

San Bernardino Community College District & the East San Bernardino Valley's Future

By

John E. Husing, Ph.D.

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Economics & Politics, Inc.

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Summary

We have entered an era when it is impossible to overestimate the importance of those dedicated to educating young people or providing adult workers with the educational foundations and skills necessary to succeed in our increasingly technological world. Certainly, this is true in the East San Bernardino Valley. In the next two decades, the demographic and economic forces affecting the community will cause it to become much larger and more complex. However, it will not become a better place unless we fundamentally alter its educational dynamics.

Here, the San Bernardino Community College District has an enormous opportunity and obligation. For young people, it must become a key player encouraging them to expand their educational horizons while also developing career ladders for those wanting immediate training. For adults, it must become the major learning center for workers needing to upgrade their educations and skills for their existing jobs, for a transition to management, and for the new jobs migrating to the region. If the district succeeds, the East Valley will succeed. If the district fails, the area faces great difficulty.

Unsolicited Comment By An HR Director

I am a Human Relations Director, a Latina and work with approximately 190 production employees and 30 office employees. What I have seen in the last 10 years is the difficulty faced by our production employees because of their lack of education. It is disappointing because they are the hardest working and most dedicated employees I know. Often and routinely, some of the simplest tasks taken for granted by educated people are serious challenges for these individuals. Our community and our firm must find a way to give them greater access to education.

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In the coming decade, the East San Bernardino Valley (*East Valley*) must provide a growing share of local families with the means to achieve upward social mobility. Otherwise, the region will become much bigger, but no better. Given the complexity of this task and the scarcity of resources, success requires an unprecedented level of strategic cooperation among the area's governmental, business and educational institutions. The San Bernardino Community College District (*SBCCD*) will be either vital or fatal to this mission since it is the East Valley's major tax-supported institution for adults needing additional education and training.

Raising Living Standards. How should the SBCCD position itself within the context of the rapidly evolving East Valley? That has been the subject of this inquiry. The starting point has been the research explaining economic and population growth in the Inland Empire and its various sub-regions. As these forces have become better understood, the area's cities, counties and economic development groups have created strategies aimed at enhancing local living standards. Invariably, the most successful organizations have been those that have learned to react quickly to the challenges before them.

Involving Educators. Of late, the Inland Empire's leadership has recognized the importance of incorporating educational strategies into their efforts to improve local living conditions. They want to join educators in both encouraging youngsters to seek higher educations and providing career ladder programs for those wanting to go directly to work. And, they want to assist educators in identifying, organizing and funding training for workers impacted by new technologies at their current jobs, needing the basic educational tools to advance into the first tier of management or needing the skills required by firms that are migrating to the region.

SBCCD's Role. In the East Valley, the SBCCD's participation is essential. The area has Southern California's lowest home prices and apartment rents. This is drawing a population that is relatively poor and desperately in need of strategies to encourage children and adults to acquire more education. Meanwhile, the East Valley's workforce training needs will soon accelerate as areas west of the I-15 freeway are running out of land on which to put the many firms migrating to the Inland Empire. The SBCCD needs to be a major force in both spheres. However, to do so, it must be open to integrating its programs with those of other community institutions, and willing to develop mechanisms for rapidly reacting to training needs as they arise. In the past decade, these are the same kinds of challenges that the region's governmental agencies and economic development groups have started to overcome.

Report Sections. This report was developed after reviewing data on the changing nature of the population and economy in the Inland Empire and East Valley as well as the performance of the region's educational institutions. In addition, discussions were held with over 50 community leaders involved in education, economic development, government, business and the professions. In the sections that follow, the results of these inquiries are presented. In addition, the policy issues raised for the SBCCD are discussed. Finally, recommendations are made about the positioning and strategies which the SBCCD may wish to pursue in light of these facts and issues.

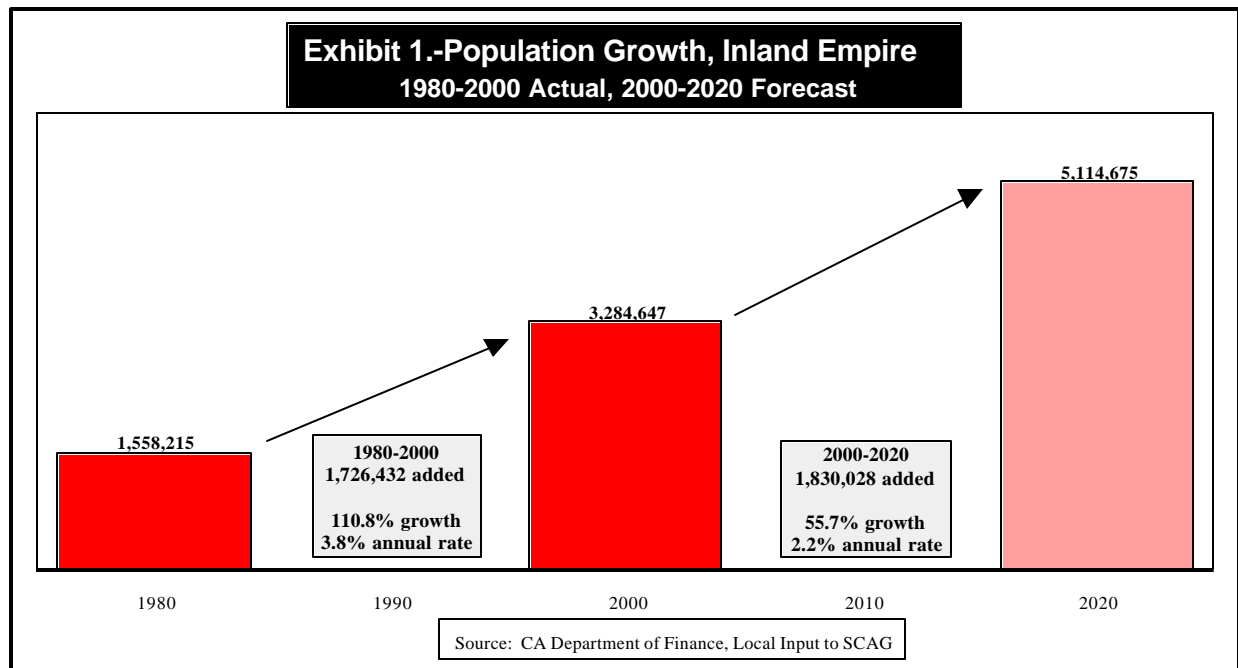
This report is organized into the following sections:

1. Economic & Population Forces Impacting the Inland Empire and East Valley
2. East Valley's Demographic, Economic & Educational Challenges
3. Raising the East Valley's Living Standards: Issues & Goals Facing the SBCCD
4. Raising the East Valley's Living Standards: Recommendations to the SBCCD

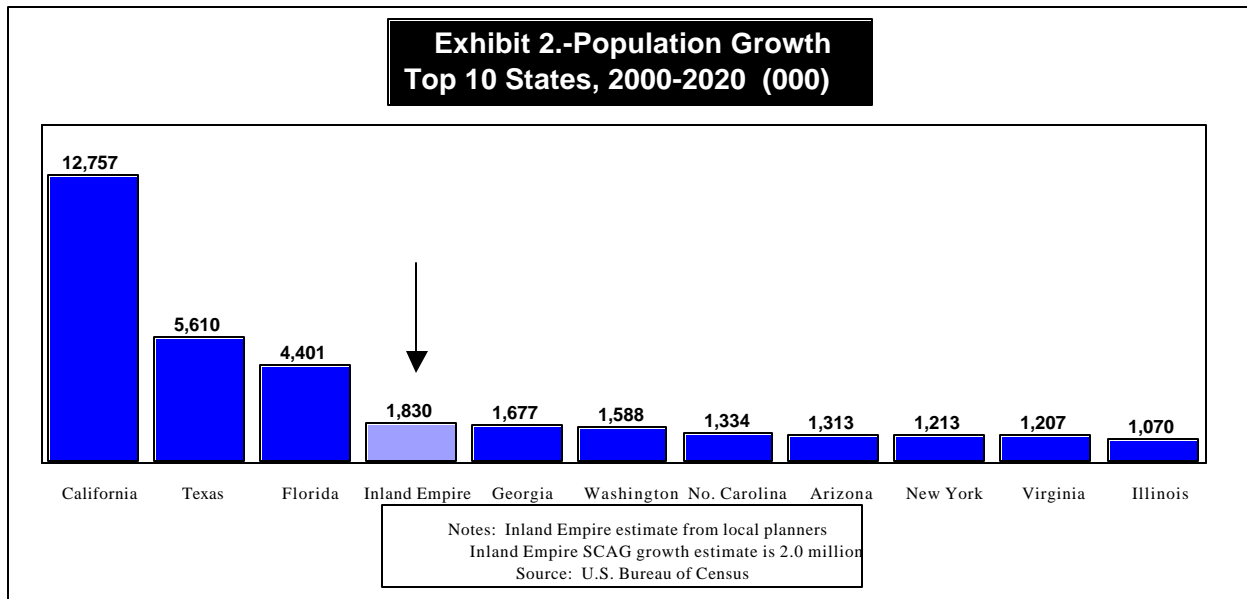
1. Demographic & Economic Forces Impacting the Inland Empire and the East SB Valley

In the next 20 years, the Inland Empire will add more people than all but three U.S. states. It will continue to become decidedly more Hispanic. It will create more jobs than either Orange or San Diego counties. Its growth will increasingly spread cross the I-15 freeway and bring new homes, people and jobs into the East Valley. These are the forecasts that fill the inland region's leaders with hope and dread. Hope because these changes open the possibility of dramatically improving the living standards of local residents. Dread because they may simply result in the area becoming a more congested version of its relatively low income self.

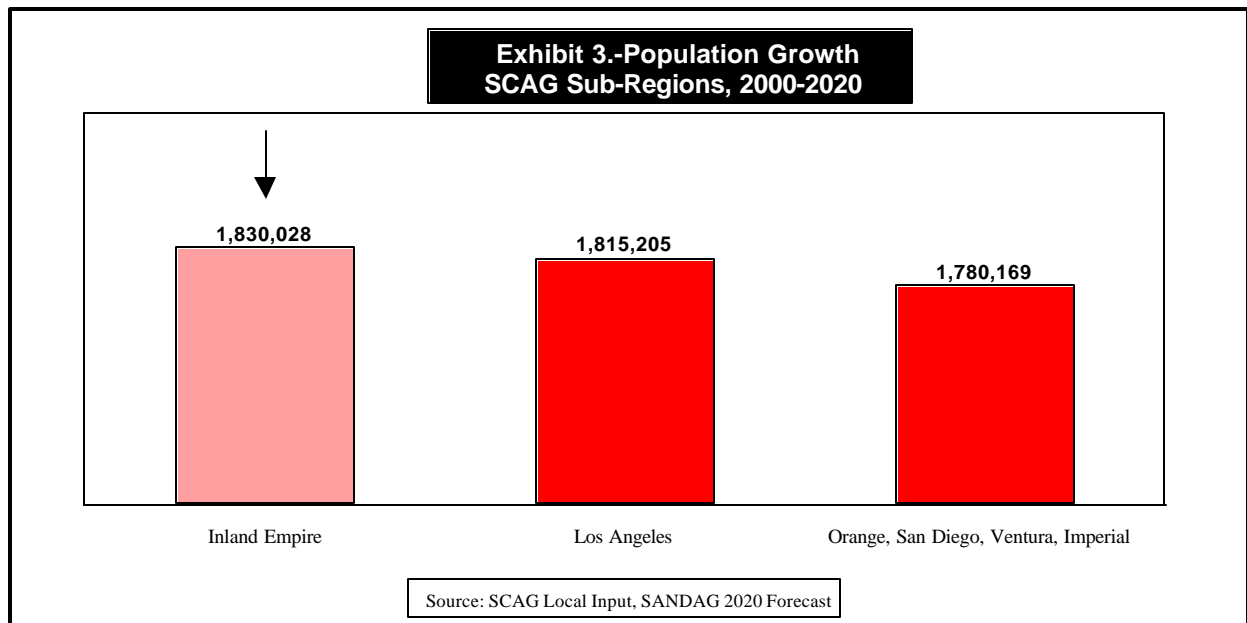
Population Forecasts. If the East Valley's educators are to play a major role in taking advantage of these new conditions, they must recognize the forces driving them. A starting point is the data. From 2000-2020, the Inland Empire's city and county planners estimate that its population will grow from 3.3 million to 5.1 million, up 1.8 million people (*Exhibit 1*). In absolute terms, the gain in the next 20-years will exceed the 1.7 million added from 1980-2000. Interestingly, demographers from outside the region put the anticipated gain at 2 to 2.5 million.



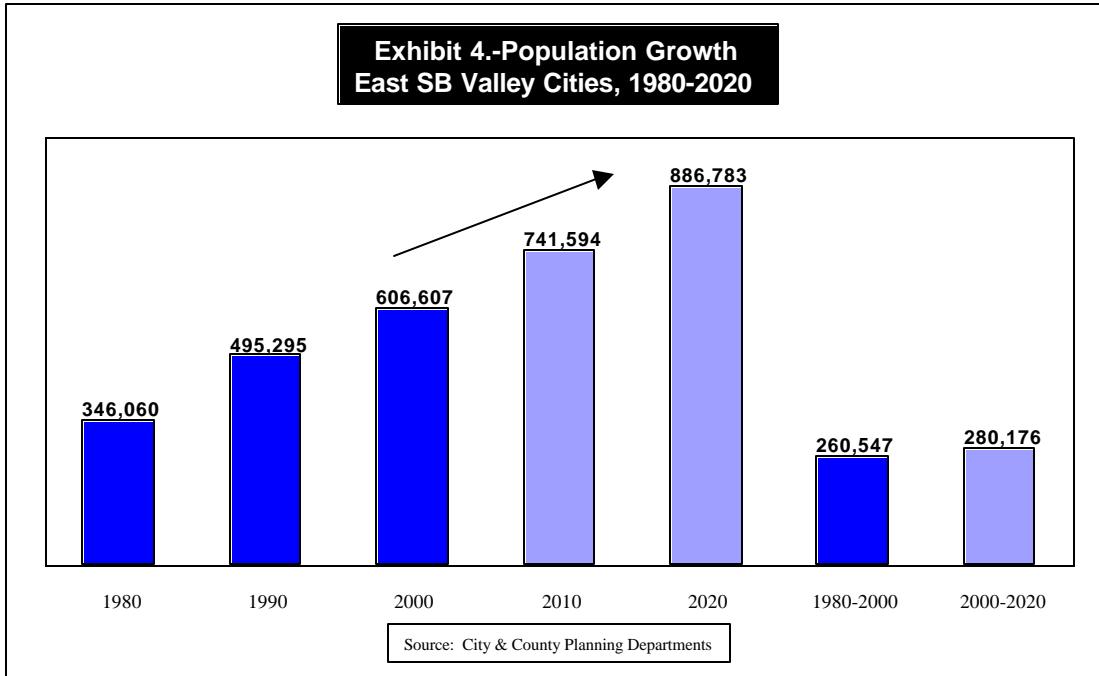
If the Inland Empire adds 1.8 million people from 2000-2020, its growth will exceed the U.S. Census Bureau's predictions for 47 of the 50 states (*Exhibit 2*). The only exceptions will be California (12.7 million), Texas (5.6 million) and Florida (4.4 million).



