



# 2013/2014 ECONOMIC DEVELOPMENT REPORT



OFFICE  
Riverside Co  
California • USA

COUNTY OF RIVERSIDE  
**EDA**  
ECONOMIC DEVELOPMENT AGENCY



# INTRODUCTION

The Economic Development Agency (EDA) strives to support the County of Riverside's vision to become known as the safest, most business-friendly, and best place to live in America. Building a prosperous and sustainable local economy is critical to achieving this goal. To ensure that the County's economic development efforts are well planned, forward thinking and synchronized with other local and regional development initiatives, EDA established an initial Strategic Plan which identified five key initiatives to help achieve this vision:

1. Develop a business ecosystem that supports attraction, retention, and expansion.
2. Foster an innovation and entrepreneurship infrastructure.
3. Foster a global economy by advancing international trade.
4. Prepare and educate a highly skilled workforce to meet the needs of the regional economy.
5. Strengthen brand identity and awareness.

These initial objectives were implemented in 2013 and have achieved substantial gains in business attraction, job creation and economic investment within the County. This report will detail EDA's progress with implementing these initiatives and the measurable outcomes that were achieved through this work. These achievements have created the momentum to transform Riverside County into a leader in the new global economy.

# 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



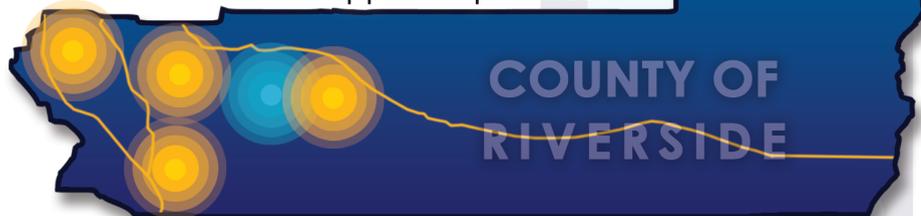
## FOREIGN TRADE EXPANSION

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



**\$75M**

in Foreign Trade Investments



# FAST TRACK PROJECTS

**\$4.3 BILLION**  
IN CAPITAL INVESTMENT

**2,985** CONSTRUCTION JOBS CREATED

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



**\$2.5M** 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**

One of the fundamental objectives of local economic development is to cultivate an environment which stimulates and supports business. To foster a robust business ecosystem, EDA's Economic Development unit has worked pro-actively to attract new businesses and support existing business through formal retention and expansion programs.

## ITEM 1.1 BUSINESS ATTRACTION

- Output: Increased marketing of the [www.RivCoProspector.com](http://www.RivCoProspector.com) business site selection tool to increase the number of new businesses within Riverside County.
  - ▶ **Highlights:** The site selection tool facilitated the selection of Riverside County for a manufacturer's new business endeavor. This new manufacturing facility created 100 new jobs within the County which were filled with assistance from the EDA Workforce Development Agency (WDC) and allowed local unemployed residents an opportunity to apply for these new jobs.
- Output: Expansion of the "Retail Growth Program" and increased interaction with developers and franchise owners.
  - ▶ **Highlights:** Team Riverside County won an Award of Excellence from the California Association for Local Economic Development for the International Council of Shopping Centers (ICSC) Retail Growth Program.
- Output: Utilization of Fast Track program to spur job creation and capital investments.
  - ▶ **Highlights:** For fiscal year 2013-2014, Fast Track projects resulted in the creation of 711 full-time non-construction jobs; 2,985 construction jobs; and \$4.3 billion in capital investments.
- Output: Increased promotion of Riverside County at key manufacturing industry trade shows and meetings.
  - ▶ **Highlights:** Riverside County was selected by the Industrial Asset Management Council to host the 2015 Spring Professional forum to be held in Palm Desert/Indian Wells. The event will showcase Riverside County as the lead manufacturing center for the West Coast.



