of the project prior to the site clearance. Without this distribution upgrade, the Hydrogen Production Facility is unfeasible.</p>	<p>Phase 1: Cost related to upgrading the VMUS Distribution System for the StratosFuel Hydrogen Production Facility is estimated \$3 Million.</p> <p>Phase 2: Cost associated with the demolition of the military bunkers is \$400,000.</p>	The Hydrogen Production Facility project was conceptualized in 2019 along with the need to upgrade the VMUS utility system.	StratosFuel has received a \$2.5 million grant from the California Energy Commission to develop and manufacture fuel cells to power vehicles. Fuel cells have lower emissions than combustion engines and have no air pollutants that create smog and cause health problems at the point of operation.

CITY OF TWENTYNINE PALMS ECONOMIC DEVELOPMENT INITIATIVES

City of Twentynine Palms				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
Project Phoenix	Project Phoenix is a city initiative to construct public parking, infrastructure improvements along with an approximately 17,000-square-foot multi-purpose public building to be used for recreation, cultural and/or special event space on approximately 15 acres in the City Center.	The City has secured \$22M for the project from Tax Allocation Bonds (\$6.1 Million), a State Grant (\$6 Million), Proposition 68, the Parks and Water Bond Act of 2018 (\$2 Million), Rule 20A utility funding (\$1.6 Million) along with \$2 Million of City reserves, \$1.5 Million in road funding and \$2.8 Million of other miscellaneous funding.	During the calendar year 2019, the City continued the civil engineering work required to implement the project. The City hired an architect to design the multi-purpose facility.	The civil engineering and architectural design work should be completed in 2020.

CITY OF BARSTOW

City of Barstow				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Spanish Trail Enhancement Initiative	The Spanish Trail Infrastructure Enhancement project would fund the extension of water, sewer and storm drainage services to a 110-acre area where up to 800,000 square feet of new retail, a hotel, residential space can be developed. The initiative will also fund pedestrian and bicycle pathways, benches, landscaping and the Spanish Trail Visitors Center that will provide information about the history of the Old Spanish Trail, the City of Barstow and Route 66.	Phase 1 development of 55 acres will include a \$3.6 million developer contribution for the park, park & ride, and the interpretive center. The park, the visitor center and the Spanish Trail Interpretive Pathway is estimated to cost an additional \$1.5 million.	An extension on an offer to transfer the land to a developer was negotiated with the State Lands Commission. Acquiring funds for the land transfer has been the hold up. Developer is continuing to market the land and specific plan in hopes to attract a partner to raise the funds to complete the transfer. Developer has invested in land surveying and ALTA mapping as well as additional engineering and planning on the best way to bring the needed infrastructure to the site for development.	State Lands (on behalf of CALTRANS) is negotiating with the selected developer to implement Phase 1.
2. Upgrade Wastewater Treatment Plant	The City's wastewater treatment plant needs to be upgraded in order to support new business and residential growth and to deliver potable water to the parks and golf course. The original facility was built in 1968, and it was upgraded in recent years, but the demand for services continues to outpace the plant's capacity.	Costs of improvements are undetermined at this time	The City of Barstow funded an engineering feasibility and design study for the secondary treatment expansion of this plant. Current engineering is underway looking at the aerobic digesters and ways to rebuild and expand the capacity. The city also expanded the solids handling capacity of the plant with the addition of a second screw press and sludge bed widening.	The city is negotiating with U.S. Marine Corps to bring effluent from the Marine base into the improved wastewater treatment plant, which will allow for the sale of treated water to the golf course, parks as well as residential and commercial developers.
3. Barstow Outlet Center Infrastructure Improvements	The Barstow Outlet Center is the City's economic engine located along I-15, halfway between Los Angeles and Las Vegas. The demand to expand the center is strong but the City lacks the water, sewer and storm drainage systems required to accommodate the expansion	Costs of expanding infrastructure services are unknown	The owner of the Outlets engineered and constructed a new sign along the freeway frontage of the site. This sign that cost more than \$5 million is 10-stories in height, with large Las Vegas style LED screens, that can be seen for miles. The new sign has become an landmark that attracts additional customers to the Outlets, which expands the demand for more commercial space at the outlet center.	Infrastructure improvements have been constrained due to the lack of funding but the city hopes that agreement to use impact fees to fund improvements is a breakthrough that could facilitate implementation.

