



OPPORTUNITIES

ISSUE 1 VICTORVILLE, CALIFORNIA

SPRING
2005

- Contact us at opportunities@victorvillecity.com to be removed from our mailing list.
- June 20-22, 2005.....National Assoc of Industrial and Office Properties (NAIOP)
National Industrial Conference, Dallas, TX
 - June 20, 2005.....CoreNet Southern California Annual Golf Tournament
Pelican Hill, CA
 - April 7, 2005.....CoreNet Southern California CORE 2010
Los Angeles, CA
 - March 19-23, 2005.....Industrial Asset Management Council (IAMC)
Charleston, SC
 - March 22-25, 2005.....California Association for Local Economic Development
(CALE), Monterey, CA
 - March 9-11, 2005.....California Redevelopment Association
Anaheim, CA

RECENT & UPCOMING EVENTS

VICTORVILLE
City of Victorville
Department of Economic Development
14343 Civic Drive
Victorville, CA 92392

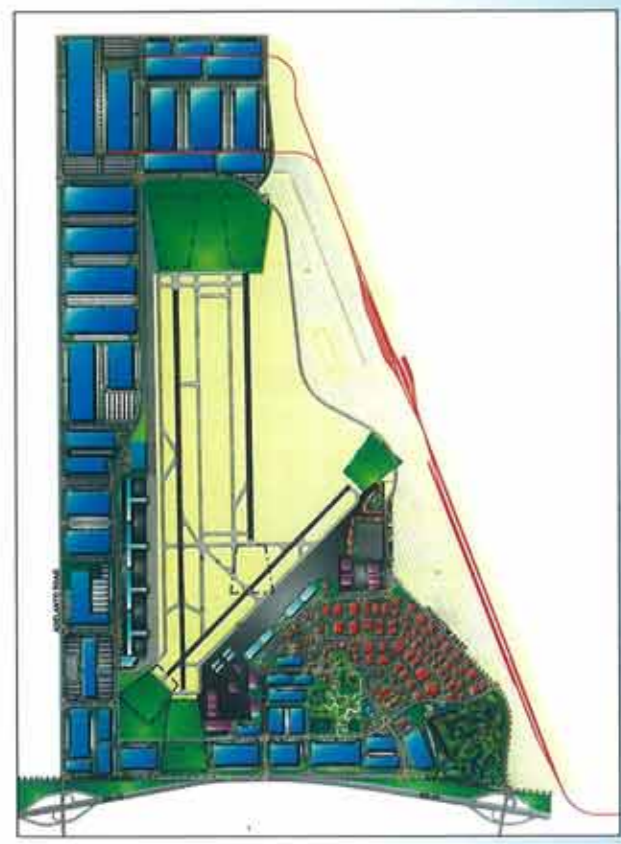
Find out more about Victorville's advantages by visiting our Web site at www.victorvillecity.com or by calling us at 760-955-5032

DEVELOPMENT OPPORTUNITIES

Southern California Logistics Airport (SCLA)

- A 5000-acre business and industrial park master-planned for 43.5 million square feet of commercial space – the largest commercial development in the northern Inland Empire
- Offers manufacturing and distribution facilities with direct access to rail spur, international cargo facilities, technology centers, aviation maintenance facilities, executive jet travel center, and recreational amenities
- Lot sizes available and divisible to accommodate 20,000 to 1 million square foot facilities
- Highway access to I-15 and State Highway 395
- 90 minutes from Los Angeles; 40 minutes from Inland Empire locations
- For more details and to see our master plan, visit www.logisticsairport.com

Contact: Jay Dick
CB Richard Ellis
909-418-2149



Southern California Logistics Airport Master Plan for manufacturing and distribution operations.

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Southern California Logistics Airport (SCLA)

Welcome to Victorville, CA!

Mike Rothschild, Mayor of Victorville

For many site location professionals, Victorville is considered the last cost-effective place to do business in Southern California.

Incorporated in 1962, Victorville is experiencing unprecedented growth. In 2004 we saw over 3,000 single-family and multi-family building permits issued in this city of 85,000. Retail growth has followed, with the new addition of David's Bridal, Old Navy, Bed Bath & Beyond and our own *Restaurant Row*. The hospitality industry is also expanding with a new Hawthorne Suites and Hilton.



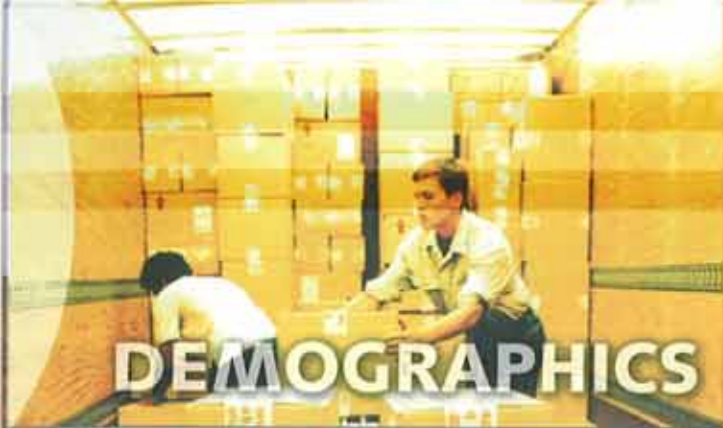
Improvements at the Southern California Logistics Airport (SCLA) have enhanced industrial and commercial development:

- Investment of \$1.2 million for a new 114,000 square foot aircraft hangar
- Installation of natural gas-powered generators to serve businesses at the airport
- Runway and taxiway improvements
- Installation of fiber optics

The City Council maintains a unified and consistent pro-growth position, while striving to maintain Victorville's small-town charm. Improvements to our parks, streetscapes, library, and freeway entrance show the pride we take in our city.