# ITEM 1.2 BUSINESS RETENTION AND EXPANSION OUTREACH EFFORTS

- Output: Redoubled outreach efforts to preempt business relocation which included intensive efforts with 24 companies.
  - ▶ **Highlights:** A company that was in danger of being relocated due to a company merger was assisted with signing a new business deal that is likely to keep them located in Riverside County. This new business deal was made possible through intensive support provided by the EDA staff.
  - ▶ **Highlights:** A major on-line retailer with over 300 employees was looking for a larger space and was in danger of relocating out of the County. Staff was able to help find a suitable location within the County and assist them with State incentives and hiring incentives, thereby retaining the large employer.
- Output: Supported and assisted the Desert Hills Premium Outlets \$100 million expansion project.
  - ▶ **Highlights:** Expansion project created 50 new stores, 500 new jobs, and will likely generate over \$1M/year in new sales taxes.



## ITEM 1.3 STIMULATE BUSINESS INVESTMENT AND JOB CREATION THROUGH INCENTIVE ZONES

- Output: EDA staff provided State of California staff demographic data and lobbied for an incentive zone.
  - ▶ **Highlights:** Riverside County was selected by the State of California as 1 of 3 Designated Pilot Areas eligible for enhanced benefits under the New Employment Tax Credit.
- Output: EDA staff worked with newly located companies to take advantage of tax credit programs.
  - ▶ **Highlights:** EDA staff assisted 3 large scale businesses with securing \$3.19 million in California Competes Tax Credits (Amazon, \$1.575M; iHerb, \$815,000; Deckers, \$800,000)



**amazon**



**deckers**  
OUTDOOR CORPORATION

- Output: The EDA Development Division partnered with CalRecycle and multiple cities to expand and re-designate Riverside County as a Recycling Market Development Zone (RMDZ). The new zone includes 25 of the county's 28 cities (up from 8) and all County unincorporated areas.
  - ▶ **Highlights:** Several Riverside County companies are considering expansions using RMDZ low interest loans, including Global PET and Re-purposed Plastics.



**REUSE**   
**REDUCE**  
**RECYCLE**

## ITEM 1.4 STREAMLINE THE FAST TRACK PROGRAM IMPLEMENTATION

- Output: Created Fast Track SharePoint to facilitate sharing of documents.
  - ▶ **Highlights:** Facilitated the permitting of America's Tire Regional Logistics facility.
  - ▶ **Highlights:** Facilitated the permitting of Cal Premium Treats manufacturing facility.



## ITEM 1.5 CREATE HIGHER EDUCATION INSTITUTION PROFILES

- Output: EDA staff worked with Esri, an international supplier of Geographic Information System software, to produce a Higher Education Institution Profile
  - ▶ **Highlights:** Higher Education Institution Profile used for business attraction and marketing efforts.



# 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

The post-recession era has given rise to the Innovation Economy. This sector of the economy is generally a knowledge-based sector rooted in areas such as software development, biosciences, environmental sciences, and the healthcare industry. Often the companies in this sector emanate from local universities and community colleges, or start-ups generated by graduates from those institutions. Our goal is to foster an environment that supports entrepreneurship where innovative ideas can be brought to the marketplace and to strengthen our relationships with the local universities that nurture innovation.

## ITEM 2.1 SUPPORT AND EXPAND THE HIGH TECH BUSINESS COMMUNITY

- Output: EDA sponsored Riverside.io, ExCITE incubator, and the Inland SoCal Link iHub
  - ▶ **Highlights:** Our efforts led to five new start-up companies, projected to create 25 new jobs, and \$2.5M in economic impact.

## ITEM 2.2 POSITION THE EDA TO BE A REGIONAL ECONOMIC DATA CENTER

- Output: Consulted and trained with Esri staff to increase production of economic and demographic data for internal and external use.
  - ▶ **Highlights:** Leveraged Esri Enterprise Licensing Agreement to improve the quality of demographic and economic data provided by the EDA Business Intelligence unit and utilized in marketing efforts.



## ITEM 2.3 COORDINATE THE DEVELOPMENT OF AN ENTREPRENEURSHIP INFRASTRUCTURE IN RIVERSIDE COUNTY

- Output: Collaborated with and provided financial support to TriTech Small Business Development Center (SBDC) and the Inland Empire SBDC.
  - ▶ **Highlights:** Targeted efforts to support small business resulted in: 73 training events attended by 1,784 people; one-on-one direct support for 39 local companies; the creation of 124 jobs and the retention of 36 jobs through coaching and services; and an economic impact of \$7.8M.
- Output: Sponsorship of the annual Cal State San Bernardino Spirit of the Entrepreneur Awards.
  - ▶ **Highlights:** Over 700 people attended the event in November 2014 which highlighted businesses operating in our region.