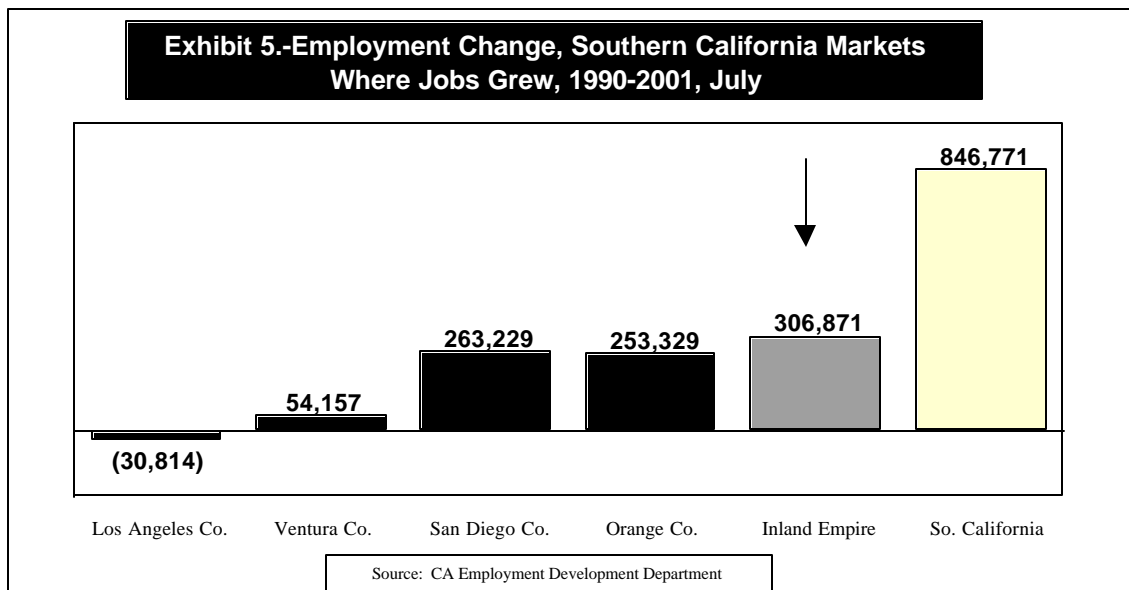
Normally, most of an area's population growth comes from the excess of births over deaths. Heavily populated places thus usually add the largest number of people. However from 2000-2020, the Inland Empire (*1.83 million*) is expected to outpace both the combination of Orange, San Diego, Ventura and Imperial counties (*1.78 million*) as well as Los Angeles County (*1.82 million*) even though they are currently double and triple its size (*Exhibit 3*). Why? There is little undeveloped residential land available in the coastal counties and families seeking home ownership or affordable rentals are being forced to migrate inland.



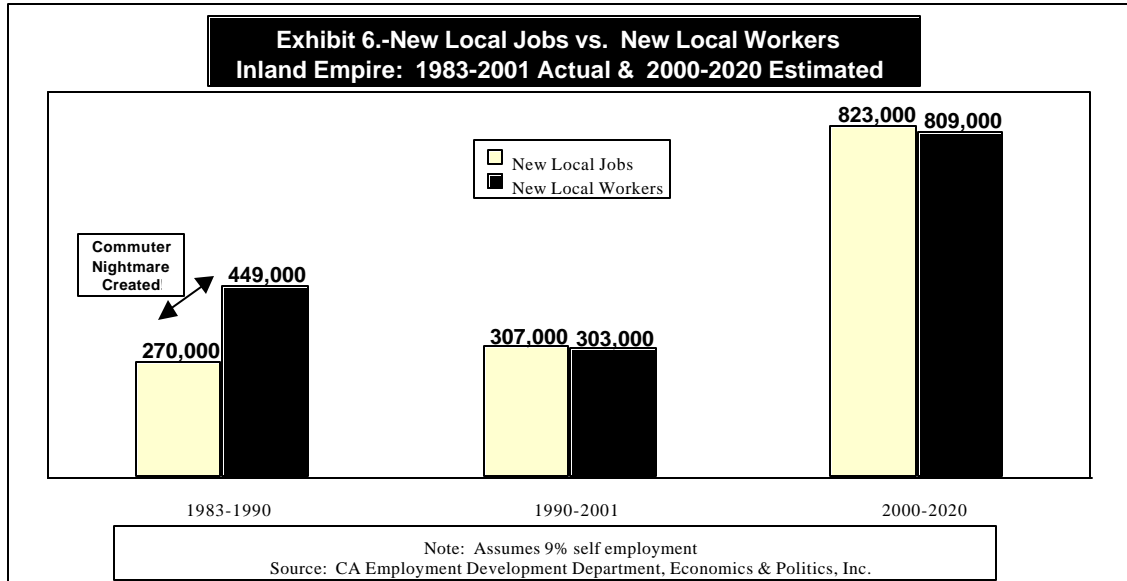
East Valley Population Growth. As the Inland Empire grows, each of its constitute areas will as well. According to Census, from 1980-2000, the East Valley area served by the SBCCD (*Bloomington to Yucaipa, Big Bear Lake to Riverside County*) grew from 346,100 to 606,600, up 260,500 people (75%). City and county planners expect it to add another 280,100 people in the next twenty years to reach 886,800 by 2020 (*Exhibit 4*).



Southern California’s Job Creation Leader. In recent years, the Inland Empire’s employment performance has been similarly aggressive. When the 1990-2001 period began, Southern California entered a deep recession, losing over 500,000 jobs. However, there was no year in which the Inland Empire had a net job loss. As a result, for the full period, it added 306,900 jobs to reach 1,050,000. That was more than San Diego County (263,000) or Orange County (252,000). Los Angeles County is still 30,800 jobs below its 1990 level (*Exhibit 5*).

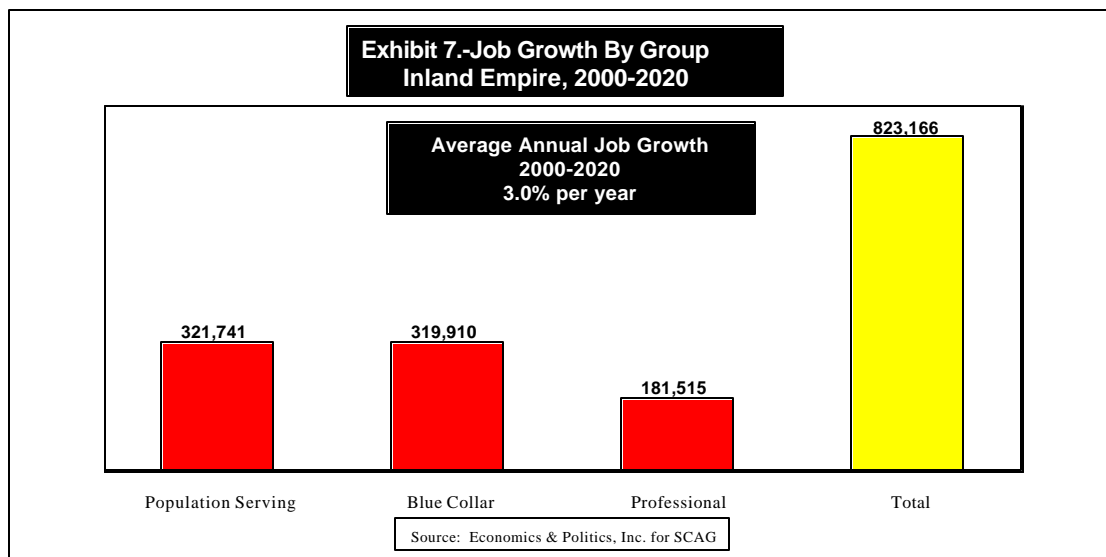


Job Balance. From 1990-2001, the 306,900 jobs added in Inland Empire were slightly more than the 303,000 new workers added by its population growth. This was in sharp contrast to the 1983-1990 period when 270,000 new local jobs were created but 449,000 more people went to work. That was the period when the area’s commuter nightmare was created (*Exhibit 6*).

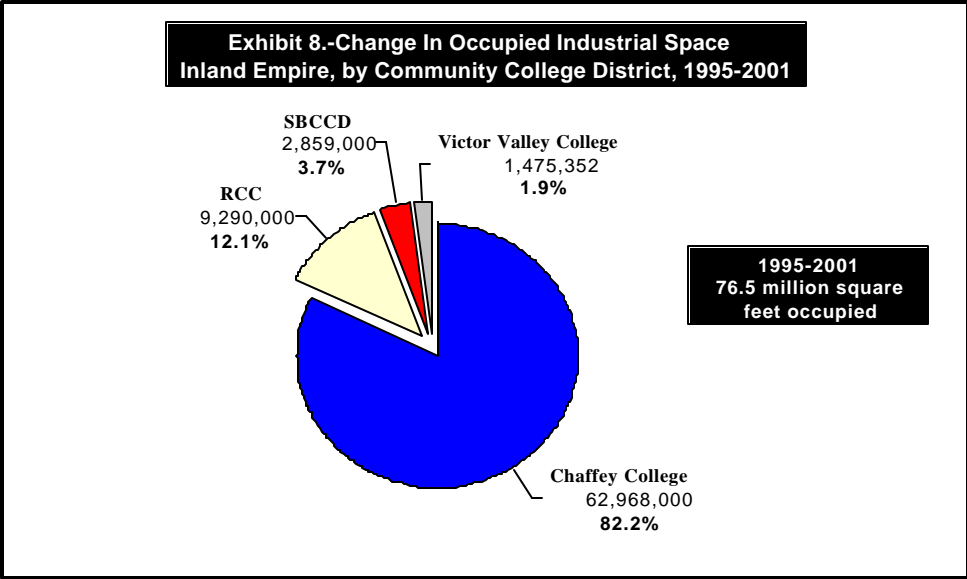


Looking ahead, the Inland Empire’s balance of new jobs and new workers should continue. From 2000-2020, the forecast of 1.8 million more people will mean roughly 809,000 new workers. At the same time, forecasts for the Southern California Association of Governments (SCAG) predict that the Inland Empire will generate 823,000 new jobs, a small surplus (*Exhibit 7*):

- Its population growth will induce 322,000 new jobs in occupations like teaching, sales and consumer service.
- Its cost advantages will continue to propel the construction, manufacturing and logistics sectors, creating 320,000 new blue collar jobs.
- Its technical, professional and corporate sectors will add 181,000 jobs as they begin responding to the region’s space and labor cost advantages.



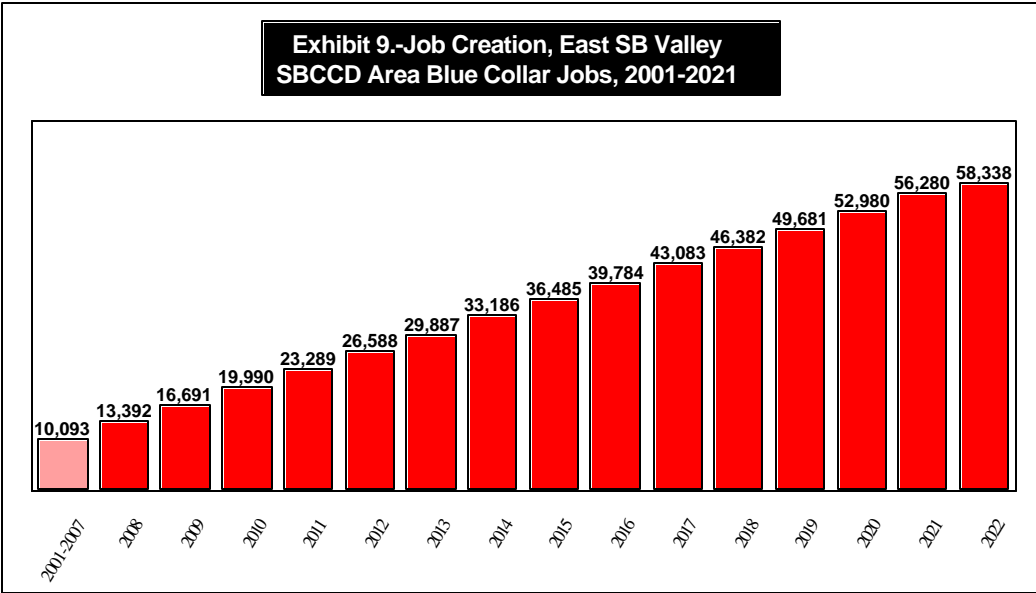
Job Creation Is Moving Eastward. To date, most of the Inland Empire’s job creation has been confined to communities along the I-15 freeway. For instance, the region saw a total of 76.5 million square feet of industrial space occupied from 1995-2001 with 82.2% or 63 million square feet of this is in the Chaffey College District (*Exhibit 8*).