It is amazing to see the new homes being built, the commercial construction underway, and the city streets buzzing with shopping and recreational activity. As the mayor of Victorville, I find this an exciting time to be a part of this great community and invite you to explore, learn, and partake in the **Opportunities** Victorville has to offer.





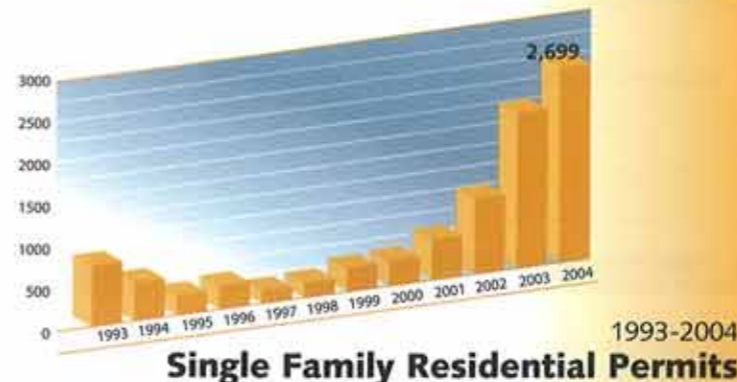
YOUR BUSINESS HERE

Demographic Update

This section will provide you with the latest demographic information for Victorville. This quarter, we focus on the housing starts for 2004.

Victorville issued a record-setting number of residential permits in 2004—a total of 2,699 single-family permits issued.

This increase reflects the increase in population over the past year. Victorville's population at the end of 2004 was approximately 85,000—nearly a 10% increase over 2003.



BUSINESS NEWS SUCCESS STORIES LOCAL DEMOGRAPHICS SERVICES REAL ESTATE BUSINESS NEWS SUCCESS STORIES

Outlook SCLA

SCLA Rail Project

Scheduled for construction in Q3 of 2005, the Southern California Logistics Airport (SCLA) Rail Project is being designed to not only provide existing and prospective users with direct rail access, but is also designed to serve as a logistics solution for goods movement throughout Southern California.

The rail complex is a solution for the growing distribution needs and supply chain congestion at the deep-water ports and Southern California's transportation network. It expands the capabilities of goods movement to the East coast, and provides a sound solution to the ever-growing needs for the United States.

Stay abreast of ongoing SCLA activities to be featured in this section.



Program Opportunities

LAMBRA Enterprise Zone

The Local Agency Military Base Recovery Act (LAMBRA) program was developed in 1993 to stimulate job creation in areas experiencing military base downsizing and closure. By 1995, the military had closed 29 major military bases. *Two thirds of the total nationwide base closures were in California. By 2000, 187,000 workers had been displaced with an annual loss of approximately \$10 billion in Federal dollars.*

In February 1996, the former George Air Force Base, now known as Southern California Logistics Airport (SCLA), received a LAMBRA Enterprise Zone designation. The LAMBRA program helps communities reduce the adverse economic impact of military base closures, and assists in revitalizing

facilities for business use. It also provides substantial tax benefits, as it allows qualified businesses to take advantage of California state tax incentives made available through this program.

Tax incentive programs under the SCLA

LAMBRA designation include:

- Sales & Use Tax Credit
- Hiring Credits
- Business Expense Deductions
- Net Operating Loss Carryover

CONTACT US

City of Victorville
Economic Development Department
760-955-5032
Email: opportunities@victorvillecity.com

Local Vision

General Electric Transportation

GE Transportation, the world's leading manufacturer of large jet aircraft engines, opened their jet engine test facility in Victorville in 2000. GE offers jet engines for commercial, corporate, military and marine applications.

The SCLA team and the leadership of the City of Victorville worked with GE to make sure all of GE's needs were met. The City's pro-business philosophy and



GE Transportation testing facility in Victorville.

responsiveness enabled GE to design and construct a technically advanced aircraft maintenance hangar for flight-testing operations. It is a state of the art facility for testing next-generation jet engines.

GE's Victorville facility was constructed to conduct performance and operability tests on current jet engines, as well as engines on the drawing boards. The facility is used for loading engines, flying those engines under various scenarios and constraints, and analyzing resulting data. The company uses 2500 sensors and 140 on-board computers to analyze data resulting from the various



tests. According to John Hardell, Plant Leader for GE in Victorville, "Victorville is not just the best location in Southern California for our business operation, it is the best location in the world."

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- John Hardell, Plant Leader, GE Transportation

GE chose SCLA based on the congestion-free air corridor, the 24/7 air tower operations, dual runways and competitively priced land. The airport at SCLA also features a 24/7 fire department with ample fire trucks to immediately respond to any adverse situations that result from the testing. GE also found a workforce ready and willing to work in Victorville. They employ positions from engineers to mechanics, and have 47 employees on site.