NEEDLES ECONOMIC DEVELOPMENT INITIATIVES

City of Needles				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Needles Highway Improvement Project	The proposed Needles Highway Improvement Project, Phase 3, Segment "1B" (Project), will focus on rehabilitating and re-profiling 2.6 miles of the Needles Hwy., a major two-lane highway that runs through the City of Needles, CA. The Project improvements include horizontal realignments, widening, pavement rehabilitation, adding passing lanes and left turn pockets, increasing signage and constructing shoulders.	Total project costs are estimated to be \$11 million. Funding sources include the San Bernardino Associated Governments (SANBAG) under the Surface Transportation Program (STP), Public, Lands & Highway (PLH) grant funds from the Federal Highway Administration (FHWA) and local transportation funds from the State of Nevada. The City's road maintenance fund can partially fund the project	Applied for a federal grant.	CEQUA is completed and project planning is in progress
2. City Sewer and Culinary Water Improvement Project	The City has proposed to expand sanitary sewer service into the North Needles Area that will need additional storage to handle the estimated demands.	Project is estimated to cost \$49 million. Funding source has not been identified	The city met with stakeholders who expressed interest in extending the line with the area's commercial businesses partially funding the costs.	A Master plan has been developed and design work is ready to begin. A preliminary feasibility study concluded that the proposed project will need approximately 30,800 feet of sewer pipe, two lift stations, and a vacuum or individual home pumping system, the city will transport the wastewater from North Needles to the wastewater treatment plant. The City will also need a large transmission main to service North Needles as the majority of new development will occur east of River Road.
3. Park Moabi 69 KV Line Extension	Park Moabi may expand its existing operation along the Colorado River just east of the City limits in order to improve the park's offerings of services and recreational activities.	The approximate cost of the project is \$4.7 million. Funding source has not been identified	Transmission System Study was completed for the expansion	Transmission System Study was completed for the expansion

BIG BEAR LAKE ECONOMIC DEVELOPMENT INITIATIVES

City of Big Bear Lake				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Moonridge Road Corridor Improvements	<p>Improve the Moonridge Road Corridor and develop the Moonridge Center adjacent to the proposed multi-use creek-side trail. The new facility will feature more retail spaces, restaurants, office and residential spaces. Proposed amenities and additions include a redesigned roadway with planted medians, bike lanes, a roundabout, sidewalks and trail gateways.</p> <p>Infrastructure improvements along the Moonridge Road corridor will facilitate the development of the Moonridge Center with more retail spaces, restaurants, office and housing. More intensive development in this area will enhance the City of Big Bear Lake as a desirable winter and summer visitor destination. The goal of this project is to stimulate business growth within the corridor. This is a high-priority for our City Council.</p>	<p>The final construction cost estimate for this project is \$6.5M. We have secured \$1.5M in MLHP funding, and have submitted several additional grant applications to various agencies to fund specific project elements.</p>	<p>The engineering design plans were completed in late 2019. No significant changes or challenges were encountered and the project is now "shovel ready". Throughout 2019, the city met with business owners along the Moonridge Road corridor several times to refine aesthetic elements, and included those specific refinements in the final construction plans.</p>	<p>The City of Big Bear Lake intends to begin constructing the Moonridge Road Improvement Project in summer 2021. In the meantime, the city continues to research funding assistance opportunities to supplement the project budget.</p>

YUCAIPA ECONOMIC DEVELOPMENT INITIATIVES

City of Yucaipa				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Establish a Yucaipa Innovation Center Facility	<p>Establish a 30,000 square foot Yucaipa Innovation Center Facility to be located on the Crafton Hills Community College. The Innovation Center would be a partnership between the Yucaipa-Calimesa School District, Crafton Hills College, University of Redlands, Cal State, San Bernardino County EDA and the Workforce Investment Board. The Innovation Center activities will focus on entrepreneurial development, workforce training, and business innovation that will blend with the functions of the existing Business Incubator Center that would relocate into the proposed Innovation Center.</p>	<p>The City is seeking private investment and public funding to implement the initiative and alternative funding sources continue to be explored.</p> <p>The estimated cost to construct the Innovation Center is \$20 million. The joint partnership will provide approximately \$15 million of the project funding.</p> <p>The city may seek project implementation funding from EDA as well as a Sustainable Communities Grant from the State</p>	<p>Continued discussions with developers/builders to secure participation in the project, which is intended to partially provide the necessary infrastructure.</p> <p>Continued to work with State officials and agents to tailor project components to meet Sustainable Communities Grant application objectives and requirements.</p>	<p>The College Academy program, a partnership with Crafton Hills College, Yucaipa-Calimesa Joint Unified School District, and Inland Leaders Charter School will be an important component of the Innovation Center, but it is still awaiting approval.</p> <p>Change in leadership at Crafton Hills College, a key partner in the Innovation Center project - should yield greater support of the project.</p>