In 2001, this is starting to change as several Westend cities are either running out of space or facing environmental issues on their remaining land. Employers must thus look deeper into the region. In 2001, seven firms have already announced expansions that will bring 3,000 manufacturing and distribution jobs paying an average of \$32,000 to \$35,000 a year to the SBCCD:

Swift Transportation	Rialto	1,400
Yellow Freight System	San Bernardino	500
Kohls Distribution	San Bernardino	400
Hershey's	Redlands	150
Roadway Express	Bloomington	700
Home Depot	Rialto	500
Ashley Furniture	Colton	400
TOTAL 2001		3,000

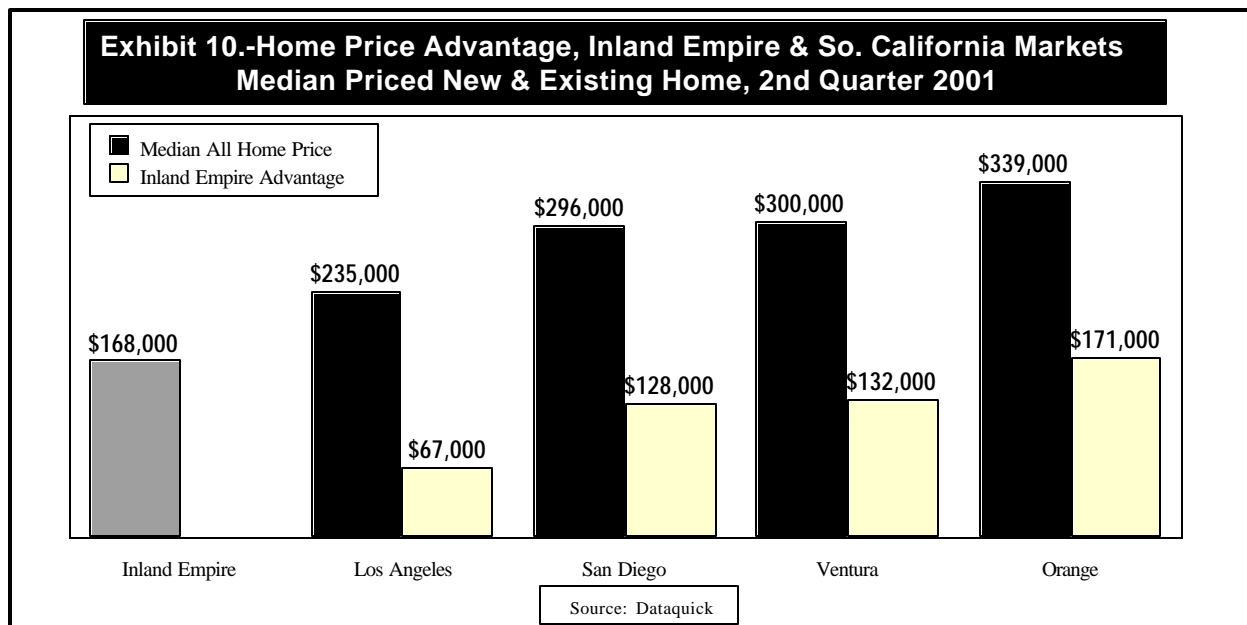
From 2001-2007, research for BNSF Railroad and Hillwood development predicts that a total of 10,100 jobs will be created in the East Valley by industrial firms using 15 million square feet of space. By 2021, the cumulative new job total is expected to rise over 58,000 (*Exhibit 9*).



Why Are The Inland Empire's Numbers So Strong? Researchers have reached these strong conclusions about population and economic growth in the Inland Empire and the East Valley based upon their understanding of the way in which Southern California's geography and economic behavior interact. Since World War II, the Southland has grown outward from central Los Angeles County. At various times, this has made places like the San Fernando Valley and Orange County metaphors for West Coast growth.

Inevitably, once coastal county congestion caused their residential and industrial space costs to rise, this activity would be forced into the Inland Empire. By the mid-1970s, housing development moved into cities like Corona, Chino, Ontario and Rancho Cucamonga. In 1985, industrial development began to follow. Today, housing development has proliferated throughout San Bernardino and Riverside counties and industrial development is being forced deeper inland.

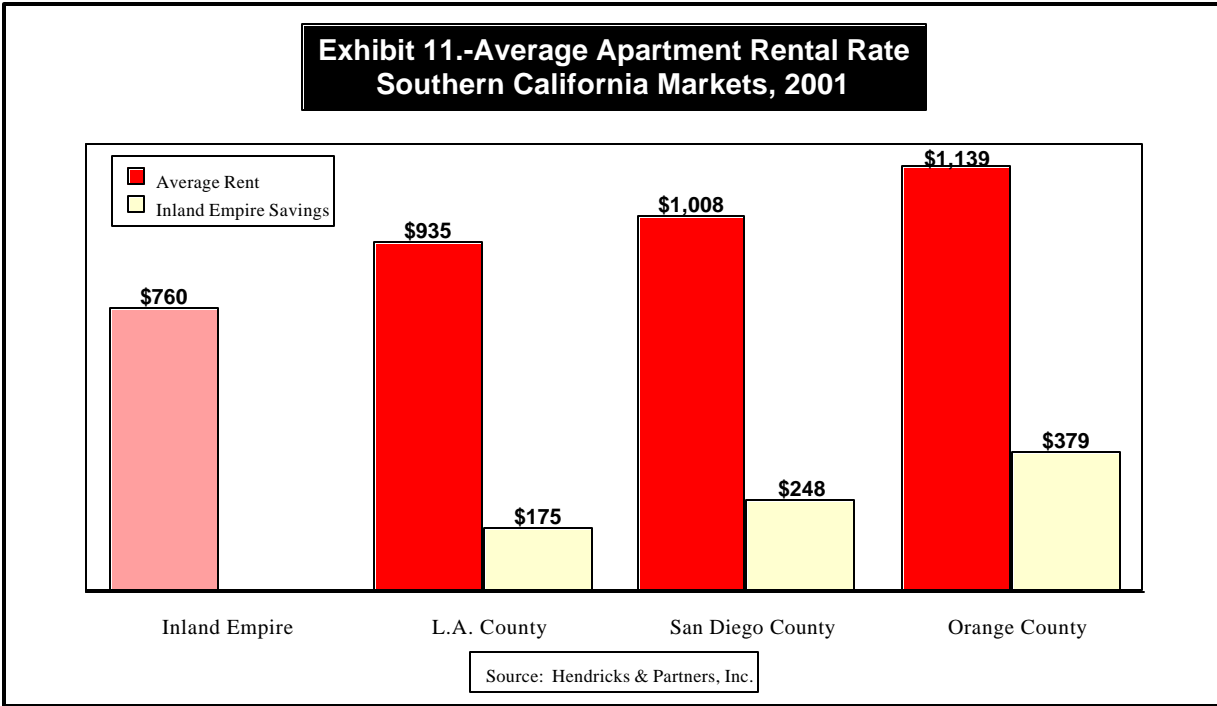
At its core, the Inland Empire's growth is occurring because it is the last Southern California region with large tracts of undeveloped land along transportation corridors. This available "dirt" creates a location advantage for both residential and industrial/office developers. Put simply, space is available and less expensive in the Inland Empire, hence the homes and buildings built on it sell or lease for far less than in neighboring Los Angeles, Orange or San Diego counties.



1. Less Expensive Inland Homes. Thus in second quarter 2001, the median Inland Empire home sold for \$168,000. This gave it price advantages of \$67,000 and \$171,000 compared to median priced homes in Los Angeles County (\$235,000) and Orange County (\$339,000) (*Exhibit 10*). At the same time, the Inland Empire's average monthly apartment rent was \$760. This was \$175 per month or 24.5% less than in Los Angeles County (\$935) and \$379 per month or 53.2% less than in Orange County (*Exhibit 11*).

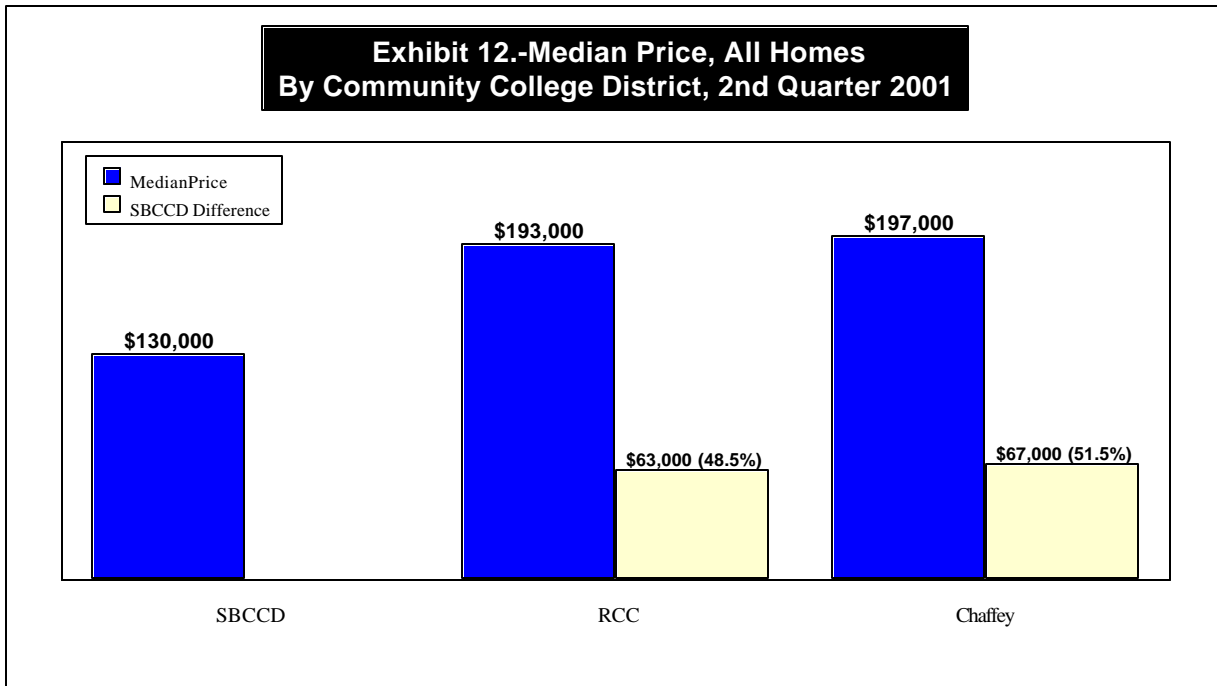
As indicated, price differentials like these have existed since the early 1980s. They are the main reason increasing numbers of families have migrated to the Inland Empire, driving up its population. Looking ahead, this process will accelerate as supply and demand conditions in Los Angeles, Orange and San Diego counties force prices ever higher:

- *Rising demand:* More and more Southern Californian's are marrying and need homes.
- *Restricted supply:* The coastal counties are running out of places to build new homes.

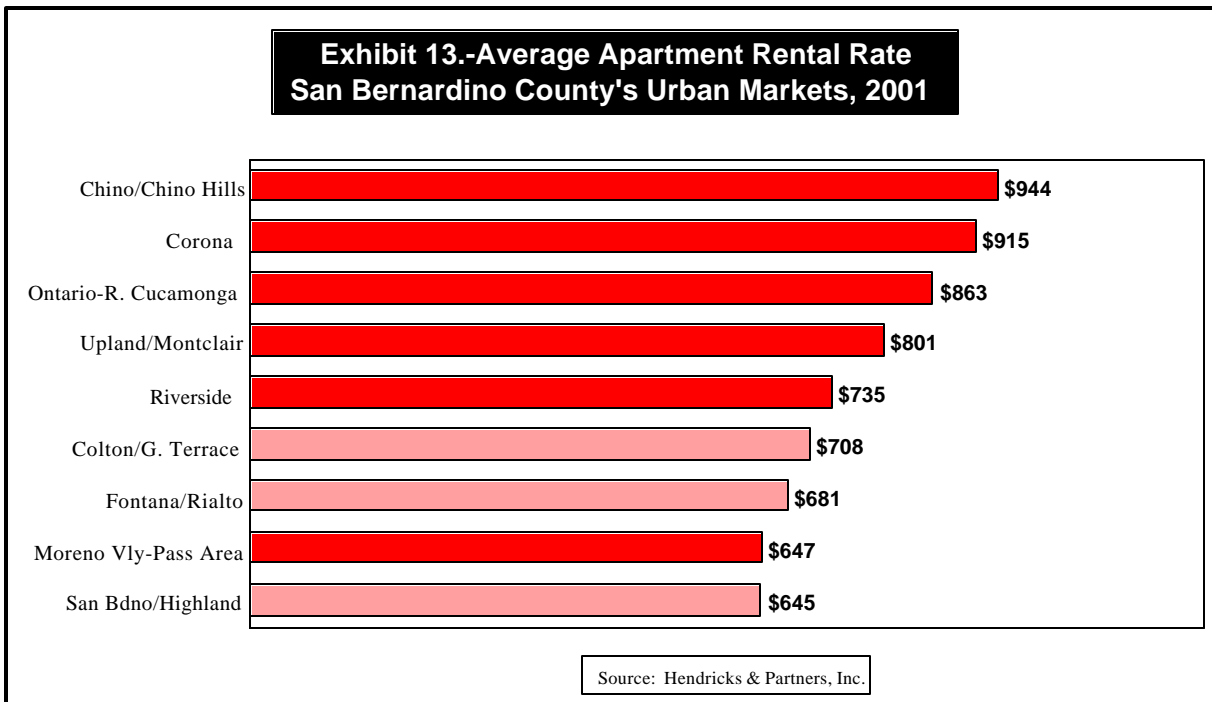


East Valley vs. Westend. Inside the Inland Empire, there is a significant difference between home values in the various community college districts (*Exhibit 12*):

- In the SBCCD, the median price of homes was just \$130,000 in second quarter 2001.
- That was \$63,000 or 48.5% less expensive than in the \$193,000 median price in the Riverside Community College District.
- It was \$67,000 or 51.5% cheaper than in the \$197,000 median price in the Chaffey College District.



A similar situation exists in the apartment markets (*Exhibit 13*) Here, only the Moreno Valley, Banning, Beaumont area breaks up the tendency for the SBCCD to have the lowest average rental levels.

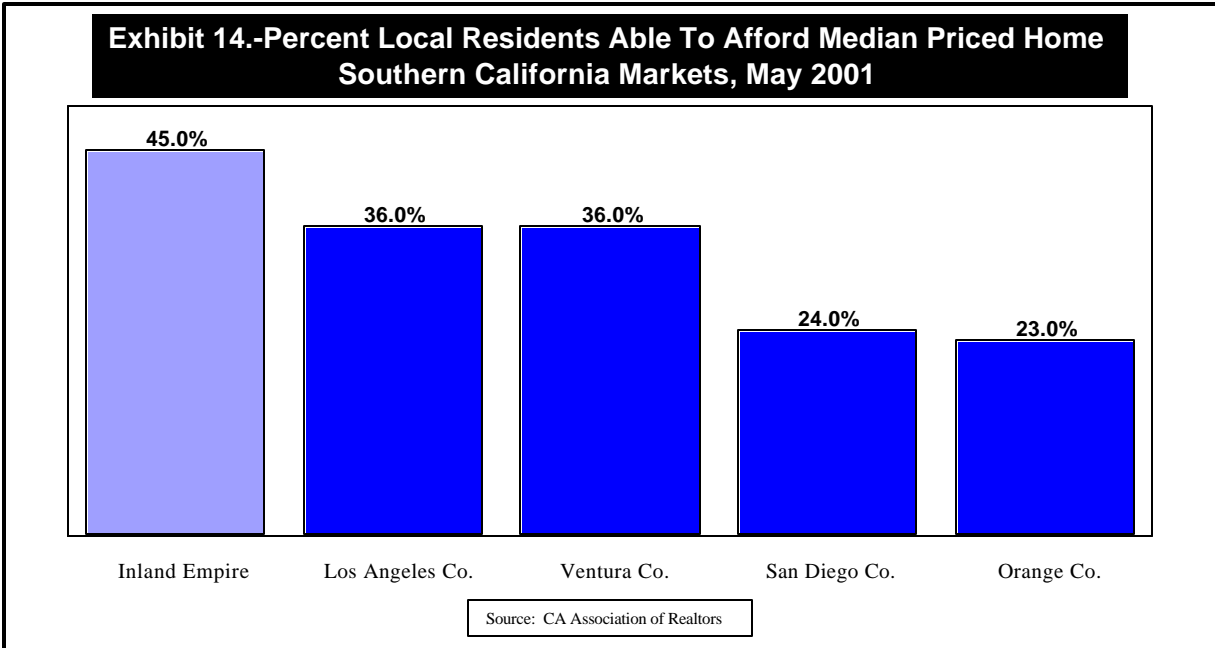


Both these data sets show the importance the distance from Los Angeles and Orange counties plays in the relative costs of the Inland Empire's housing. As the Chaffey District borders Los Angeles County, its home and apartment costs are higher than those in the East Valley. The RCC District occupies a middle ground since it includes the high priced Corona/Norco area near Orange County as well as the lower priced Moreno Valley/Perris area deeper inside the region.