## ITEM 2.4 SUPPORT THE IMPLEMENTATION OF THE INLAND SoCAL LINK iHUB

- Output: In November, 2014 EDA executed an agreement with the Governor's Office of Business and Economic Development on behalf of the iHub partnership.
  - ▶ **Highlights:** EDA staff have established key contacts with Korean and Japanese business consultants scouting Southern California business locations for international companies. Riverside County is being considered as a result of these efforts.
- Output: Created iHub marketing brochure.
  - ▶ **Highlights:** The iHUB brochure has been incorporated into the Port of Los Angeles' marketing materials and is distributed at national and international events.

## ITEM 2.5 SUPPORT THE ESTABLISHMENT OF THE RIVERSIDE COUNTY INCUBATOR / TECHNOLOGY CENTER

- Output: EDA played a leading role in the creation of the ExCITE incubator that recently opened in downtown Riverside in November 2014.
  - ▶ **Highlights:** The ExCITE incubator already has 4 tenants out of 6 available office spaces and an overflow of applications for the remaining 2 offices.



**iHub**  
*Inland So Cal link*



# 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

Business in Riverside County goes far beyond our County, State, and National borders. Our businesses sell their products and services all around the world. Importing and exporting is increasing and Riverside County businesses are taking advantage of opportunities in the world market. Foreign investors are placing confidence and resources in our region, investing in business, purchasing homes, and importing the many products produced in our County.

## ITEM 3.1 ATTRACT FOREIGN DIRECT INVESTMENT

- Output: The Office of Foreign Trade (OFT) received several national and international awards.
  - ▶ **Highlights:** Internationally, the OFT received the European Union President's Recognition Award, the Republic of Croatia Foreign Service Award, the Canada California Business Council Canadian Order of Merit Award and the Vancouver Canada Mayor's Recognition Award. Nationally, the OFT was given the United States Small Business Association International Trade Merit Award and has been nominated for the Harvard Kennedy School Ash Center – Democratic Governance Innovation Award.
- Output: Match needs of foreign investors with resources in the County.
  - ▶ **Highlights:** The OFT helped private sector international investors develop 12 properties across the county. These projects created over 1,650 private sector construction jobs and an estimated 925 full-time jobs.
  - ▶ **Highlights:** Working with international investors the OFT brought development to the City of Jurupa Valley and the City of Riverside. These projects brought over \$75 million in international investment to the County and these 2 cities.
  - ▶ **Highlights:** By the end of 2014, with the assistance of the OFT stewardship and concierge services, another firm will open its doors in the City of Riverside with 250 full-time employees and employed construction trade workers to make tenant improvements to its new facilities.

## ITEM 3.2 EXPAND ACCESS TO GLOBAL MARKETS

- Output: Expand Foreign Trade Zones.
  - ▶ **Highlights:** Riverside County expanded 3 of 4 Foreign Trade Zones: Northwest Riverside County; Eastern Riverside County (Palm Springs); Southwest Riverside County; Western Riverside County (Part of the Los Angeles FTZ); and a 5th FTZ, sponsored by OFT, is in the approval process for 4 Winds Tribal Coalition.
  - ▶ **Highlights:** The Office of Foreign Trade took a national lead in support of the Transatlantic Trade Treaty between the U.S. and European Union. The County now has 5 projects under the “EB-5” program representing over \$100 million in direct foreign investment.
- Output: Conduct workshops to assist business with exporting goods.
  - ▶ **Highlights:** Held a series of workshops called the “Export Training Assistance Program.” Over 200 manufacturers and others attended the workshops.
- Output: Assist firms to market locally produced goods and services.
  - ▶ **Highlights:** OFT used its marketing expertise to successfully introduce around the globe and across the nation Phoenix Fire products through a “target of opportunity” new market and growth strategy. Creating 5 new jobs for this small business.



