



OPPORTUNITIES

ISSUE 5 VICTORVILLE, CALIFORNIA

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OPPORTUNITIES IN THIS ISSUE

Outlook SCLA

Companies at SCLA

Your Business Here

Surge in New Home
Construction Continues

Program Opportunities

Employment Training Panel
Awards over \$5.4 million to
Train California Workers

Local Vision

Southern California
Logistics Airport begins
new construction in
early 2007

Development Opportunities

Phase I Development
Begins at SCLA

The Future Looks Bright for Global Access

The City of Victorville is preparing for major expansion of Global Access at Southern California Logistics Airport (SCLA). On January 16, 2007, City officials unanimously approved of a Memorandum of Understanding with Burlington Northern Santa Fe Railway Company to explore the possibility of building a major intermodal facility at SCLA.

The agreement states that Burlington Northern Santa Fe Railway (BNSF) and the City of Victorville have entered in exclusive negotiations to develop an intermodal facility. "BNSF constantly reviews its need for capacity expansion across its network. Today, we signed a MOU with the City of Victorville to further explore the possibility of establishing intermodal operations in Victorville on the site of the Southern California Logistics Airport," said John P. Lanigan, BNSF Executive Vice President and Chief Marketing Officer.



Proposed site of intermodal facility at SCLA.

In 1992, the closure of George Air Force Base resulted in the loss of approximately 7,000 jobs and devastated the local economy. City officials have looked to the civilian conversion of the facility to replace lost jobs and generate new employment opportunities for the Victor Valley. Currently SCLA has added 2,000 jobs to the local economy. The 3,500-acre complex near BNSF's anticipated facility includes plans for 20 million square feet of manufacturing and distribution uses estimated to generate approximately 20,000 jobs.



VICTORVILLE

California



Your Business Here

Surge in New Home Construction Continues

Victorville residential and commercial construction continues to surge at record levels, despite a recent slowdown in Southern California's new home market. In 2006, Victorville issued a record number of total permits, including more than 3,000 permits for new single family-homes. As the City's population approaches the 100,000 mark, the accelerated building pace is projected to remain strong throughout 2007.

BUSINESS NEWS SUCCESS STORIES LOCAL DEMOGRAPHICS SERVICES REAL ESTATE

Outlook SCLA

Companies at SCLA

SCLA is home to many world-renown manufacturing and aviation companies. The following is a small list of companies and their respective operations currently at SCLA.

Aartman, James Inc.	Trucking
American Well Technology	Well drilling equipment and services
AT System Securities, Inc.	Airport security services
Boeing Capitol Corp./AOG.....	Aircraft financing; immediate deployment for aircraft repair, aeronautical school
GE Aircraft Engines.....	Aircraft engine testing
Heavy Lift Helicopters.....	Service for large helicopters
High Desert Constellation	
Power Project	Electricity generation plant
Kleinfelder, Inc.....	Environmental engineering
Leading Edge Aviation Services..	Aircraft painting
Mercy Air Services	Emergency medical helicopter evacuation services
Million Air.....	Airline support services
Montgomery Watson	Environmental engineering
Newell Rubbermaid	Distributor for office, tools & hardware, home & family, cleaning, and décor products
Pratt & Whitney	Engine storage and parts distribution
Product Systems Engineering	Cleaning of computer chips
PTL Electric.....	Electrical Contractor
Southern California Aviation	Aircraft maintenance storage/sales
Victorville Aerospace, LLC	Large aircraft and maintenance/refurbishment
4m Waterbed	Retail furniture warehousing

Program Opportunities

The State of California Labor and Workforce Development Agency's Employment Training Panel recently awarded 22 contracts, with total funding of \$5.4 million to provide training for California workers in various high-wage occupations.

More than \$179,000 of the funds are earmarked for The County of San Bernardino Workforce Investment Board (WIB) to train 100 aircraft rehabilitation employees. The County of San Bernardino has also guaranteed another \$575,000.00 for employee training at SCLA. The training will focus on providing skills for maintaining a competitive edge in the industry, as well as improving workplace efficiency.

