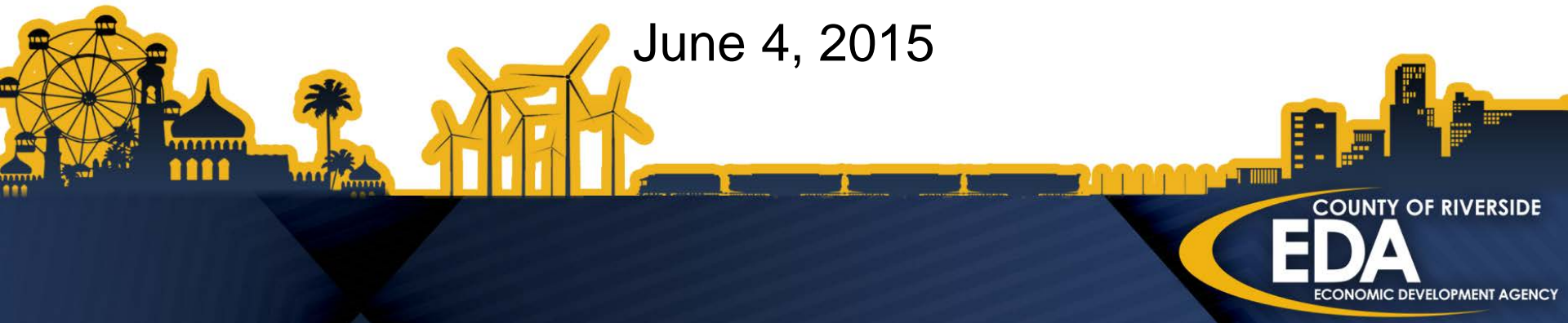


Economic Update

SCCAI Inland Empire Market Trends Seminar
Ontario Doubletree Hotel
June 4, 2015



FULL DISCLOSURE

- I am NOT an Economist
- I am NOT a Real Estate Expert
- I am ... a Lawyer





Why Riverside County?

SCCAI Inland Empire Market Trends Seminar
Ontario Doubletree Hotel
June 4, 2015



Where Have We Been?

Where Are We Going?



But First ...



A large group of approximately 20 people of various ages and ethnicities are posed in two rows on a highly reflective white floor. They are wearing a wide variety of professional and service uniforms, including a yellow firefighter's suit, a pilot's uniform, a military camouflage uniform, a nurse's uniform with a face mask, a chef's hat, a construction hard hat, a white lab coat, and a dark business suit. The group is diverse in appearance, representing a global and multi-industry workforce. The background is a plain, light-colored wall, and the floor's reflection is very clear.



High Credit Ratings

FitchRatings

MOODY'S



Best Place for Small Business

Riverside Region Named Best City for Small Business in the Nation

In annual ranking conducted by Biz2Credit, the Riverside-San Bernardino metro area emerged as the best small-business city in America

According to a recent study conducted by Biz2Credit, a leading online lending platform for small business, the Riverside region was the Best City for Small Business in the United States. The Chamber congratulates the City and local businesses on this prestigious recognition and will continue advocating for business-friendly policies.

The survey evaluated 12,000 businesses nationwide with less than 250 employees. According to the survey, small businesses in the region had average annual salaries of \$1,400,960, ahead of New York City, which was ranked at number 2 with average annual salaries of \$1,269,859. The businesses evaluated within the survey have been up and running for more than a year and have annual salaries less than \$10 million.

Survey results showed that the greater River-

side area ranked top five in average credit score, average annual revenue, and number of employees. The survey also considered local tax rates, the cost of doing business, and other local economic factors to derive the BizAnalyzer score.

The region also finished in the top 10 in the category of thriving start-up culture. The region was recognized as being a great area for information technology, advanced manufacturing, food processing, health and medicine, and professional services.