YUCAIPA ECONOMIC DEVELOPMENT INITIATIVES

City of Yucaipa				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
2. Yucaipa Freeway Corridor Business Park Improvements	<p>The City would like to establish a business park in two (2) phases on approximately 50-acres of vacant land adjacent to the Live Oak Canyon Road interchange along Interstate 10. The site is located within the Freeway Corridor Specific Plan area and the property owner is willing to develop the site.</p> <p>The project area needs access to water and wastewater treatment in advance of attracting new business. A lift station will need to be installed along with 2,500 feet of gravity line. Water service delivery will require the installation of a water tank.</p>	<p>The costs of improvements are unknown to date. Funding sources are unknown.</p> <p>The city may seek project implementation funding from EDA once the project has progressed to an appropriate phase. Other sources of grant funds may be pursued at a later date.</p> <p>The City may form a Community Service District (CSD) or an Enhanced Infrastructure Finance District (EIFD) as a tool to fund the required water and sewer improvements.</p>	<p>The city secured a grant from SCAG to cover the costs of amending the Freeway Corridor Specific Plan that will be needed in order to expand the acreage of the Business Park land use district. In addition, the Business Park land use designation was expanded to include an additional 48 acres.</p>	<p>A contract will be awarded in 2020 to prepare the Specific Plan and EIR update.</p>

CITY OF SAN BERNARDINO ECONOMIC DEVELOPMENT INITIATIVES

City of San Bernardino				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
Former Downtown Carousel Mall Redevelopment Initiative	<p>The city plans to redevelop the former downtown Carousel Mall into a mix of retail outlets, restaurants, offices and residential units as well as live-and-work structures. The dead mall lost its anchor stores and left behind an empty parking lot on this key 2nd Street site adjacent to Interstate 215.</p>	<p>The costs of razing and redeveloping the mall and adjacent pads on the site remain unknown. Private investment will be the primary source of funding to redevelop the site. Downtown San Bernardino is a designated opportunity zone district, which offers tax incentives to encourage new private sector investment.</p>	<p>The City of San Bernardino released an RFQ for the Downtown Mixed-Use Development Opportunity during the summer of 2019. The RFQ process resulted in the City moving forward to negotiate with two teams of developers.</p>	<p>The two developer-team finalists will present to Council their vision and plans for the Downtown area. The Council will select a developer to work with and we'll enter into an ENA. The city hopes to have a final developer selected in 2021.</p>

RIALTO ECONOMIC DEVELOPMENT INITIATIVES

City of Rialto				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Develop an Advanced Transportation and Logistics Analytical Center (ATLAC)	The Advanced Transportation and Logistics Analytical Center (ATLAC) will track and coordinate goods movement shipments from the Ports of Los Angeles and Long Beach into and out of the Inland Empire Ports. The ATLAC will provide real time routing and time of use data to help optimize existing transportation infrastructure and implement congestion management pricing. The project may also include installation of high-speed fiber optic cables to accelerate transmission of data to users.	Approximately \$5 million to develop the facility. City intends to contribute land as local match. An initial \$525,000 grant from the Governor's Office of Emergency Services (Cal OES) set the facility planning process in motion.	In October 2019, the City Council discontinued the project. The grant provided through CalOES was reallocated to the development and construction of a traffic management center. In early 2021, the Public Works Department will be requesting City Council approval to award a contract to proceed with implementation of the traffic management center.	The City Council no longer supports the initiative, and the project will no longer be included in the CEDS
2. Expand and relocate the Community Based Education and Training Resource Center to the Proposed new ATLAC facility.	The city's community based education and training facility could be expanded and improved if relocated to the proposed ATLAC facility in partnership with the San Bernardino Community College District. The education and training facility could deliver English as a Second Language (ESL) services, job skills training and continuing education programs that allow residents to improve job skills and pursue careers in logistics, health care and construction trades. The facility would be centrally located, linked to transportation services, and it would provide patrons with childcare, career counseling, job placement and other support services.	Project development costs and funding sources are unknown	In October 2019, the City Council discontinued the ATLAC project and the relocation of the center is no longer proposed.	The City Council no longer supports the ATLAC initiative, and the project will no longer be included in the CEDS