Educational Implications. There are powerful educational implications to these data as home and apartment prices are the conditions that determine who migrates to, and lives in the East Valley. As the SBCCD now has the least costly homes and apartments in urbanized Southern California, the area will continue drawing those families most in need of affordable home payments and rents. The district's growth will thus bring it a disproportionate number of people with modest incomes and skills (*see Section #2 below*). If the East Valley is to succeed, its entire leadership including its educators must focus on the issues of upward mobility and adult skill training.

New Trend To Exacerbate Inland Differences. Of late, a new phenomenon has hit the Inland Empire's housing market: the rise of upscale neighborhoods and homes. It is occurring because home prices in Southern California's coastal counties are at such astronomical levels that the vast majority of coastal families cannot afford their area's median priced house (*Exhibit 14*):

- In Orange County, only 23% of local families, at their \$73,700 median income level, can qualify to buy the area's \$339,000 median priced home.
- In San Diego County, only 24% of local families, at their \$56,900 median income level, can qualify to buy their county's \$296,000 median priced home.
- In Los Angeles County, only 36% of local families, at their \$54,500 median income level, can qualify to buy their area's \$235,000 median priced home.



At these levels, even professionals, technicians and executives face a choice: coastal county housing poverty or a move to the more affordable Inland Empire. Developers are thus building large executive homes in Temecula/Murrieta, Corona/Norco, south Riverside and San Bernardino County's Westend (*Exhibit 15*). For the Inland Empire, this is a positive development as the growing cadre of highly skilled workers will soon pressure high tech, professional and corporate office operations to move inland so they can stop commuting. However for the East Valley, it is a mixed blessing as it will add to the pressure on lower income buyers and renters to migrate deeper inland to areas like the SBCCD.

Exhibit 15.-Sizes Of New Homes For Sale Near Coastal Counties, 2000-2001

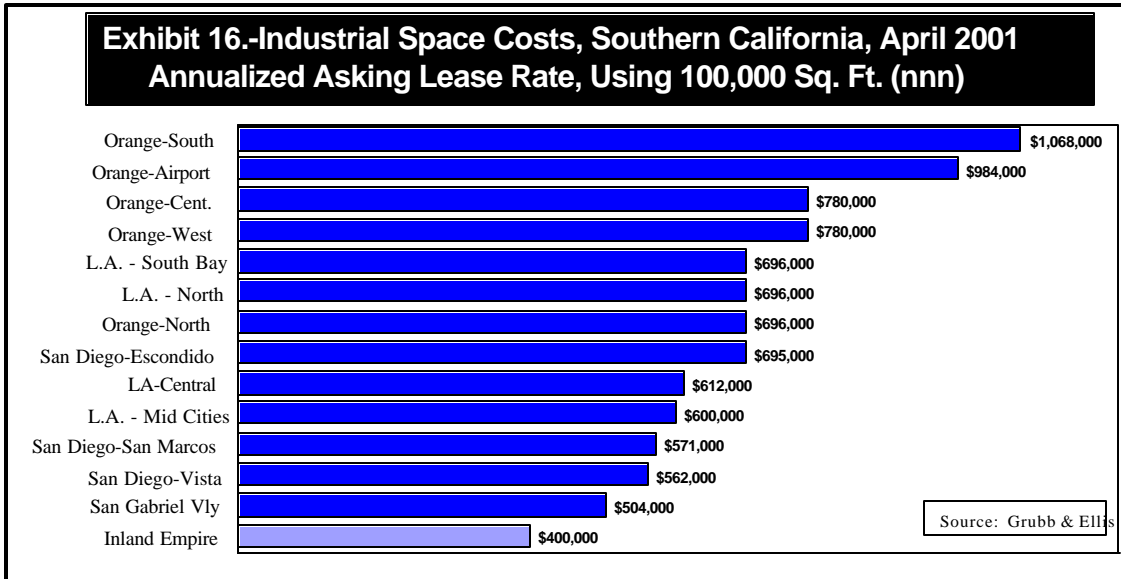
City	Project	Square Feet	City	Project	Square Feet
Murrieta	Monticello	2,311-3,441	Riverside-South	Willow Creek	2,746-3,616
Murrieta	Oak Creek	2,803-3,580	Riverside-South	The Ridge	3,215-3,878
Corona	Sterling Hill	3,274-3,872	Riverside-South	The Crest	3,215-4,403
Corona	Park View	2,500-3,000	Riverside-South	The Regis	2,379-3,000
Corona	MountainGate	3,394-3,928	Riverside-Spitj	Heritage Grove	3,215-4,515
Norco	Crestmore	3,606-3,895	R. Cucamonga	Summit Estates	4,009-4,721
Temecula	Englemann Oaks	3,832-5,407	R. Cucamonga	Estate Collection	3,300-4,200
Temecula	Stonebridge	3,145-4,338	R. Cucamonga	Bellavista	2,262-3,522
Murrieta	Weston Hills	2,226-3,067	Upland	Lemon Heights	2,506-3,237
Riverside-South	Oakridge Heights	2,736-3,137	Ontario	Silvercrest	2,506-3,327
Riverside-South	Sycamore Heights	2,703-3,237	Ontario	Silver Crest	2,506-3,237

Source: Los Angeles Times, October, 2000 and May 2001

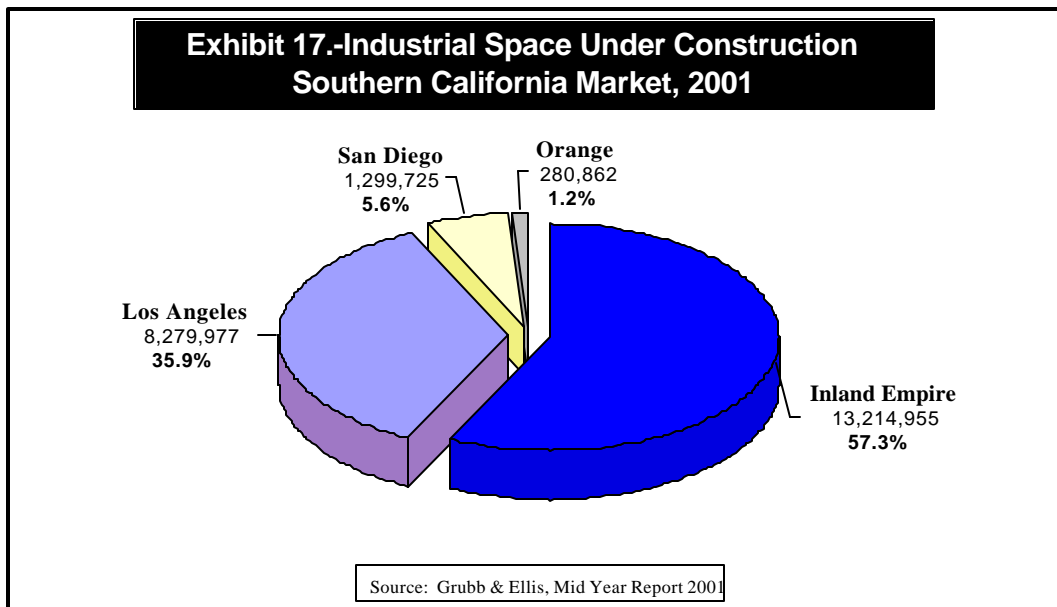
2. Lower Cost Industrial Space. Housing is not the only arena in which the Inland Empire's supply of land is impacting economic behavior. The area's industrial space, much of which is brand new, enjoys a similar price advantage. Thus, 100,000 square feet of industrial space leases for an average of \$400,000 a year in the inland region (*Exhibit 16*).

- Los Angeles County's least expensive market is the San Gabriel Valley where older space of this size would cost \$504,000. A firm moving inland can both occupy a modern building and save \$104,000.

- Orange County’s least expensive market is in its northern areas. There, 100,000 square feet of old space leases for an average of \$696,000. This provides a \$296,000 incentive to move inland.
- Where modern space is being provided in the coastal counties, the differences are much greater. Thus, space near Orange County’s John Wayne Airport is leasing for \$984,000 versus \$400,000 for space near Ontario International Airport, a \$584,000 difference.

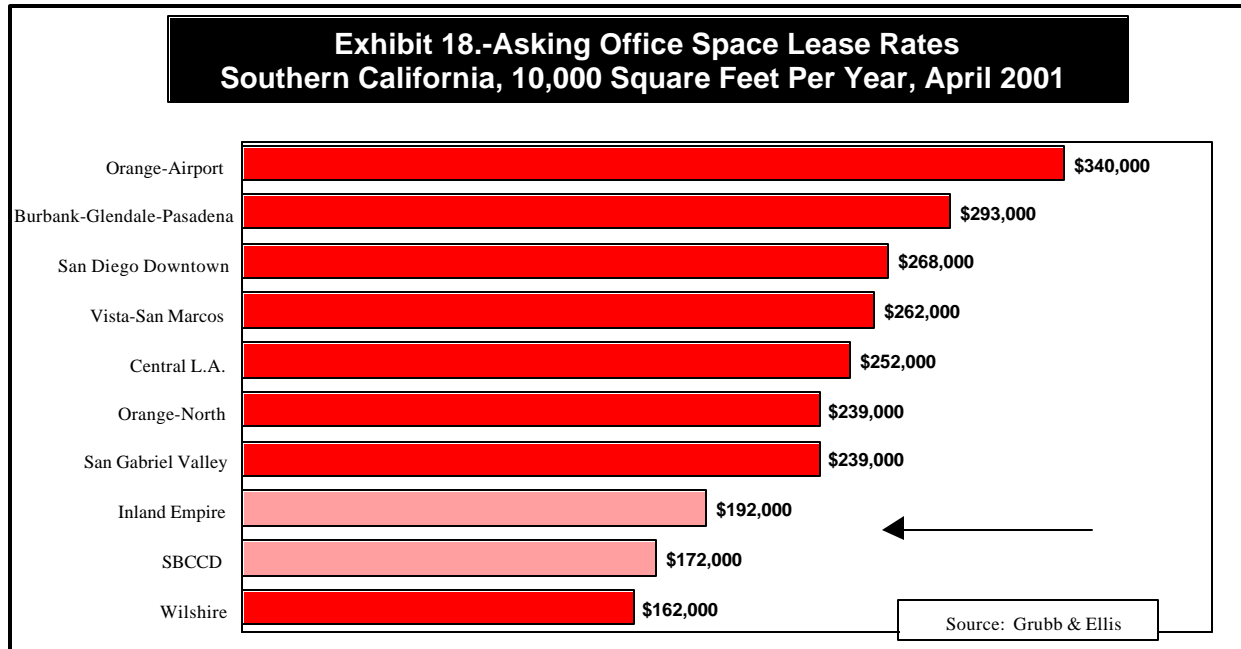


As a result, 143 million square feet of industrial space has been built and occupied in the Inland Empire since 1991. In 2001 alone, 13.2 million square feet is under construction, the largest amount in Southern California. As indicated, more of this space is being built in the East Valley as land is starting to disappear along the I-15 freeway from Rancho Cucamonga to Corona.

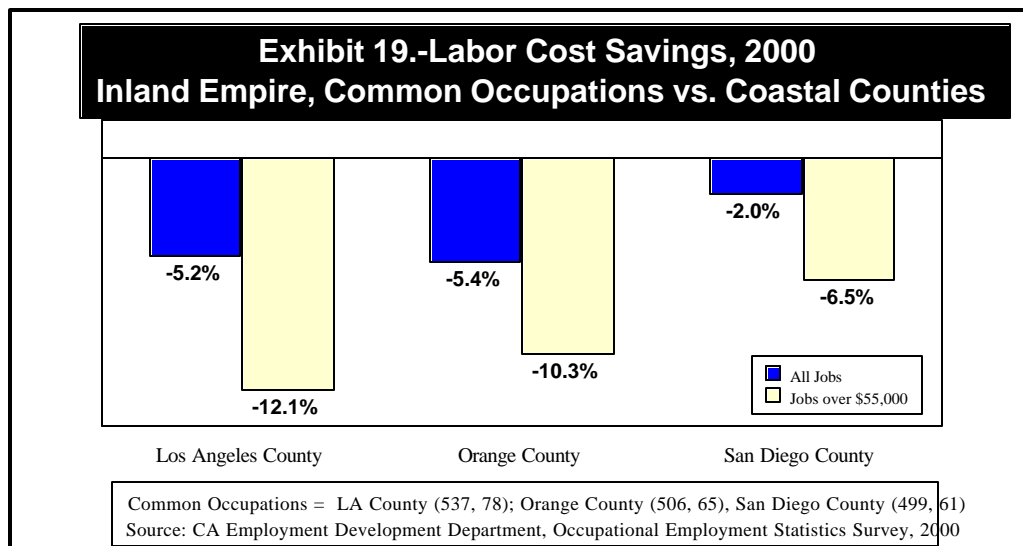


While the Inland Empire’s office market offers price advantages to professional, high tech and corporate office operations, the differences are not as dramatic (*Exhibit 18*). This is the case as coastal county office markets were overbuilt in the 1980s and were finally beginning to recover

when the “dot.com” bust hurt them again. In 2001, a 10,000 square foot office in the San Gabriel Valley or central Orange County leased for \$239,000 per month versus \$192,000 in the Inland Empire. The \$47,000 difference has not been sufficient to draw large numbers of office firms to the inland region. Thus, developers asked for just \$46 million worth of permits to build new offices in 2001, less than 10% of the \$503 million in permits for new industrial buildings.