"Technology is bringing in younger people and more immigrants to this metro area," explained Rohit Arora, CEO of Biz2Credit. "Riverside, California, has a pretty big immigrant population." It includes immigrants

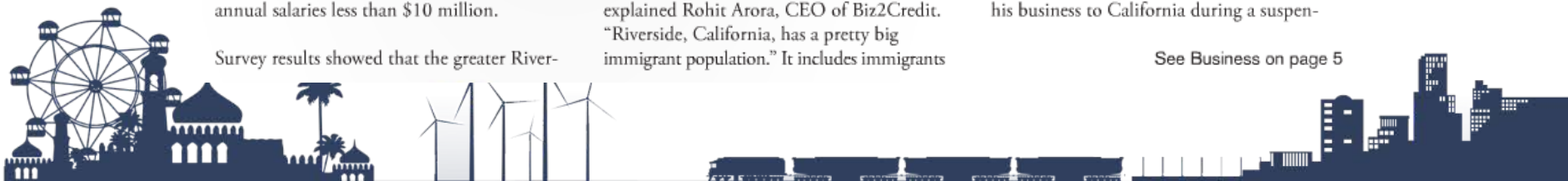


Small businesses in the region have an average annual salary of \$1,400,960, making Riverside area the leader of 25 cities.

from Southeast Asia, Central America and the Middle East.

Nathan Sklar, a health-care entrepreneur, is a case that shows why Riverside favors business. Sklar recently expanded his Comprehensive Certified Home Health Services in New York City to Riverside. Sklar expanded his business to California during a suspen-

See Business on page 5

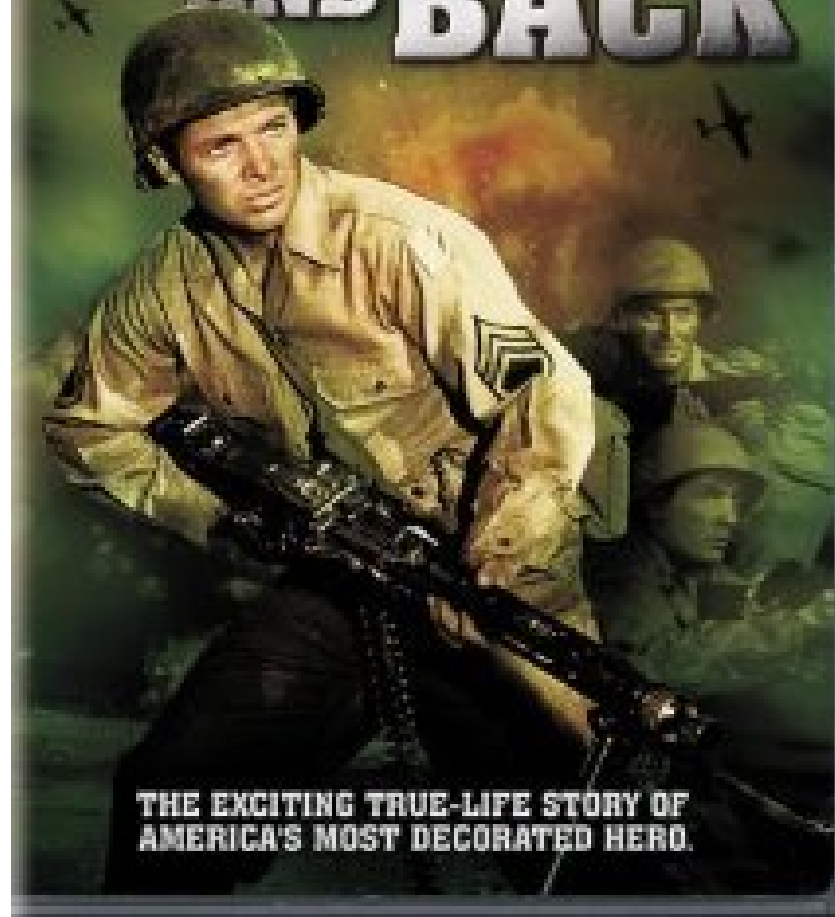


Where Have We Been?



AUDIE MURPHY

TO HELL AND BACK



THE EXCITING TRUE-LIFE STORY OF
AMERICA'S MOST DECORATED HERO.





2013/2014 ECONOMIC DEVELOPMENT REPORT



COUNTY OF RIVERSIDE
EDA
ECONOMIC DEVELOPMENT AGENCY



2013/2014 MILESTONES

For fiscal year 2013/2014, EDA worked with 1,200 businesses, adding

2,113

Jobs to Riverside County's Economy

88 film permits issued in 2013
98 issued in 2014 from
January through November

UP 11.36%

DESERT HILLS PREMIUM OUTLET EXPANSION



50 New Stores
500 New Jobs
\$1 MILLION+
increase in sales tax revenue



\$75M

in Foreign Trade Investments

FOREIGN TRADE EXPANSION

Riverside County expanded three of four Foreign Trade Zones with a fifth in the approval process.



