



**ECONOMIC DEVELOPMENT DIVISION
STATUS REPORT
(Fiscal Year 2013-2014: 3rd Quarter Report)
January to March 2014**

INLAND EMPIRE / COLTON ECONOMIC BASE

The City of Colton's Economic Development Division continues to establish relationships, build networks, and identify resources to meet the needs of property owners, residents, developers and businesses. The Division is a key facilitator in creating public-private partnerships to attract new businesses, facilitate enterprise development, and assist existing businesses with expansion.

BUSINESS FOCUS

Business Focus is an economic development approach for business retention, whereby each month the City of Colton honors one of the businesses at a City Council meeting. Businesses are nominated by the Mayor, or members of the City Council, or Citizens of the Community, and are presented a Certificate of Appreciation. The following businesses were honor during the 3rd Quarter 2014:

January - **Dr. Gill's Family Dentistry** located at 1130 North Pepper Avenue

February – **Sandy's Hair Designs** located at 1080 East Washington Street

March - **Adel's Dress Shop** located at 349 North La Cadena Drive

Colton Sales Tax Up

Sales tax receipts for July through September 2013 in Colton were 29.0% higher than the same quarter one year ago (July through September 2012). There were no reported irregularities. Out of 25 cities in San Bernardino County, Colton, once again, ranked 2nd in sales activity by percentage increase. (source: HdL Companies, July – September 2013 Sales Tax Update)

LATE BREAKING NEWS

Sales tax receipts for 4th Quarter, October through December 2013, were 30.9% higher than the same period in 2012. (source: HdL Companies)

Property Tax Revenues to Increase

Colton's assessed values are projected to increase by 2.0% during 2013-2014 over last year's increase of 2.5% as reported by HdL, Coren and Cone.

Unemployment Rates: As of February 2014, San Bernardino County's unemployment rate was 9.3% (not seasonally adjusted, which when adjusted, the rate could be lower). California's unemployment rate was 8.5% and when seasonally adjusted, the rate is 8.0%. The United States unemployment rate remained at 6.7% for February and March 2014. Colton's unemployment rate of 9.3% (not seasonally adjusted) was

down from 9.4% as of December 2013. **"Seasonally Adjusted"** takes into account temporary seasonal employment, such as in the agricultural labor market, to adjust data in obtaining labor market statistics. (source: *State of California Employment Development Department*)

Median Home Prices Up for Single Family Residential

The median sales price for homes in Colton for the 3rd Quarter (January to March 2014) was \$185,000 based on 72 home sales, up from \$160,000 in the 2nd Quarter 2013 (October to December 2013), a 15.63% increase. Compared to the same period one year ago, the median home sales price increased 23%, or \$42,500. The average sales price for homes in Colton was \$198,675 as of the end of March 2014. On a County-wide basis, a median home price declined by 0.94%; and, the average home price was \$273,958 with 4,385 home sales.

(source: *HdL, Coren & Cone*)

DEVELOPMENT NEWS AND UPDATES



Lineage Logistics (2063 Miguel Bustamante Parkway) continues construction on its 424,000 square foot cold-storage facility in the Agua Mansa Commerce Center.



Baker's Burgers (1620 West Valley Blvd.) has completed their improvements, modernizing the existing restaurant.



DaVita Colton Ranch Dialysis (1405 West Valley Boulevard) continues construction rehabilitation of the former Colton Piano building into a multiple-unit medical facility.



Family Dollar (869 North Rancho Avenue) continues construction, directly across from Stater Bros, south of Mill Street along Rancho Avenue.



Moss Bros Ford Site (1900 W. Valley Boulevard)
 The developer has submitted plans to the City for Phase I rehabilitation on one of the two buildings for San Bernardino County's Transitional Assistance Development (TAD) Department which will consist of approximately 300 employees.



Starbucks Drive-thru and Coffee House (202 East Valley Boulevard) has received City site plan approval and are preparing to submit their construction drawings.



LA Fitness (northwest corner of Valley Boulevard and Pepper Avenue) site plans were submitted to the City's Development Services Department on March 18, 2014 for the development of a new 45,000 square foot fitness center. The site plan anticipates 2 to 3 corner retail pads.

REAL ESTATE ACTIVITY



New Business in Colton!!



In April 2013, **C.R. England** entered into a lease on an approximate 34.36 acre, existing truck terminal site located at 2250 South Riverside Avenue, south of Agua Mansa Road. They begin consolidating their operations onto the site in late 2013 and early 2014. C.R. England is planning a Grand Opening in June 2014. C.R. England, the largest temperature-controlled carrier in the world, provides a comprehensive range of transportation solutions to meet the requirements of a rapidly evolving customer base. C.R. England is a four generation, family-owned corporation established in 1920 with their Headquarters in Salt Lake City, Utah.