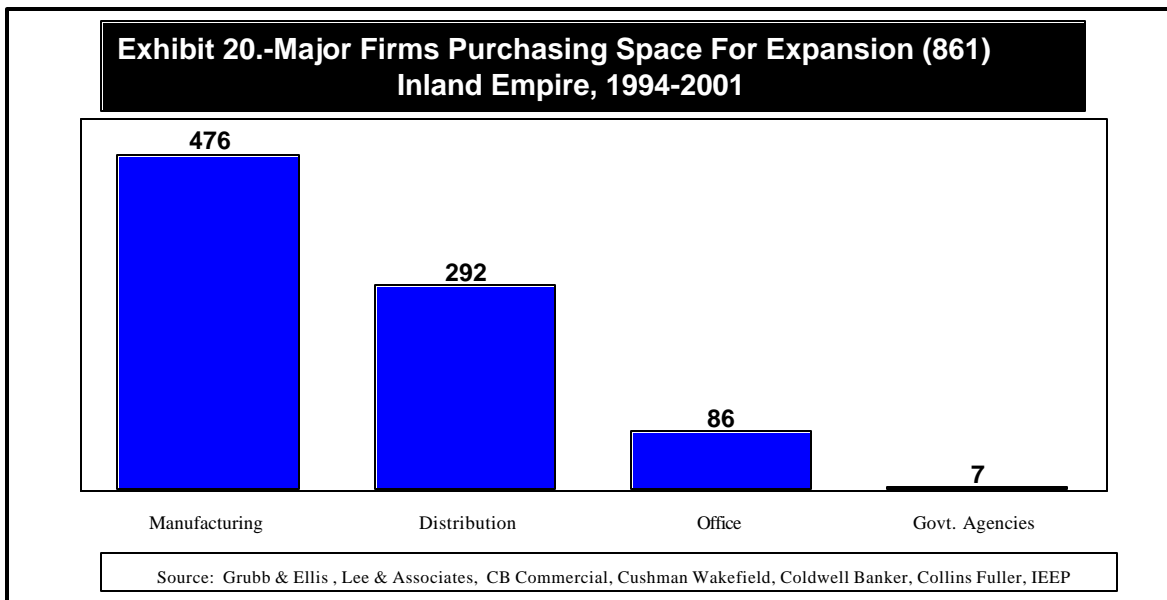
3. Labor Cost Savings. The Inland Empire’s rapid population growth has created a less obvious advantage for firms considering the region. Its residents will work for less to avoid commuting to coastal counties. In 2000, data on over 500 common occupations showed Inland Empire firms with an average labor cost advantage of 5.2% compared to their competitors in Los Angeles County. It was 5.4% compared to those in Orange County and 2.0% to San Diego County (*Exhibit 19*). For a coastal company with a \$10 million payroll, migrating inland could respectively mean payroll savings of \$520,000, \$540,000 and \$200,000 per year.



Consistent with the recent rise in the number of highly skilled workers commuting from the Inland Empire to the coastal counties, even greater differentials now exist for firms needing technicians, professionals and executives. Thus, for occupations paying above \$55,000 in the coastal counties, the payroll savings for a firm migrating to the Inland Empire from Los Angeles County would be 12.1%. It would be 10.3% for Orange County and 6.5% for San Diego County.

4. Firms Migrate Inland. Today, industrial firms from across the nation realize that by locating within the Inland Empire, they can have access to Southern California’s enormous market and still save on space and labor costs. As a result, large numbers are doing so. This can be seen in the Inland Empire Economic Partnership’s (IEEP) database of 861 companies that have undertaken significant expansions within the region since January 1994 (*Exhibit 20*).

Manufacturing. Of the 861 firms, 476 have been manufacturers (55%) with an emphasis on plastic injection molding, metal fabricating, furniture and machinery & equipment. These companies have migrated inland as they face international pressures to hold down their prices and costs. During 2000, San Bernardino County’s manufacturers paid an average of \$33,247. That was \$15.98 an hour assuming 40 hours a week and 52 weeks a year.



Logistics. Within a single sector, the largest number of firms migrating to the Inland Empire have been distributors (292). They have moved inland due to the industry’s increasing need for huge buildings on large tracts of land. Thus from 1999-2001, 115 firms opened and occupied buildings averaging 219,000 square feet or 10 acres (50% land coverage). This included 17 using over 400,000 square feet on 20-50 acres sites. The growing size of distribution facilities is seen in that 177 moved inland from 1993-1998 and used sites averaging just 136,000 square feet.

In 2000, San Bernardino County’s distributors paid more than manufacturers, averaging \$34,007 year. That was \$16.34 an hour, assuming 40 hours per week and 52 weeks per year. The higher pay is consistent with the need for today’s logistics workers to be able to operate huge facilities equipped with robotic, computer and GIS equipment and systems. The sector is one of the nation’s fastest growing as its technology allows it to meet the tight deadlines of an economy dominated by firms that save money by only order products after their inventories are depleted.

NOTE: All seven firms that have recently announced intentions to operate from the East Valley are distributors. In each case, a primary motivation was the availability of large tracts of land.

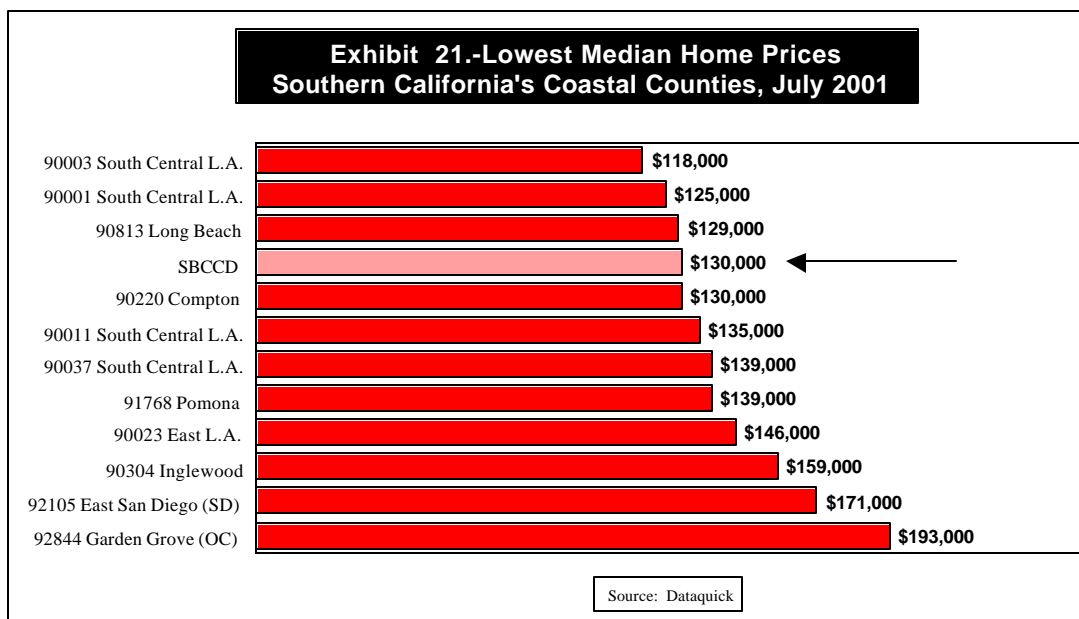
Office & Government. There will come a time when high tech, professional and corporate office operations will find it in their interest to migrate to the Inland Empire. However, it is not yet. As a result, the expansion of the region's office and governmental sectors has been relatively small, totaling just 93 of the 861 operations tracked by the IEEP (11%). Over the next decade this will gradually increase as Southern California's employers begin to understand that a growing number of highly skilled white collar workers are moving to this region and will work for less to avoid commuting.

Summary. When an item is scarce, its price goes up and users look for a less expensive alternative either by necessity or choice. This certainly applies to homes and apartments in Southern California's coastal counties where demand from a growing population has run into a lack of undeveloped residential land, pushing prices to extraordinarily levels. As a result, increasing numbers of people are migrating to the lower cost homes of the land rich Inland Empire. Upon arriving, they find that they must endure long commutes to their coastal county jobs. This causes many to be willing to work for less pay at local firms. This has set up a self correcting mechanism whereby companies are being drawn to the inland region by its lower labor and space costs.

As these forces play out, the Inland Empire's population and job growth will be among the fastest in the United States. These rapid changes can mean opportunity and the chance to improve living standards. Or, they can mean increasing numbers of people living congested, stagnant lifestyles. The difference will depend upon how well the Inland Empire's political, economic and educational leaders anticipate and develop strategies for handling the opportunities and issues coming before them. Within the region, the East Valley's leadership will face some of the most difficult challenges.

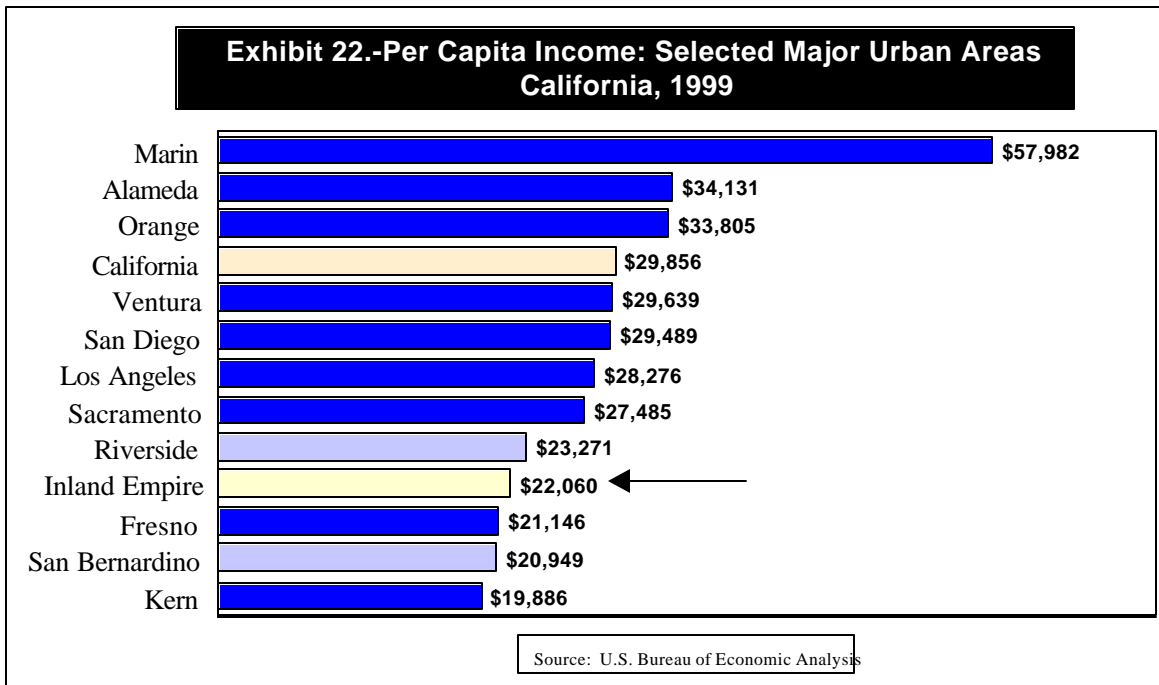
2. East Valley's Demographic, Economic & Educational Challenges

In reviewing the economic forces impacting the Inland Empire, a single fact characterizes the difficulties that growth creates for the East Valley. In July 2001, the median price of housing in the SBCCD area was roughly equivalent to South Central Los Angeles, North Long Beach and Compton, the three poorest areas of the coastal counties (*Exhibit 21*).



Low Home Prices Draw At-Risk Families. Looking ahead, this means that the SBCCD area's homes and apartments will increasingly act as a magnet for those Southern Californians most in need of affordable housing. By definition, it will thus be drawing a disproportionate number of people with lower incomes, educations and job skills. Thus as the Inland Empire grows, it will be the East Valley that must develop and implement strategies aimed at providing upward social mobility for an increasing share of Southern California's at-risk population. Otherwise, the area will become much bigger but less prosperous.

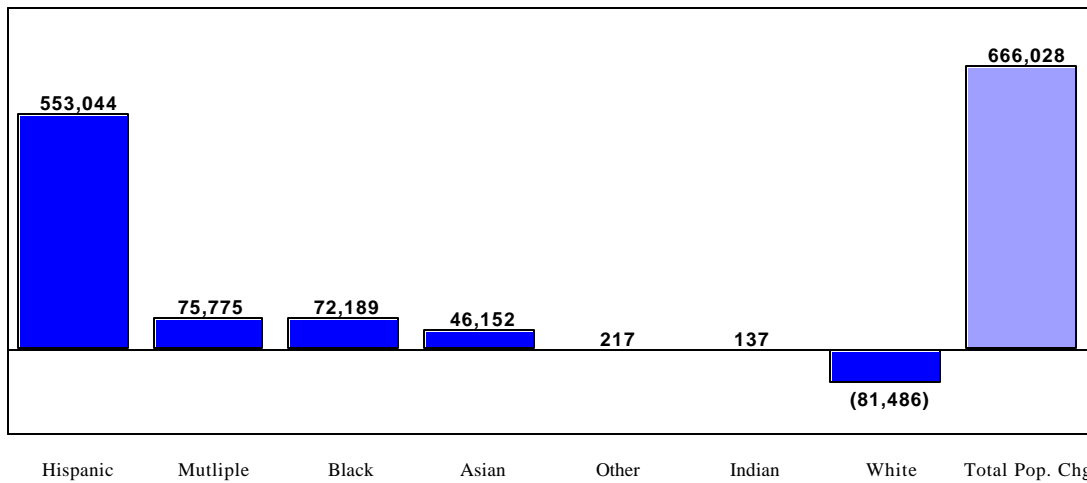
Low Per Capita Income. For the Inland Empire as a whole, evidence of this phenomenon already exists. In 1990, per capita income data on California's 58 counties had Riverside County ranked 22nd and San Bernardino County ranked 30th. By 1999, Riverside had fallen to 30th and San Bernardino to 43rd even though incomes had risen in both. Thus at the end of a period in which the inland region added 660,000 people and 300,000 jobs, its per capita income (\$22,060) was the lowest in urbanized California except for Fresno and Kern counties, with San Bernardino County (\$20,949) behind Fresno (*Exhibit 22*).



When income data from the 2000 Census are available in May 2002, they will undoubtedly show that within the Inland Empire, the East Valley is in an even more difficult position. Already, San Bernardino County's welfare statistics have shown that in 2000, 20.4% of the 517,000 people living in the SBCCD's nine cities were on public assistance. This contrasted with 11.4% of the 656,000 living in the Chaffey College District's six cities.

Surging Diversity. A second challenge emerging from the Inland Empire's demographic and economic trends is the dramatic increase in its ethnic complexity. From 1990-2000, the region's affordable housing was a powerful lure for the large number of Southern California's Hispanics entering their family formation years (*Exhibit 23*). As a result, 553,044 of the area's 666,028 gain in population were Hispanic (83%). The inland area also added 72,189 African Americans (11%), 46,152 Asians (7%) and 75,175 multi-ethnic people (12%). Together, these groups totaled 112% of the population gain as there was a 81,486 person decline among Whites (-12%).