COUNTY OF
RIVERSIDE

FAST TRACK PROJECTS

\$4.3 BILLION
IN CAPITAL INVESTMENT

2,985 CONSTRUCTION
JOBS
CREATED

711 Full Time, Permanent, Non-Construction **JOBS**



\$25M IN ECONOMIC IMPACT
25 JOBS AND COUNTING
Encouraging Innovation,
creating jobs in advanced
technology.

EDA staff assisted three large scale
businesses with securing:

\$3.19M

in California Competes Tax Credits

amazon

deckers
OUTDOOR CORPORATION



iHub
Inland So Cal link

**INLAND
SOCAL LINK**
Opening the door to
GLOBAL Economy.

INITIATIVE #1

***“THERE IS A CERTAIN REASON WHY YOU CHOOSE DIFFERENT REGIONS, OBVIOUSLY
LARGE CONSUMER BASE, LARGE WORKFORCE, RIVERSIDE COUNTY HAS IT ALL.”***

— JOHN KELLER, CAL PREMIUM TREATS

**INITIATIVE #1:
DEVELOP A BUSINESS ECOSYSTEM THAT
SUPPORTS BUSINESS ATTRACTION, RETENTION,
AND EXPANSION**



INITIATIVE #2

“MOST OF US UNDERSTAND THAT INNOVATION IS ENORMOUSLY IMPORTANT. IT’S THE ONLY INSURANCE AGAINST IRRELEVANCE. IT’S THE ONLY GUARANTEE OF LONG-TERM CUSTOMER LOYALTY. IT’S THE ONLY STRATEGY FOR OUT-PERFORMING A DISMAL ECONOMY.”

-GARY HAMEL, MANAGEMENT EXPERT

INITIATIVE #2: FOSTER AN INNOVATION AND ENTREPRENEURSHIP INFRASTRUCTURE



INITIATIVE #3

“RIVERSIDE COUNTY IS THE FASTEST GROWING COUNTY AND WE WANT TO MAKE SURE EXPORTS ARE AN INTEGRAL PART OF THAT GROWTH.”

— FRED P. HOCHBERG, CHAIRMAN AND PRESIDENT OF EXPORT-IMPORT BANK

**INITIATIVE #3:
FOSTER A GLOBAL ECONOMY BY ADVANCING
INTERNATIONAL TRADE**



INITIATIVE #4



THE CALIFORNIA AWARD FOR PERFORMANCE EXCELLENCE WAS AWARDED TO THE WORKFORCE DEVELOPMENT CENTERS OF THE COUNTY OF RIVERSIDE IN MARCH 2014. “THIS IS NOT AN EASY ACHIEVEMENT, MY HEARTY CONGRATULATIONS FOR ALL THE HARD WORK.”

— SUPERVISOR MARION ASHLEY, FIFTH DISTRICT, CHAIRMAN

**INITIATIVE #4:
PREPARE AND EDUCATE A HIGHLY SKILLED
WORKFORCE TO MEET THE NEEDS OF THE
REGIONAL ECONOMY**



INITIATIVE #5

“I WOULD SAY COME ON DOWN; BUILD IT AND THEY WILL COME. EVERYTHING THAT YOU NEED FROM EVERY SINGLE ASPECT OF BUSINESS, TRANSPORTATION, REAL ESTATE AND LABOR IS ALL HERE. IT’S THE BEST YOU CAN FIND.”