## ITEM 3.3 INCREASE LEGISLATIVE OUTREACH AND EDUCATION

- Output: Establish a formal partnership with the U.S. Trade and Development Agency that will help develop ties with emerging nations.
  - ▶ **Highlights:** Riverside County Office of Foreign Trade has become a 'Making Global Local' partner with the U.S. Trade and Development Agency.
  - ▶ **Highlights:** Riverside County, in partnership with the Small Business Administration and the California Centers for International Trade Development, provided the Export Training Assistance Program (ETAP) graduating over 200 students in the past year.
- Output: Create support for OFT efforts from trade associations and national and international leaders.
  - ▶ **Highlights:** Secured support for 2 international trade agreements with the National Association of Counties (NACo).
  - ▶ **Highlights:** Received a NACo endorsement and added testimony to secure the reauthorization of the Export Import Bank of the United States of America in Riverside County.
  - ▶ **Highlights:** OFT hosted bilateral meetings with 19 nations and over 450 international business owners and government officials.
  - ▶ **Highlights:** Export Magazine continues to be popular with our readers and is fully funded by private sector partners. It is emailed to over 20, 000 subscribers across the County, around the state, and our Nation's federal capital. This publication reached .25 million readers.

# 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**

Riverside County continues its economic recovery that began in 2010, yet skill shortages continue in many industries and a relatively large pool of unemployed workers still exists. Our local residents are willing to work but lack the specific skills businesses need, particularly in priority industry sectors. Over the next few years, the local workforce system will also be impacted by dramatic demographic shifts and a baby boomer population reaching retirement age, creating new challenges and opportunities to create a workforce system focused on innovation and skills development. In partnership with the Workforce Investment Board, EDA is committed to being responsive to the economic imperatives of our priority industry sectors and effective in addressing the barriers of our workforce who do not have the skills industries need to succeed.

# ITEM 4.1 SUPPORT INDUSTRY NEED BY ADVANCING THE ALIGNMENT OF THE LOCAL WORKFORCE DEVELOPMENT AND EDUCATION SYSTEMS IN COLLABORATION WITH SECONDARY AND POST-SECONDARY EDUCATION PARTNERS

- Output: Partner in the implementation of Coachella Valley's regional plan for college and career readiness.
  - ▶ **Highlights:** Collaborated on 2 Industry Councils representing 2 regional priority industries, Healthcare and Advanced Technology/Renewable Energy, to create career pathways for students in K-16.
  - ▶ **Highlights:** The Healthcare Industry Council established a nurse transition-to-practice initiative to assist newly graduated nursing students in finding employment and developed a nursing workforce initiative to address primary care access shortages in the region.
  - ▶ **Highlights:** Partnered with College of the Desert (COD) to establish the regional KidWind Program to instill interest in the environment and jobs in renewable energy among young people. COD expanded their certificate programs in solar and wind energy to keep up with growing demand.



## ITEM 4.2 PREPARE THE WORKFORCE FOR CURRENT AND FUTURE ECONOMIC NEEDS

- Output: Convene industry councils to discuss skills gaps and workforce needs.
  - ▶ **Highlights:** A Logistics Council was convened to provide direct input on course curriculum based on current industry need and resulted in a University of California, Riverside Extension Certificate program in Supply Chain Management. The industry recognized certificate program offers 2 cohorts of 10 students each. The initial cohorts are being recruited for both the Riverside and Palm Desert campuses.
- Output: Support job-seekers to find secure employment in priority industries.
  - ▶ **Highlights:** Received California State Association of Counties merit award for “Green Pathways = Green Paydays” program. Of 292 unemployed Workforce Investment Act (WIA) students attending College of the Desert (COD), 285 received their North American Board of Certified Energy Practitioners (NABCEP) or Occupational Safety and Health Administration (OSHA) or both certifications. Based on internal estimates, approximately 75% of the 285 have been employed during the course of the project and 50% of those have been industry related employment. Seventeen solar companies are using the Workforce Development Center exclusively to fill all their hiring and workforce needs. Some names include Renova Solar, Potere Solar, Desert Power, Grid Alternatives and others.
- Output: Work with employers to provide trained employees.
  - ▶ **Highlights:** Provided employers with 226 On-the-Job (OJT) Training reimbursement contracts thereby reducing the cost to companies of hiring and training new employees.