The County of San Bernardino Workforce Investment Board has been involved with the transformation of the former George Air Force Base, located in Victorville, into a multi-modal logistics hub, now known as Southern California Logistics Airport (SCLA). SCLA is an 8,500-acre development supported by air, ground and rail transportation. Since its establishment in 1994, SCLA has attracted more than 50 aviation-related businesses. SCLA is also the largest fully-integrated commercial development in the region, and projected to bring more than 20,000 jobs to the area.

The Employment Training Panel program is funded by the Employment Training Tax and paid by California employers. The program began in 1983, targeting firms threatened by out-of-state and international competition. The Employment Training Panel has provided over \$1 billion to train more than 660,000 workers employed by at least 65,000 California companies. Employers match training funds awarded through Employment Training Panel contracts, making these projects true public-private partnerships.

CONTACT US

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Total New Construction Activity

Year	Permits Issued	Value
1996	341	\$39,508,535
1997	179	\$22,316,955
1998	197	\$28,235,607
1999	329	\$47,838,071
2000	372	\$78,964,622
2001	661	\$130,036,226
2002	1,017	\$205,211,306
2003	2,125	\$373,788,445
2004	2,724	\$571,225,681
2005	2,272	\$417,579,392
2006	3,052	\$600,058,537

Total Single Family Residential Construction Activity

Year	Permits Issued	Value
1996	327	\$32,953,011
1997	152	\$15,360,636
1998	176	\$21,725,896
1999	315	\$38,061,018
2000	345	\$44,417,533
2001	641	\$102,732,467
2002	986	\$162,736,629
2003	2,102	\$358,131,375
2004	2,699	\$478,940,771
2005	2,263	\$405,191,347
2006	3,039	\$585,344,117



STATE BUSINESS NEWS SUCCESS STORIES

Local Vision

Southern California Logistics Airport set to begin new construction in early 2007

The City of Victorville has partnered with Stirling Enterprises to oversee the development of Southern California Logistics Airport (SCLA). Stirling Capital Investments, a subsidiary of Stirling Enterprises, has announced plans to invest \$350 million at the business and industrial park. SCLA is undergoing a 65 million-square-foot commercial and industrial expansion within Southern California Logistics Airport. The investment will support Phase I development of approximately 6.4 million

square feet of industrial facilities at the former George Air Force Base.

“The market is now ripe for major development activity.”

—Dougall Agan, partner with Stirling Enterprises.

“Phase I development is a significant step in the overall vision and development of SCLA as a multimodal transportation hub positioned to support the requirements of both regional and national goods movement growth,” said Dougall

Agan, Stirling partner and master developer of SCLA. “The market is now ripe for major development activity.”

Plans for the first phase on more than 350 acres incorporate the construction of large industrial buildings including a 407,000 square foot facility for Newell Rubbermaid. The new industrial space will be comprised of diverse product types including large-scale distribution and multi-tenant facilities. It will meet the current demand for existing airport businesses located at Southern California Logistics Airport, as well as off-airport tenants looking to expand into larger facilities.

Phase I construction is expected to begin in the first quarter of 2007, and projected completion is within 30 months. Phase I at SCLA aims to create 13,150 additional jobs for the local economy.

An aerial photo of SCLA taken in December 2006 illustrates the potential and existing industrial growth in Victorville, CA.



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RECENT & UPCOMING EVENTS

- April 29-May 2nd CoreNet Global
2007 Spring Summit, Denver, CO
- May 2-4th California Association for
Local Economic Development (CALED)
2007 Annual Conference, Monterey, CA
- May 21-23rd International Council of Shopping Centers (ICSC)
2007 Spring Convention, Las Vegas, NV
- May 31 st World Trade Month
Signature Closing Luncheon
Ontario Convention Center, 11 am-1 pm
Contact: Moises Cisneros
County of San Bernardino (909) 387-9856
- June 4-5th Area Development Consultant's Forum
San Diego, CA

Contact us at opportunities@victorvillecity.com to be removed from our mailing list.

DEVELOPMENT OPPORTUNITIES

Phase I Development Begins at SCLA

Stirling Enterprises has begun development on Phase I at SCLA. Phase I is the development of 6.4 million square feet of industrial facilities at SCLA. The investment by Stirling for this phase is approximately \$350 million. The industrial buildings for Phase I will range from 24,000 to 1 million square feet. Information on purchasing, leasing, or build-to-suit options is currently available from Jay Dick of CB Richard Ellis.

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