RIALTO ECONOMIC DEVELOPMENT INITIATIVES

City of Rialto				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
3. Implement Rialto Airport Infrastructure Improvements	<p>Continue infrastructure improvements required to successfully redevelop the former 1,500 acre Rialto Airport, which is guided by the Renaissance Rialto Specific Plan. The redevelopment plan anticipates the development of the Renaissance Marketplace, a shopping center containing a movie theater, small shops and restaurants is the centerpiece of the Specific Plan area, which is strategically located adjacent to the SR-210 freeway.</p> <p>The city selected a developer (LHR) to develop 1,250 residential units along with 1.5 million square feet of new business space on 550 acres of the Specific Plan area. Private landowners including Panattoni, Prologis, DCT, Target and CapRock Partners have already commenced or completed development on other sites within the Specific Plan.</p>	Local and regional storm drain Improvements are estimated to cost \$60 million.	The city made significant progress redeveloping and attracting new business to the former Rialto Airport during 2018. However, it is unclear what progress was made in 2019.	<p>The area continues to lack major drainage facilities, sanitary sewer lines and other infrastructure Improvements required to support the full build out of the Specific Plan area. Consequently, developers must retain wastewater on site or they have to create volume in the basins operated by the County. The streets at the bottom of the Airport watershed have no storm drains and suffer significant flooding during rain events.</p> <p>Development impact fees partially fund the infrastructure improvements to support new development. The County rejected the City's proposal to form an Enhanced Infrastructure Financing District to improve regional facilities supporting area development. The City is developing its own plans to expand the Alder/210 Freeway Interchange. The County Flood Control District is currently improving the Cactus Basins to accommodate additional drainage and relieve downstream flooding risks.</p>

COLTON ECONOMIC DEVELOPMENT INITIATIVES

City of Colton				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Complete the Hub City Health Care Innovation Center	California University of Science and Medicine (Cal Med) acquired a 22-acre site that will be developed for campus dorms, classroom buildings and a proposed Hub City Health Care Innovation Center that will create programs to advance public health education, engage in health care skills training, and will provide facilities for the research and development of medical devices.	<p>The costs of developing the proposed Health Care Innovation Center are unknown. The water, sewer, storm drainage and retention basin improvements needed to support new development are estimated to cost \$30 million.</p> <p>The proposed innovation center may receive some funding from California University of Science and Medicine (Cal Med) and the Arrowhead Regional Medical Center particularly for public health initiatives.</p> <p>To date, no funding sources have been identified to pay for infrastructure improvements and ongoing maintenance costs.</p>	The city made significant progress implementing this initiative in 2018 but no progress was made in 2019.	<p>The Mixed Use Retail, planned medical office space, and housing will require on-site storm-water detention basins and it will not be feasible to develop the land without the infrastructure improvements. Developing 22 acres of dormitories and classroom buildings will also be on hold until the drainage issue is resolved.</p> <p>The regional storm drain-plan lacks adequate funding to be implemented. Project 3-5 and Project 3-8 storm drain improvements will alleviate flooding north of I-10 by connecting the existing 108" diameter storm drain running under the I-10 Freeway and along Rancho Avenue to an existing open channel that drains into the Santa Ana River.</p> <p>A land purchase is still being considered as a possible answer to this need.</p>
2. Extend Infrastructure Services to Support New Development at Pellissier Ranch	Extend the infrastructure to serve the 1,400-acre Pellissier Ranch Area that was annexed in 1991 without any reliable water or sewer services. The area needs a new sewer lift station, gravity and force main sewer lines and water lines in advance of allowing new development. The wastewater treatment plant capacity also needs to be expanded in order to support new commercial and residential development.	<p>A new sewer lift station is estimated to cost \$3.9 million. It will cost an additional \$2.5 million to extend water lines to the area. Partial funding of the improvements needed to support industrial uses will be generated by the development of 874 homes at an adjacent site known as Roquet Ranch. The remaining source of funds are unknown.</p> <p>A public private partnership agreement could help finance improvements to the Pellissier Ranch site, as could an EIFD or EDA Grant.</p>	Infrastructure improvement plans were developed in 2019 and a new sewer line was installed along Agua Mansa Road.	This proposed project is under consideration for a leveraged funding effort in conjunction with the Inland Valley Development Authority, a JPA of which Colton is a member. More industrial land will be required as the land at Slover Mountain is developed, making this project a higher priority than before. Estimates will be prepared and ready for the next CEDS Update, as the land is located in the International Trade Zone, and properly zoned for industrial projects to manufacture goods, and will provide good-paying jobs for the area.