- Output: Work with employers to upgrade skills of existing employees.
  - ▶ **Highlights:** Provided customized upgrade training in Lean Manufacturing and Process Improvement to 10 employees of Central Wire.
  - ▶ **Highlights:** Provided customized upgrade training in Management Skills, Leadership, and Team Building to 19 employees of NFI.
  - ▶ **Highlights:** Provided customized upgrade training in Construction Management to 20 employees of Reliable SVS.

## ITEM 4.3 SUPPORT SYSTEM ALIGNMENT, SERVICE INTEGRATION, AND CONTINUOUS IMPROVEMENT USING DATA TO SUPPORT EVIDENCE-BASED POLICYMAKING

- Output: Work with legislative offices to introduce and advance workforce initiatives.
  - ▶ **Highlights:** Worked with Congressman Raul Ruiz to introduce bipartisan legislation to fund renewable energy training based on Green Pathways = Green Paydays program. H.R. 4648, the Renewable Energy Jobs Act, has recently been referred to the Subcommittee on Higher Education and Workforce Training. It will be taken up after the 114th Congress opens its session on January 3, 2015.

# 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**

The County of Riverside offers an arsenal of programs and services for the benefit of business. A comprehensive, coordinated and strategic marketing effort will be implemented to re-brand and reposition the County’s economic development brand as a forward-thinking, creative, and dynamic catalyst for business success. The new brand identity will drive business development tactics in the coming years. As economic development activities increase, County priorities and strategies will continue to evolve in keeping with the changing business environment and community. To date, the EDA Economic Development Division has made several accomplishments, but to accurately execute the strategies in this section, greater resources are necessary to properly brand and market the region.

## ITEM 5.1 DEVELOP A NATIONAL BRANDING CAMPAIGN

- Output: Hire a branding consultant to do initial branding plan.
  - ▶ **Highlights:** Brought consultant on board, several brands have been identified that are currently undergoing testing.

## ITEM 5.2 DEVELOP A MEDIA TEAM / MEDIA STRATEGY

- Output: Debut a monthly Economic Update e-newsletter and email blast marketing program to inform our stakeholders of new and interesting developments in the County's economy, and about programs and services offered by EDA.
  - ▶ **Highlights:** Published 8 volumes of the Economic Update e-newsletter.
- Output: Create a promotional video to promote the many positive benefits of locating a company in Riverside County.
  - ▶ **Highlights:** Created a professional marketing video used to promote the benefits of doing business within our county titled, "Why Riverside County?"

## ITEM 5.3 CONDUCT LOCAL OUTREACH WITH PARTNERS

- Output: Identify and support programs, services, or events that reinforce EDA's economic development objectives.
  - ▶ **Highlights:** EDA contributed approximately \$750,000 to 32 partner organizations dedicated to furthering regional economic development efforts.
- Output: Support non-profit and community-based organizations that provide a significant community benefit.
  - ▶ **Highlights:** EDA contributed over \$135,000 to 13 local organizations that provided a significant community benefit and resulted in an improved standard of living for County residents.

## ITEM 5.4 CREATE BUSINESS PORTAL TO RIVERSIDE COUNTY

- Output: EDA launched the revamped Foreign Trade Web Portal to facilitate investment and international outreach efforts.
  - ▶ **Highlights:** Communication with foreign investors and business are being streamlined in 2015.