— NADIM BAHOU, GLOBAL PLASTICS

INITIATIVE #5: STRENGTHEN BRAND IDENTITY AND AWARENESS



OUR PARTNERS AND ALLIES

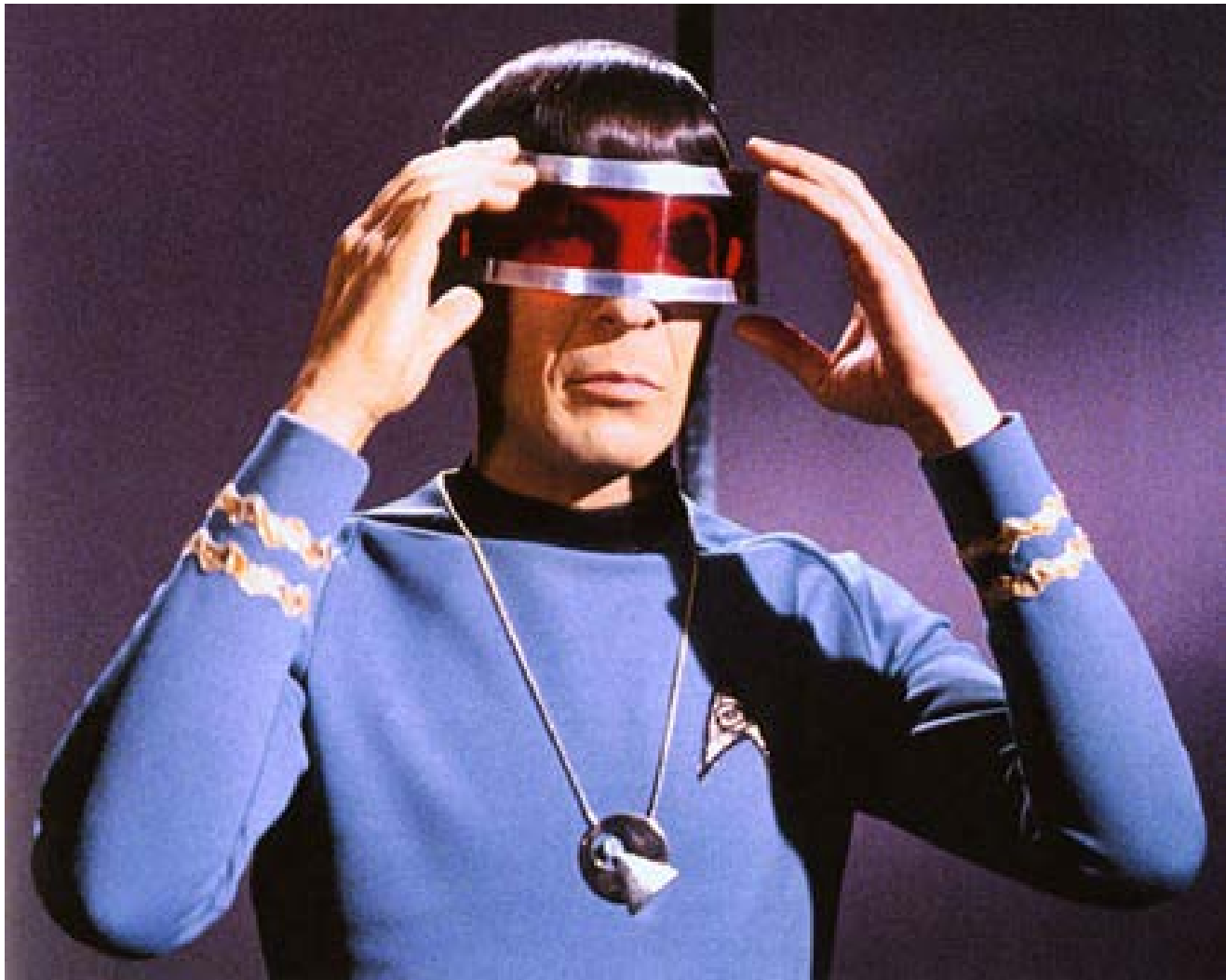


OUR CITIES - OUR PARTNERS



Where Are We Going?







INLAND ADVANTAGE



INLAND SOUTHERN CALIFORNIA

RIVERSIDE COUNTY | SAN BERNARDINO COUNTY

TWO COUNTIES, ONE POWERHOUSE REGION



POPULATION 2.329 MILLION

FOURTH-MOST POPULOUS COUNTY IN CALIFORNIA



7,208 SQUARE MILES IN AREA

FOURTH-LARGEST COUNTY IN CALIFORNIA BY AREA



ADDED 32,315 NEW RESIDENTS IN 2014

TENTH-MOST POPULOUS COUNTY IN THE U.S.

RIVERSIDE COUNTY



POPULATION 2.088 MILLION

FIFTH-MOST POPULOUS COUNTY IN CALIFORNIA



20,105 SQUARE MILES IN AREA

LARGEST COUNTY IN CALIFORNIA AND THE U.S. BY AREA



ADDED 19,313 NEW RESIDENTS IN 2014

TWELFTH-MOST POPULOUS COUNTY IN THE U.S.