COLTON ECONOMIC DEVELOPMENT INITIATIVES

City of Colton				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
3. Mt. Vernon Avenue Santa Ana River Bridge Widening Project	The Mount Vernon Bridge over the Santa Ana River is undersized and obsolete. The bridges are separate, but very close together and both must be widened to assist the free flow of traffic, pedestrians and bicycles. The widening is necessary to enhance the north/south access across the rail yard and the river will tie together two major retail areas for the City's citizens.	The project is fully funded in an amount of approximately \$11 million dollars. The Highway Bridge Fund accounts for nearly 90% of the funding, with the balance coming from Measure I Funds.	Funding was secured and project implementation is proceeding.	Implementation proceeds and initiative will not longer be included in the CEDS.
4. Agua Mansa Road Widening Project (Phase 3)	The City proposes to widen Agua Mansa Road for the Rialto Channel east to Rancho. The project would include design, engineering and construction of a four-lane road with a fourteen-foot median and replacement of the existing two lane bridge. Widening of the road to accommodate traffic through one of Colton's last remaining industrial areas will attract industrial job-creating uses to this area.	The approximate cost of the project is \$4-5 million. However, the mitigation costs of the potential harm to the Sucker Fish caused by construction has not yet been determined.	The proposed project is under consideration for funding in conjunction with the Inland Valley Development Authority, a JPA of which Colton is a member.	The road widening project will create access to more industrial land that will be required as land at Slover Mountain is developed, making this project a higher priority than before. Estimates will be prepared and ready for the next CEDS Update, as the land is located in the International Trade Zone, and properly zoned for industrial projects to manufacture goods, and will provide good-paying jobs for the area.

HIGHLAND ECONOMIC DEVELOPMENT INITIATIVES

City of Highland				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Highland Industrial Area Infrastructure Improvements	Extending water, sewer and storm drain services will encourage the expansion and attraction of new industrial and business-park uses along the 5th Street of the Highland Industrial area. This corridor can benefit from the momentum created by the multi-phased industrial development occurring immediately south adjacent to the San Bernardino International Airport.	The costs of extending water, sewer and storm drain services to the industrial area are unknown.	The city made significant progress acquiring a portion of the infrastructure improvement funding during 2018. However, it is unclear what progress was made in 2019.	The San Bernardino Industrial Authority (SBIA) is the lead agency on the Airport Gateway Specific Plan, and the City of Highland is a partner/supportive agency. The cost of infrastructure and timing of installation will be determined through the Specific Plan review and adoption process. At this time the City is not clear on when the Specific Plan will be ready for public review/comment. Applying for additional funds from EDA is under consideration.
2. Revitalize the Highland Historic District	The Highland Historic District was added to the National Register of Historic Places in 2001. The district includes the city's original townsite, which was platted in 1891 along with numerous packing houses built along the railroad and the city's historic commercial core on Palm Avenue. Many of the old buildings burned down, but the historic character of the district remains, presenting an opportunity to create a new destination for a mix of business, commercial, entertainment and residential destination.	Total costs to revitalize the Historic District are estimated to be \$7 million.	Minimal progress was made in 2018 and it is unclear what progress was made in 2019.	The city will continue to apply for funding.