# MEASURABLE OUTCOMES OF THE STRATEGIC ACTION PLAN

OUTCOME	EDA DIVISION RESPONSIBLE	FY 13 / 14 RESULT
1. The number of businesses attracted to conduct business in Riverside County resulting from our business attraction strategies	Economic Development	11
2. Number of jobs created as a result of our business attraction and business expansion efforts	Economic Development	711 Permanent 2,985 Construction
3. Number of businesses saved and lay-offs averted resulting from our business retention strategies	Workforce Development	Item Being Tracked Starting 2015
4. Number of individuals entering employment	Workforce Development	21,100 Increase (EDD)
5. Number of training related placements	Workforce Development	Item Being Tracked Starting 2015
6. Increase the supply of skilled workers in the targeted industries	Workforce Development	3,856 Increase (EMSI)
7. Number of new businesses and repeat businesses using our business solutions services increases	Workforce Development	New 572 Repeat 628
8. Customer Satisfaction increases and is sustained	Workforce Development	Job Seeker 95% Business 98%
9. Amount of direct foreign investment increases	Office of Foreign Trade	175 Million
10. Number of start-up businesses*	Economic Development	40
11. Increased local, state and national brand awareness about the incentives and benefits of doing business in Riverside County.	Economic Development	*Currently not measured, metric to be implemented as part of branding/awareness

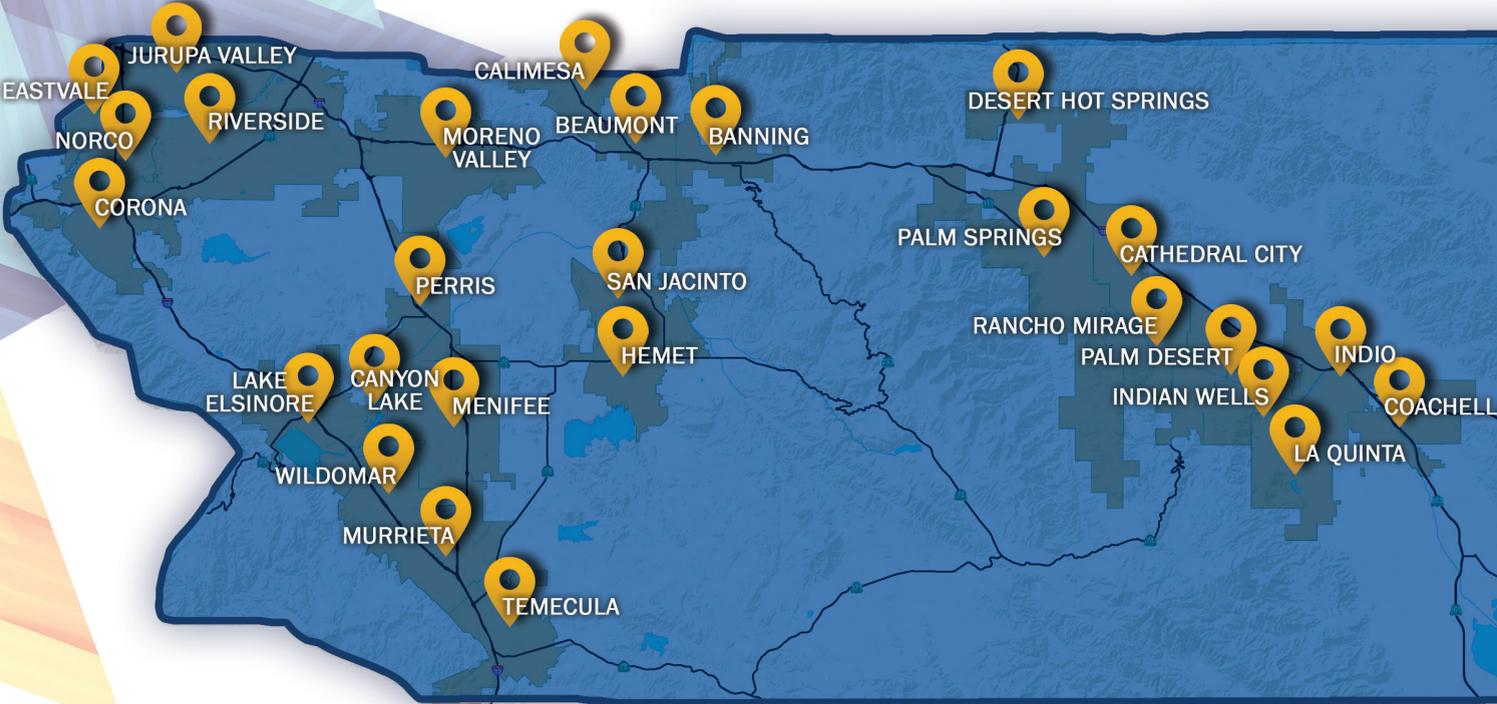
\* This metric is reflective of the results of our partner SBDC's (Inland Empire & TriTech) that EDA funds. There is no other source for tracking this metric.