SAN BERNARDINO COUNTY

JOBS HAVE
INCREASED
2.7%
IN THE LAST YEAR
REGIONALLY

FASTEST
GROWING
REGION IN
**SOUTHERN
CALIFORNIA**

66%
OF ALL NEW
BUSINESSES
CREATED IN
CALIFORNIA
IN 2012 - 2013

**NAMED THE BEST SMALL BUSINESS
REGION IN THE U.S.**

-BIZ2CREDIT

**NAMED THE EIGHTH COOLEST
REGION IN THE U.S.**

-FORBES MAGAZINE



INLAND ADVANTAGE

WORKFORCE DEVELOPMENT

A variety of hiring and tax incentive programs. These programs can assist a business in hiring new employees or enhancing the skills of their current workforce.

TAX INCENTIVES

Connects businesses to a variety of federal, state, and local incentives or assistance. Including iHub Zones, Recycling Zones, Foreign Trade Zones and various tax credits.

FOREIGN INCENTIVES

Assists businesses with Export/Import assistance, visas, financing, investor recruitment, FTZ's education and underwriting.

AFFORDABILITY

Inland Southern California is a great place to live. Lower cost of living than most southern California communities.

REGIONAL ADVANTAGES

Strong infrastructure, robust transportation networks, and a skilled workforce allow business to connect with a thriving business community.

QUALITY OF LIFE

A diverse climate and geography that ranges from rolling hills to desert, alpine to coastal wine country. Average daily temperature is about 80 degrees with more than 340 days of sunshine each year.



INCENTIVES



WORKFORCE DEVELOPMENT

- ANALYZE YOUR HUMAN RESOURCES NEEDS
- DEVELOP HIRING CRITERIA & RECRUITMENTS
- TEST, SCREEN AND ASSESS APPLICANTS
- TRAINING PROGRAMS WITH COST REIMBURSEMENT TO COMPANY



FILM INCENTIVES

- FREE USE OF COUNTY FACILITIES AND LAND FOR FILM SHOOTING
- NO FILM PERMIT FEES OR TOT FEES FOR HOTELS
- FREE CONCIERGE SERVICE
- ONE STOP PERMITTING PROCESS
- BUSINESS FRIENDLY ENVIRONMENT



REGIONAL ADVANTAGES

- AVAILABILITY OF LAND FOR DEVELOPMENT
- PROXIMITY TO PORTS AND MAJOR TRANSPORTATION CORRIDORS
- DISTRIBUTION HUB FOR GOODS DELIVERED TO AND FROM THE PORTS OF LOS ANGELES AND LONG BEACH



TAX INCENTIVES

- CALIFORNIA COMPETES TAX CREDIT
- SALES AND USE TAX EXEMPTION
- WORK OPPORTUNITY TAX CREDIT (WOTC)
- STATE HIRING CREDIT

INCENTIVES

F

First-class export and Import assistance. for business owners, corporate officers, investors, and entrepreneurs.

O

-Diplomatic relationships with over 70 countries.

-Foreign Trade zones to help with importing, exporting and tariffs.

-Numerous EB-5 Regional Centers in the area

R

-Partnerships with key International Trade Organizations and Agencies that provide trade programs and assistance

-Ex-Im Bank, U.S. Trade Development Agency

-Small Business Administration

-California Centers for International Trade

-Department of Commerce

E

-Concierge assistance for foreign investors with site search needs for development projects and we help with permit process assistance.

I

-Creation of International Trade events, bringing international businesses, investors, trade consultants, international trade help agencies and International Country representatives together to network.

G

-Advocate for National and International trade laws and policies that support and encourage foreign trade.

N

-Through our International Delegation Reception Program we provide access to the many departments of our county for government information exchange to share best practices.



A Sign of Things to Come



WE ARE DOOLY LABS

Large Area Amorphous Silicon Sensor Arrays for Medical, Security and NDT Applications purpose.

DOOLY Labs manufacture the leading X-ray sensors for most innovative solutions in medical, industrial, military and security X-ray imaging.

DOOLY Labs focus on top quality research, engineering, development, and manufacturing.

Security Digital Sensor

Medical Digital Sensor

NDT Digital Sensor



Economic Update



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