GRAND TERRACE ECONOMIC DEVELOPMENT INITIATIVES

Grand Terrace Projects				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
Implement Gateway Specific Plan	<p>The Specific Plan will allow for the development of commercial and residential mixed uses combined with recreational open space on 131-acres located north of Grand Terrace High School along the eastern side of I-215. The project area is also located just east of the \$105 million Barton Road Interchange project.</p> <p>The focal point of the Gateway planning area will be the creation of a new major arterial connecting Commerce Way with Taylor Street. Projected to be an alternative to Michigan Avenue, this new 4-lane divided road alignment will serve to lessen traffic, noise and congestion on existing city streets.</p>	<p>Mixed use development and proposed open spaces will be privately funded. The costs of other infrastructure improvements are unknown and the funding sources are uncertain.</p> <p>The overall value to the assessors tax roll is estimated at \$750,000,000 at build out.</p>	<p>The Specific Planning process is moving forward and should be completed in late 2020 or early 2021.</p>	<p>The planning process was started in 2019. The environmental review process should be completed in late 2021. The public review process will commence once the City is assured the project conforms to the California Environmental Quality Act. Project implementation could potentially commence in either late 2021 or early 2022 depending upon the approval process.</p> <p>One of the key benefits of the Gateway Specific Plan is that it addresses many of the current infrastructure deficiencies by bringing new roads and utilities to the area.</p>

RANCHO CUCAMONGA ECONOMIC DEVELOPMENT INITIATIVES

City of Rancho Cucamonga				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Expand the City's Broadband System	The Rancho Cucamonga Municipal Utilities (RCMU) owns and operates extensive underground telecommunications conduit and fiber-optic cable. The city owned conduit and cable covers only 10 percent of the city, leaving large areas of empty space available to serve.	<p>The Fiber Master Plan includes a financial element suggesting that the city could invest upwards of \$20 million to fund a fiber build out of its network, expanding its reach to nearly 75 miles of routes Rancho's major corridors and business districts.</p> <p>The City is looking for grant seed money of up to \$12 million to kick off the effort.</p>	<p>After many years of planning, design and construction, RCMU was finally able to offer Rancho Fiber in 2019. They are ready for businesses and to serve some of the fastest internet speeds available in Rancho Cucamonga.</p> <p>King's Fish House inside the Victoria Gardens Shopping Center signed up as the first official Rancho Fiber customer in October 2019 where they are currently getting one gigabit per second (1 GBps) internet service.</p>	Project expansion of future residential address locations and select commercial retail locations will be ready for immediate fiber service from Rancho Fiber in the beginning of 2020.
2. Implement Empire Yards Specific Plan	The Empire Yards Specific Plan allows the area surrounding the Metrolink Station to be redeveloped with a mix of new housing, retail, a theater, a school and a parking structure. Utility poles must be realigned in advance of implementing the Specific Plan. Utility poles must be realigned in advance of implementing the Specific Plan.	Costs of improvements are undetermined at this time.	<p>Continued progress was made in 2019. The City's private sector partner explored the potential to develop the project area and added a non-profit affordable housing developer team.</p> <p>The City worked closely with an adjacent property owner to begin master planning street connections into and around the project area to provide the framework for transit-oriented development around the transit station. The City also began investigating a range of transit-supportive and transit-complementary uses for the planning area, including office, education, and a range of housing options.</p>	The City will proceed with ongoing efforts to plan and implement the redevelopment of Empire Yards.

FONTANA ECONOMIC DEVELOPMENT INITIATIVES

City of Fontana				
ED INITIATIVES	PROJECT DESCRIPTION	APPROXIMATE COSTS & FUNDING SOURCES	2019 PROGRESS	STATUS
1. Implement Ventana at Duncan Canyon Specific Plan	The Ventana at Duncan Canyon Specific Plan allows the Project Area to be developed as a master planned mixed-use community that includes an outlet mall, entertainment center, Class A Office buildings and a full service hotel. Implementation of the Specific Plan would help transform the vacant and underutilized sites into a high-quality "destination" type development along the I15 Freeway.	Information about cost estimates and funding sources are waiting for developer proposals to be received. The need or desire for federal funding to assist improvements is unknown at this time.	The city-own 90-acre site was sold to a developer to implement the specific plan and will continue to market this site for commercial and residential development.	The City will continue to market this site for future development.
2. Implement the Downtown Area Plan	The Downtown Area Plan presented a vision of how that make Downtown Fontana more walkable, access public transit, improve livability and transform the area into a destination. Planned development of new office buildings, shopping and entertainment, a parking structure and mixed-use family housing will transform downtown into a commercial and entertainment center.	At this time, there are no site plans or estimates of the public improvement cost. Sources of funding the improvements are unknown.	The city made ongoing progress implementing the Downtown Area Plan.	Infrastructure improvements, new parking structures, transit oriented development and other aspects of downtown revitalization are in the planning stage. A proposal to develop four parcels is under consideration.



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