[Three Alternative Conceptual Site Plans for Dominguez Plaza]

Vanir Development Company, Inc., owner of Downtown's Dominguez Plaza, has prepared 3 alternative site plans to market their two vacancies (center photo, buildings highlighted in yellow). The site plan alternative on the above left assumes the two existing buildings are demolished and a new building is reconstructed for a large single user. The alternative on the right also replaces the existing two buildings with a mixed use building for a possible office, medical and/or food operations with an outdoor court. Dominguez Plaza is anchored by the Hampton Inn & Suites and features a thriving food court including Amapola Mexican Food, Sushi Miguel's Style and Subway.



Photos are for illustrative purposes only

In March 2014, **California University of Science and Medicine (Cal Med)** submitted an offer to purchase the approximate 22 acre site owned by the former Redevelopment Agency for the City of Colton. The site is located at the northeast corner of West Valley Boulevard and Meridian Avenue, east of Arrowhead Regional Medical Center. Cal Med proposes to develop a Medical School and other ancillary facilities along with retail and possible dormitories. Cal Med has received a commitment from Prime Healthcare Service Foundation in the amount of \$40 million to finance the proposed project's first phase. Economic Development staff are in discussions with the principals of Cal Med for the sale and development of the proposed project.

RESIDENTIAL NEWS



Arbor Terrace Apartments: The Arbor Terrace Apartments, located at 2170 – 2192 North Rancho Avenue, was purchased by WNC Community Preservation Partners, LLC, in partnership with Jamboree Housing Corporation. During the 3rd Quarter, work continued to upgrade the 129 units. Nearly \$17 million is planned to be expended on the upgrades to this affordable housing complex.

The Villa's – A 55+ Community: Construction completed in the 3rd Quarter (February) on the 120 unit affordable senior housing project. The site is developed with two 2-story and two 3-story buildings; a clubhouse; pool and spa; and recreational areas. The site also showcases Colton's historical bell. As of January, 80 units have been rented. February 1, 2014 was the Grand Opening Celebration and tenant move-in date.



INDUSTRIAL DEVELOPMENT – “Bringing Jobs to Colton”

Over 3,428,030 square feet of completed, under construction, or proposed industrial development has or is occurring within Colton's industrial areas, creating approximately 600 to 775 net new job opportunities:

Lineage Logistics – under construction; 424,000 square foot cold-storage facility (150 – 200 jobs)

Agua Mansa Logistics Center - approved for construction; 808,500 square feet (200 – 300 jobs)

United Packaging Group – under construction; 160,000 square foot expansion (100 – 125 jobs)

Chino Valley Ranchers – completed; 290,000 square foot remodel (75 – 150 jobs)

In-the-Planning Stages – site plan application submitted; 445,530 square foot warehouse facility

In-the-Planning Stages – 1.3 million square foot distribution facility

(Economic Development Staff, in coordination with the Colton Chamber of Commerce, are working with the businesses to ensure that Colton Residents are notified of the job opportunities being created.)

COLTON HOUSING AUTHORITY

Colton and Mount Vernon Avenues: The Colton Housing Authority has been approached by two separate developers with different national retailers interested in purchasing the Authority's site located at the northwest corner of Colton Avenue and Mount Vernon Avenue. The site is approximately 3 acres. Authority staff is in discussions to seek the best offer and the greatest return in selling the property and causing its development.

Rancho Mediterrania Mobile Home Estates Park: After the dissolution of redevelopment, the City of Colton opted to transfer its affordable housing assets to the Colton Housing Authority. This includes 29 of the 259 lots in the park. The remaining 230 lots are in private ownership. The Colton Housing Authority Commissioners authorized staff to create a “first-right-of-refusal” program, offering to the existing coach tenants the ability to purchase the lots that they occupy. Authority staff scheduled two meetings, one at the end of February and the other at the end of March, with the coach tenants to explain the program.

In addition, the **Reassessment District Bonds** ("RAD 00-1"), attached to the property tax bill paid by several lot owners within Rancho Mediterrania, were retired (paid off) as of March 2, 2014. The retirement of RAD 00-1 provides lot owners an average of \$1,142 per year in property tax cost savings through 2019.

Homeless-Veterans Action Plan "Return to Work": The Colton Housing Authority is developing a plan of action to address homelessness, including veterans, within the City. An analysis of the current state of homelessness is being reviewed using the 2013 Point-In-Time Homeless Count; and identifying the demographic and subpopulation profile of the City's homeless population. The analysis includes identifying locations where homeless people live, spend time and receive services and other local trends. The Action Plan will create strategies for networking with key community partners, County-based resources, and coordinated homeless services for implementation of the plan toward reducing the number of individuals and families living homeless in the City of Colton. Two firms have been interested in developing programs for the Colton Housing Authority; First 5 – Harder & Company and Time for Change Foundation.