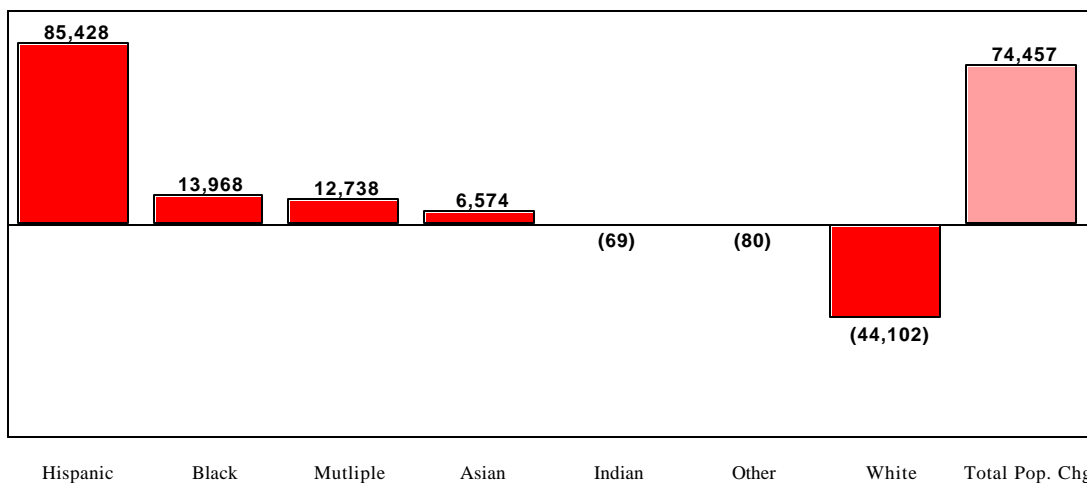
**Exhibit 23.-Population Change By Ethnic Group
Inland Empire 1990-2000**



Note: Asia & Pacific Islander combined to show growth from 1990 Census
Source: 1990 & 2000 Census

These trends were even stronger in the SBCCD's area. Its nine cities added 74,500 people. Hispanics accounted for 115% of this growing number, up 85,400. In addition, there were 14,000 more African-Americans, 6,600 more Asians and 12,700 multi-ethnic people. This was possible as the East Valley's White population declined by 44,100 (*Exhibit 24*).

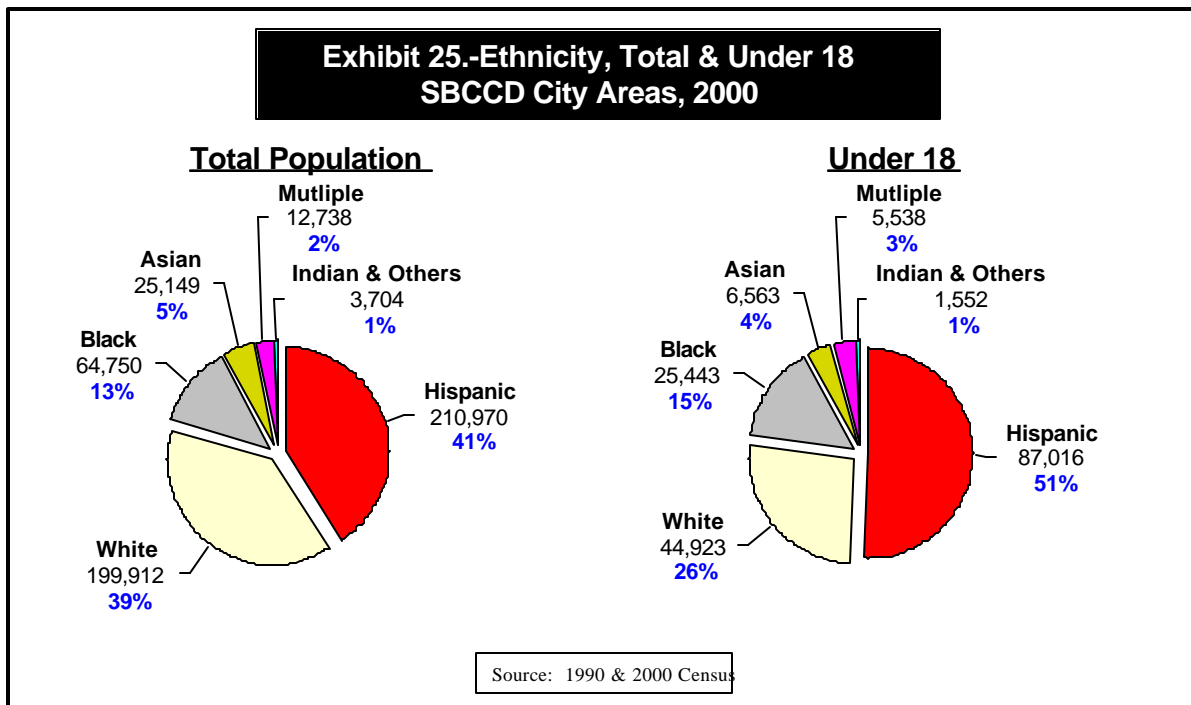
**Exhibit 24.-Population Change By Ethnic Group
SBCCD City Areas, 1990-2000**



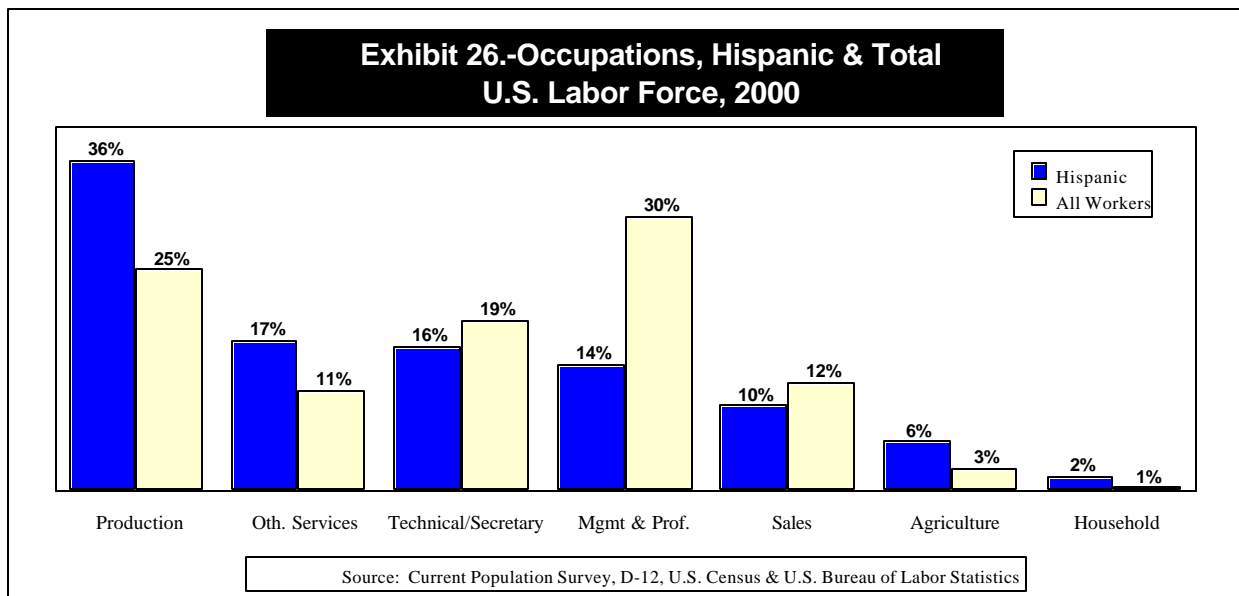
Note: Asia & Pacific Islander combined to show growth from 1990 Census
Source: 1990 & 2000 Census

East Valley's Hispanics. As a result of these trends, by 2000 the SBCCD was an area without a majority group (*Exhibit 25*). Hispanics were its largest group at 41%. Followed by Whites (39%), African Americans (13%), Asians (5%), multi-ethnic groups (3%) plus Native Americans and others (1%).

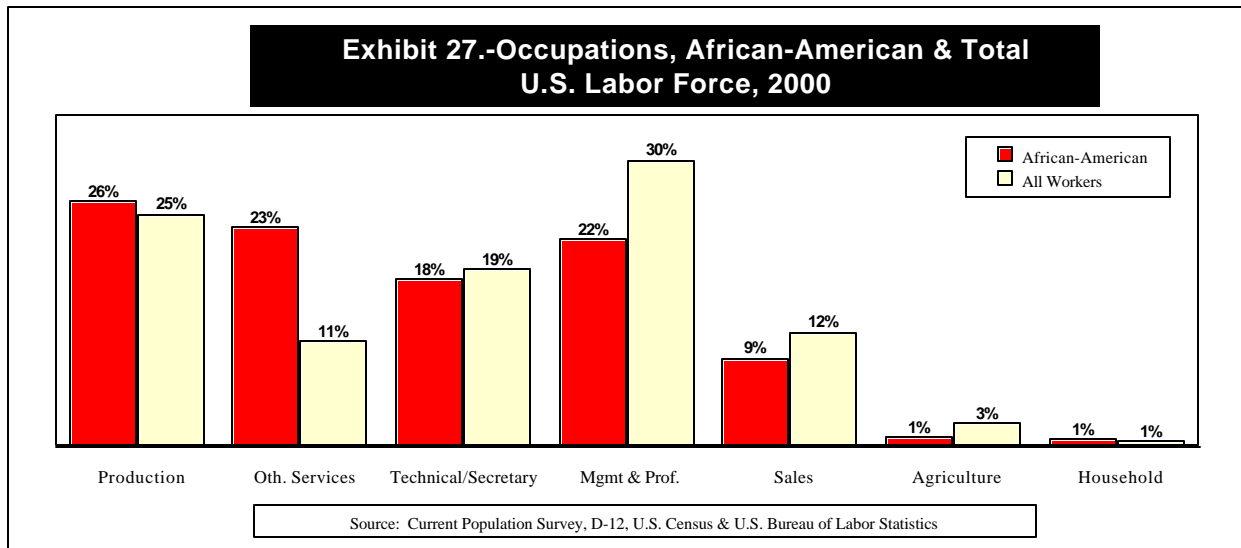
A different picture emerges when looking at school aged children under 18. Here, Hispanics are now a majority at 51%. They are followed by Whites (26%), African-Americans (15%), Asians (4%), multi-ethnic (3%) and Native Americans and others (1%).



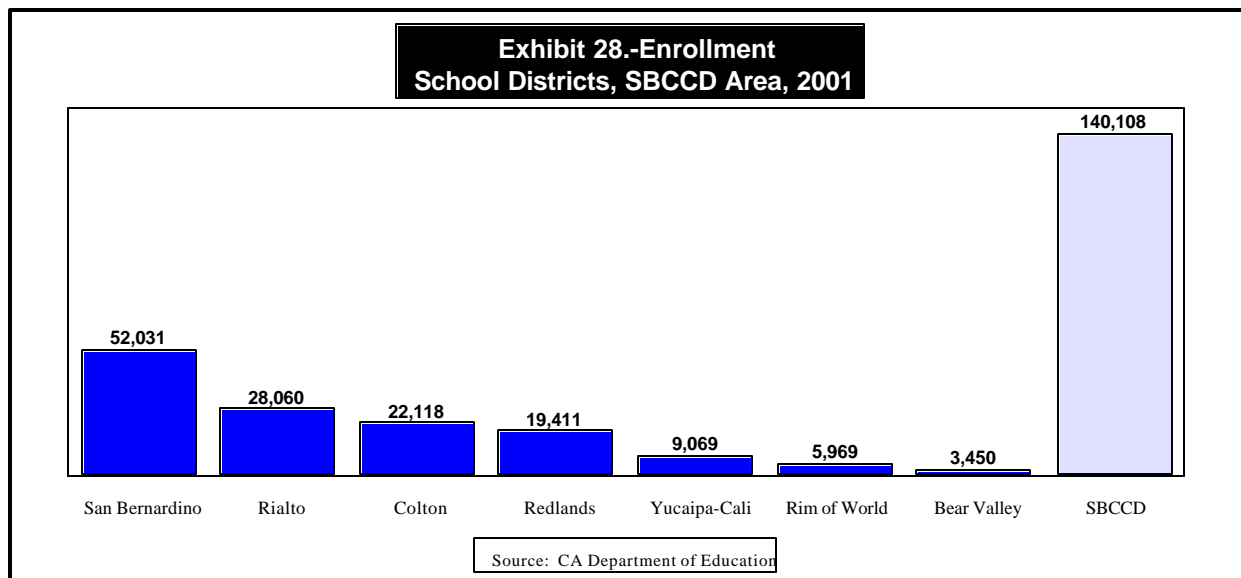
Blue Collar & Service Sector Skills. For the SBCCD, the rising importance of the Hispanic community presents important adult training issues (*Exhibit 26*). National data on the occupational mix of Hispanic adults shows that in 2000, they were far more likely to hold blue collar jobs (36% vs. 25%) and low skilled “other” services (17% vs. 11%) than the general population. At the same time, they were far less likely to be employed in management or the professions (14% vs. 30%). Interviews with Inland Empire’s employers and Hispanic leaders indicate that this parallels the local situation (*Census 2000 local data not available until May 2002*).



Meanwhile, national data on the occupational mix of African-Americans shows a different set of potential educational issues for the SBCCD. There is greater concentration in low skilled “other” services (23%) than Hispanics (17%) or the general population (11%). However, participation in management and the professions (22%) is much higher than Hispanics (14%) though below the general population (30%). African American’s participation in blue collar occupations (26%) was roughly identical to the general population (25%) and far less than that of Hispanics (36%) (*Exhibit 27*).