# OUR PARTNERS AND ALLIES

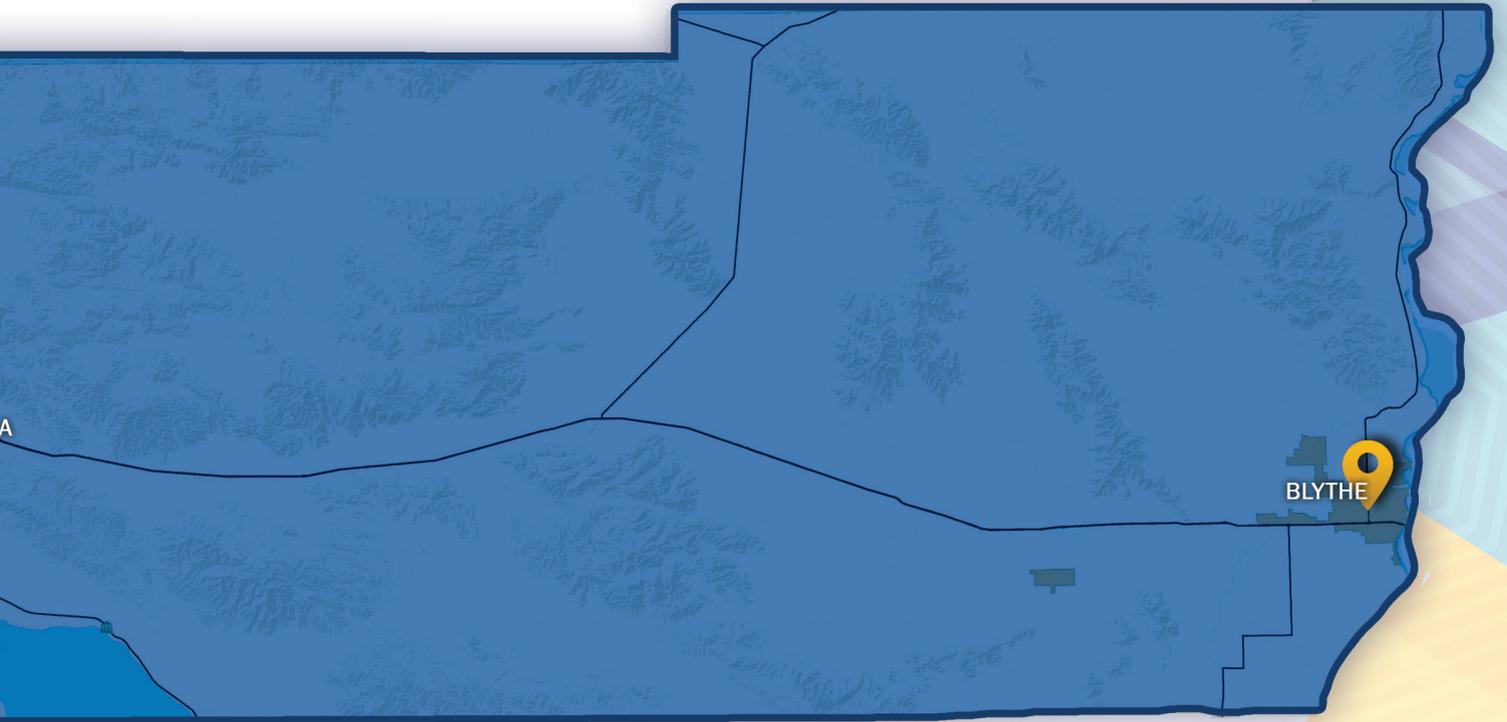




# OUR CITIES - ○



# OUR PARTNERS





COUNTY OF RIVERSIDE  
**EDA**  
ECONOMIC DEVELOPMENT AGENCY