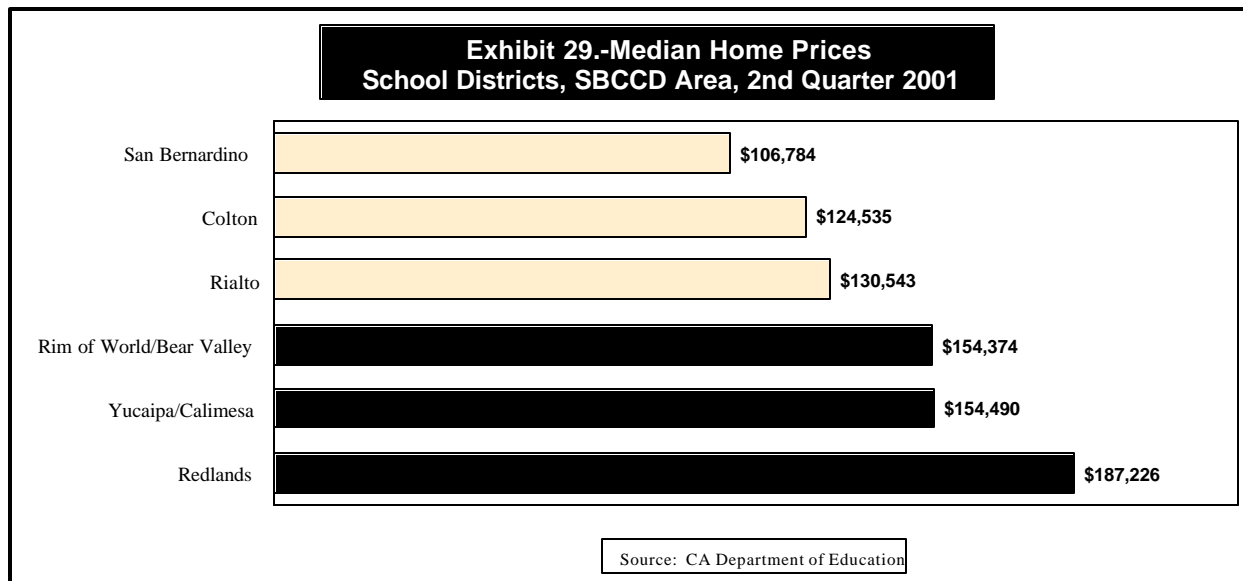


Educational Performance. A close look at the educational performance data of students attending school in the East Valley’s school unified districts reveals two important facts. The area’s students were often below San Bernardino County’s averages and were universally below those for California. Within the region, student performance varies geographically and is closely tied to economic well-being.



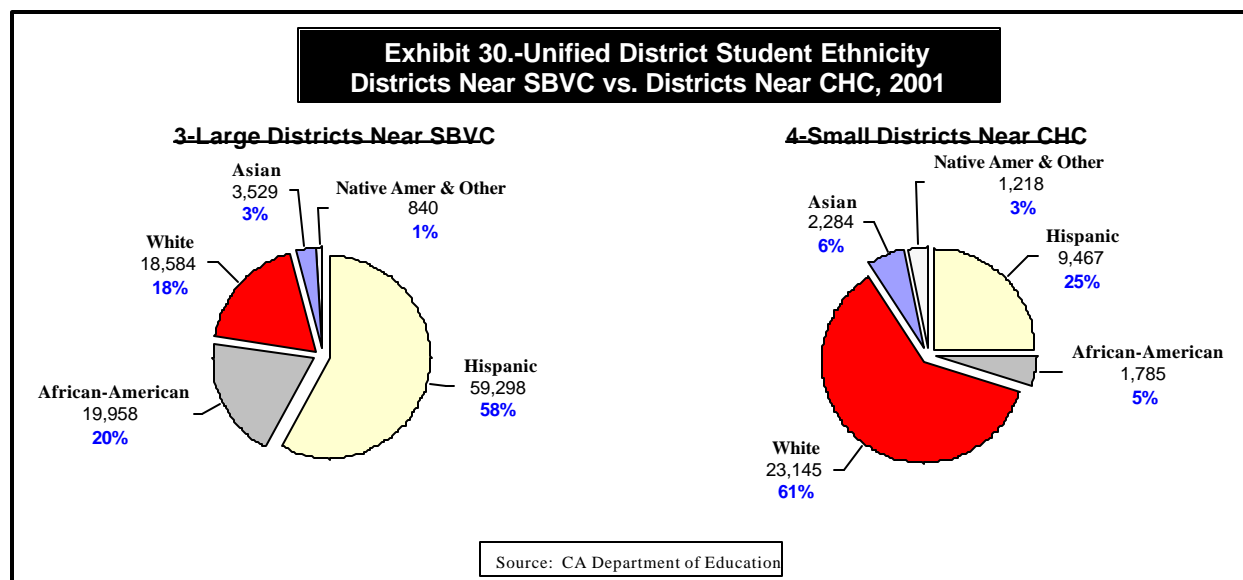
In 2001, there were 140,108 students in the seven unified school districts that make-up the SBCCD (*Exhibit 28*). The largest were the San Bernardino, Rialto and Colton systems with a combined enrollment of 102,209 or 73% the East Valley’s student body. They live closest to the

San Bernardino Valley College (SBVC) campus. The other 37,899 students (27%) attend schools in the Redlands, Yucaipa-Calimesa, Rim of the World and Bear Valley unified districts that are generally closer to Crafton Hills College.

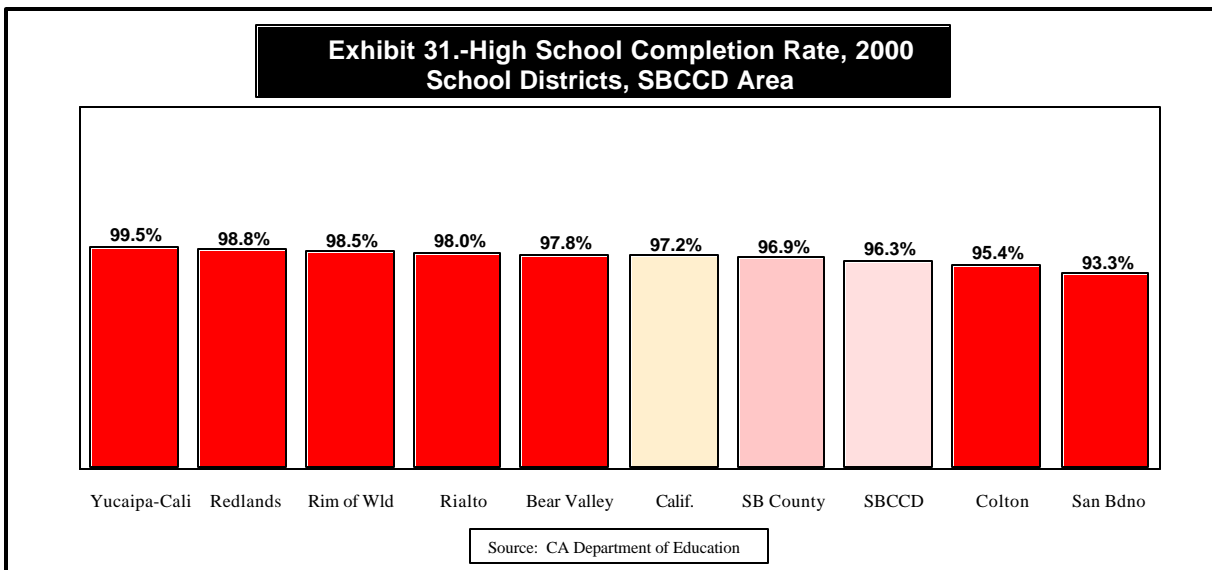


Economic Well Being & Ethnicity. As home prices are a key factor luring families to different communities, a distinct difference exists between the living standards of students residing in these two groups of school districts (*Exhibit 29*). Families in the San Bernardino, Colton and Rialto unified districts live in neighborhoods with median home prices ranging from \$106,786 to \$130,543. Those living in the smaller Redlands, Calimesa-Yucaipa and mountain districts have homes with median prices from \$154,374 to \$187,226.

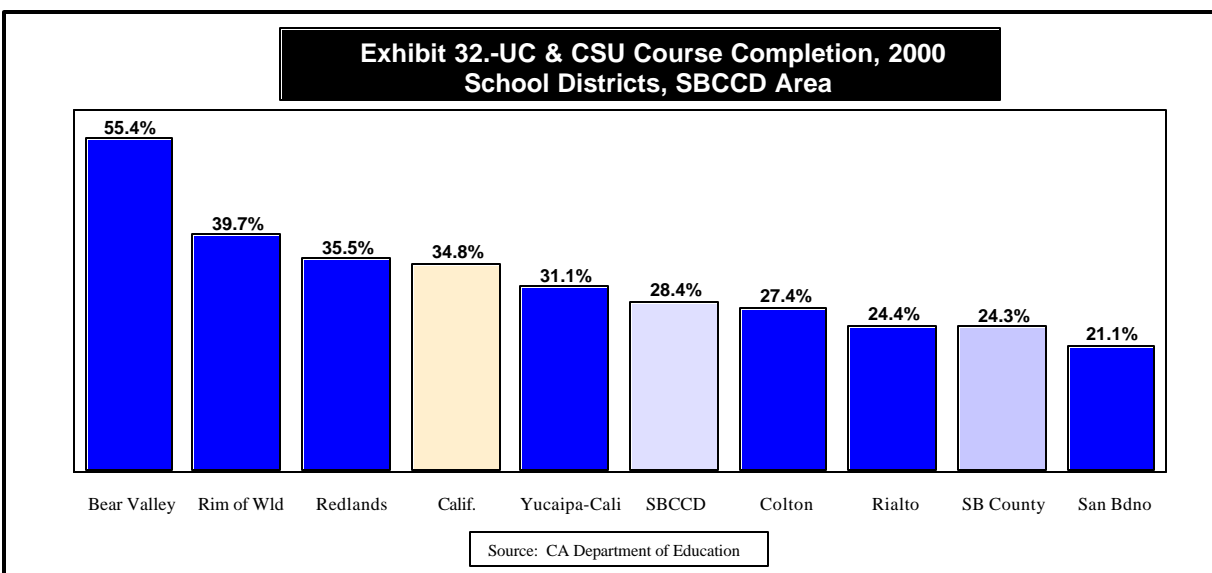
Simultaneously, the ethnicity of the two sets of districts is very different (*Exhibit 30*). In the San Bernardino-Colton-Rialto area, the majority of students are Hispanic (58%) followed by African American (20%). In the Redlands-Yucaipa-mountain region, the majority of students are White (61%), followed by Hispanic (25%). Interestingly, Asian represent 6% of the smaller districts versus 3% of the larger ones due to the make-up of Loma Linda.



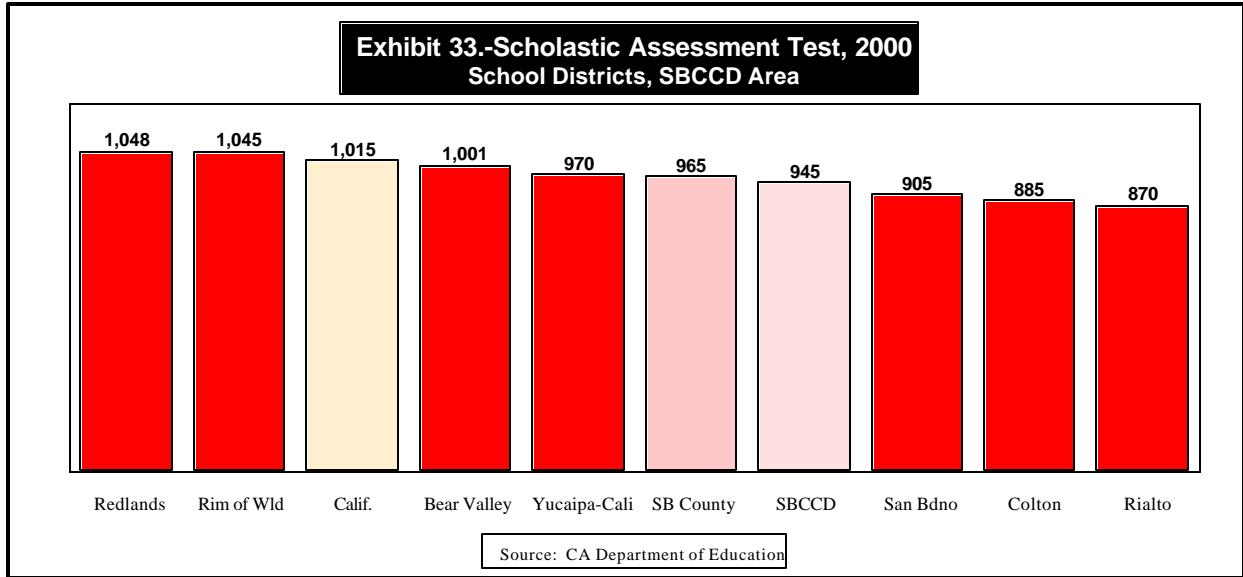
Given the impact of economic circumstances and language on academic performance, it is not surprising to find that within the SBCCD area, students in the four Redlands-Yucaipa-mountain districts generally do better academically than those attending the three larger districts.



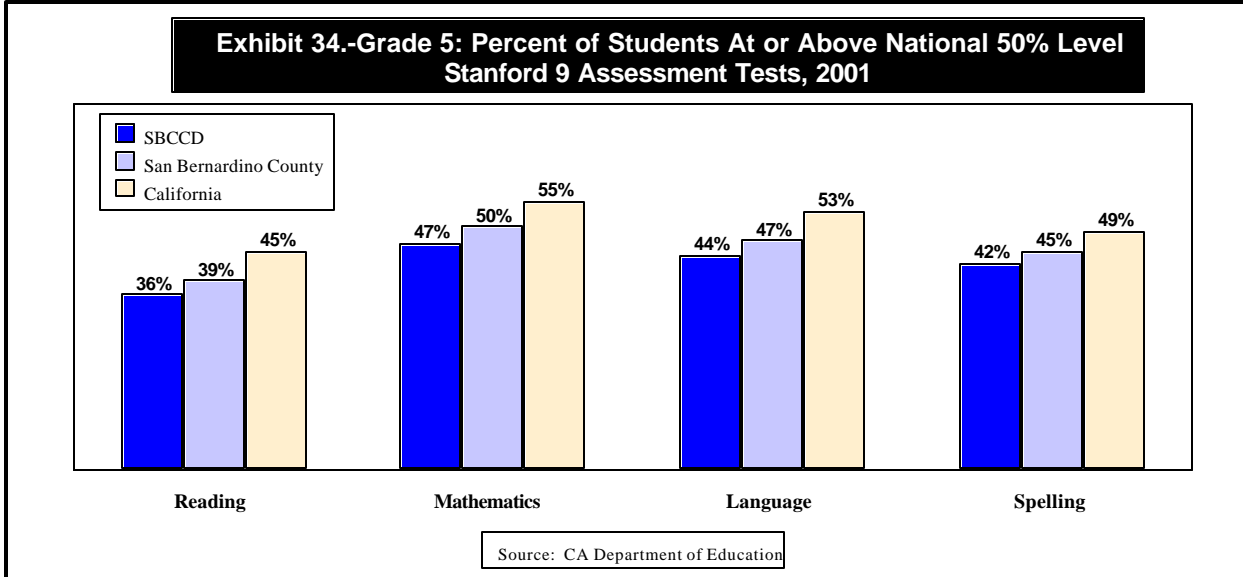
High School Completion. In 2000, students living in the SBCCD area had a high school completion rate of 96.3% (*Exhibit 31*). This was just below California’s 97.2% and San Bernardino County’s 96.9%. The top East Valley district was Yucaipa-Calimesa at 99.5%; the lowest was San Bernardino at 93.3%. This was the only performance measure where a poorer district finished in the top four as Rialto (98.0%) ranked ahead of Bear Valley (97.8%).



UC & CSU Course Completion. If students want to transfer to California’s university or state university systems, they must pass a block of classes while in high school. In the SBCCD area, 28.4% of the Class of 2000 did so (*Exhibit 32*). This was well below the state average of 34.8% though above San Bernardino County’s 24.3%. The top three districts finished above the state average, led by Bear Valley at 55.4%. The lowest was San Bernardino at 21.1%. As with the balance of the performance measures, the four districts with higher home values ranked 1-2-3-4. Those with lower home values ranked 5-6-7.



Scholastic Assessment Test. For years, the Scholastic Assessment Test (SAT) was a standard testing tool used by colleges and universities as part of their entrance processes. As with most single measures of performance, heavy reliance on it has been controversial. However in the East Valley, it is one of several indicators showing the impact of the area’s economic and language division on student performance. In 2000, 49.0% of California’s seniors took the test and averaged 1,015 (*Exhibit 33*). This was well above the performance of SBCCD area students where 39.7% took the test and averaged 945. In San Bernardino County, only 32.5% took the SAT. Their average score was 965. In the East Valley, the top two districts finished above the state average led by Redlands at 1,048. The lowest performing district was Rialto at 870.



Stanford 9 Tests. Under Stanford-9 procedures, California students in grades 2-11 are tested in a variety of skills. Among the ways the results are reported is by the percentage of students who score at the level achieved by 50% of U.S. students. Using 5th graders as an example of elementary students, California students out-performed the nation in math (55%) and language (53%). However, they fell short of the national 50% threshold in reading (45%) and spelling (49%).

On this standard, the East Valley’s students performed well below the national, state and San Bernardino County levels. Their best performance was in math (47%). Their worst was in reading (36%). Mediocre performances were recorded in language (44%) and spelling (42%).

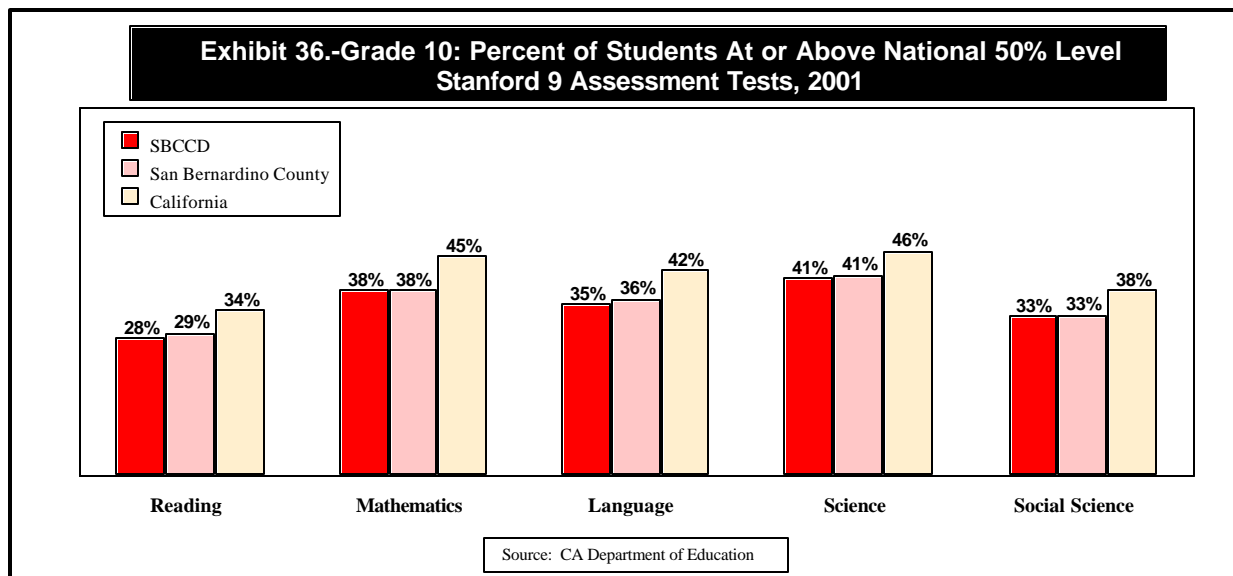
Meanwhile, students in the SBCCD area’s unified districts with high home values scored above the national 50% threshold on all four tests and thus outperformed California and San Bernardino County averages. The opposite was true of students in the three large districts (*Exhibits 35-36*).

Exhibit 35.-5th Grade Stanford 9 Test Scores				
Share of Students At or Above National 50% Threshold, 2001				
	Reading	Mathematics	Language	Spelling
Bear Valley	65%	71%	58%	56%
Redlands Unified	56%	69%	62%	58%
Rim of the World	65%	64%	63%	51%
Yucaipa-Calimesa	59%	68%	62%	55%
Colton	32%	43%	42%	37%
Rialto	29%	40%	40%	38%
San Bernardino	26%	37%	35%	38%
SBCCD	36%	47%	44%	42%
San Bernardino County	39%	50%	47%	45%
California	45%	55%	53%	49%

Source: CA Department of Education

Dismal Teenage Testing. A glance at the performance of California’s 10th graders, shows the jeopardy faced by the state’s teenagers as they prepare for work or college. In every case, their average performance was below that of 50% of the nation’s students (*Exhibit 36*). In reading, only 34% reached or exceeded the national average. In social science it was just 38%. It was 42% in language. Their best performances were in science (46%) and mathematics (45%).

Significantly, the East Valley area’s 10th graders fell far short of California’s poor performance. Again, their worst effort was in reading, with just 28% at the national 50% level or higher. They also did very poorly in social science (33%), language (35%) and mathematics (38%). Their best performance was in science, where 41% reached or passed the national average.



Herein lies an enormous challenge for the SBCCD area's leadership for the next several years. While students in the region's lower grades appear to be struggling but learning, it is apparently too late for the K-12 system to help many of their teenaged brothers and sisters.

Exhibit 37.-10th Grade Stanford 9 Test Scores					
Share of Students At or Above National 50% Threshold, 2001					
	Reading	Mathematics	Language	Spelling	Social Science
Bear Valley	46%	53%	45%	57%	53%
Redlands Unified	46%	56%	51%	59%	48%
Rim of the World	48%	54%	53%	65%	56%
Yucaipa-Calimesa	42%	51%	50%	55%	49%
Colton	16%	23%	21%	28%	21%
Rialto	17%	26%	29%	27%	22%
San Bernardino	22%	35%	29%	35%	26%
SBCCD	28%	38%	35%	41%	33%
San Bernardino County	29%	38%	36%	41%	33%
California	34%	45%	42%	46%	38%

Source: CA Department of Education

Among 10th graders, K-12 students in the SBCCD districts with high home values generally scored above the national 50% threshold on four of the five tests (*Exhibit 37*). The exception was reading where scores varied from 42% to 48%. In every case, these districts outperformed California and San Bernardino County averages. Again, the opposite was true of students in the larger districts. Here, the performance was very weak. 10th graders in the Colton and Rialto districts did not reach the 30% level on the five tests. San Bernardino's students tested below 30% in reading, language and social science, but reached 35% in mathematics and spelling.

Job Migration & Skills. Just as economic forces have impacted the character of families moving to the East Valley, they are affecting the education and training needs of its workers.

Job Growth. As shown earlier, modern distributors must locate on very large tracts of land as their robotic and information technologies require huge buildings. At the same time, more and more of these operations are being built due to the growing national demand for high speed deliveries. Locally, these operations are beginning to be forced into the land-rich SBCCD area. Thus in 2001, six of the region's seven largest transactions involved logistics firms, with each taking 15 or more acres of land.

Swift Transportation	Rialto	80 acres
Yellow Freight System	San Bernardino	100 acres
Kohls Distribution	San Bernardino	50 acres
Hershey's	Redlands	15 acres
Roadway Express	Bloomington	231 acres
Ashley Furniture	Colton	20 acres

Many of the workers needed by these new distributors will have to be trained in the new skills required by their advanced technologies (*average pay: over \$16 per hour*).

Looking a little further ahead, an iron clad rule of economic development is that where distributors move, manufacturers soon follow. They must do so because they are under worldwide pressure to hold down costs and need cheaper facilities. Locally, this means that more and more manufacturers will be drawn to the East Valley as its undeveloped industrial land means lower lease costs. Before they can open, many of these new operations will need their employees trained in the use of their tools and equipment (*average pay: over \$15 per hour*).

Changing Skills on Existing Jobs. Meanwhile, interviews with well over hundred Inland Empire employers as well as the San Bernardino County Jobs & Employment Services Department (*JESD*) reveal that firms throughout the region are facing difficulties upgrading the skills of their existing workers. The challenge comes from the impact that information technology is having on the tasks performed by workers from package loaders to lathe operators to office assistants. Simultaneously, many firms report serious frustrations in trying to promote managers from their production and clerical staffs due to the literacy issues faced by many of their best workers.

To date, most Inland Empire firms have been addressing these expansion, promotion and training issue with internal training programs. Generally, they find them time-consuming, expensive and not completely adequate. Herein lies a challenge and an opportunity for the East Valley and the SBCCD. The challenge lies in the large number of local workers who have low basic education and job skill levels and need training to avoid obsolescence. The opportunity exists because the region's unemployment remains at very low rates (*August 2001: 4.7%, see Exhibit 38*). To the extent that workers within this environment can be given greater skills, their pay scales and living standards will rise accordingly.

3. Raising the East SB Valley's Living Standards: Issues & Goals Facing the SBCCD

From this point forward, the East Valley's changing demographic and economic environment provides the SBCCD with the opportunity and obligation to become the region's principal instrument of upward social mobility.

- The opportunity exists because the SBCCD is at the heart of an area with a rapidly expanding at-risk population and a changing job base.
- The obligation exists because the SBCCD is the main tax-supported institution charged with accomplishing this goal.

Data on the region, as well as interviews with educators, executives, entrepreneurs, professionals and public officials have highlighted five complex issues that the SBCCD must confront to fulfill this worthwhile objective. For young people, it must become a key player encouraging them to expand their educational horizons while also developing career ladders for those wanting immediate training. For adults, it must become the major learning center for workers needing to upgrade their educations and skills for their existing jobs, for a transition to management positions, and for the new jobs migrating to the region.

A. Expanding Student Educational Horizons

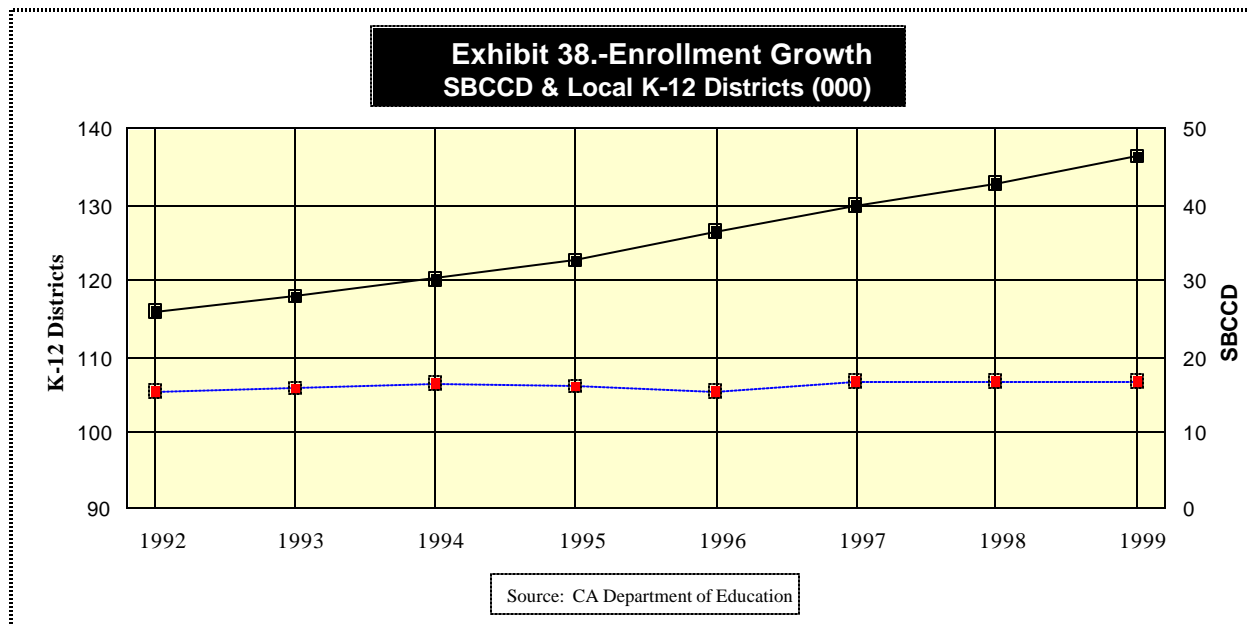
As indicated, many families are migrating to the East Valley because it has most of Southern California's lowest priced homes and apartments (*Exhibits 13, 21, 28*). A disproportionate and growing number of local children are thus from homes with lower incomes, lower skill levels and lower educational expectations. In addition, English is often not their primary language. The result has been relatively poor levels of student academic achievement (*Exhibits 31-36*).

Goal. If the East Valley is to raise its long term standard of living, a major goal must be identifying those local students capable of college work and giving them the fundamentals, financial means and motivation to go on to higher education. Today, the unified school districts are learning to do this. However, they need help with numerous challenges:

- Finding more accredited teachers and recruiting more tutors and classroom aides.

- Finding college educators and counselors willing to join in designing and implementing educational pathways that show students that they can succeed at academic work.
- Acknowledgement by the state budget that California's housing policies are forcing a disproportionate share of Southern California's at-risk students into the East Valley.
- Passing of local housing policies aimed at reducing the number of detached single family rentals and the high classroom turnover and instability that such units promote.
- Creation of a broad system of financial rewards and honors to convince students and their parents that from early on the local community will reward educational success.
- Finding business, professional and political leaders willing to put time, political muscle and financial energy into developing a community-wide approach to this issue.

The importance of building a higher education strategy around these elements is emphasized by the East Valley's enrollment data compiled by RAND Corporation (*Exhibit 38*). From 1992-1999, the area's K-12 enrollment grew 17.7% (115,960 to 136,475). The number of students going on to SBCCD was up 9.4% (15,343 to 16,787).



SBCCD Leadership Imperative. Looking ahead, a comprehensive effort aimed at the upward mobility of the East Valley's young people cannot succeed without the active participation of the SBCCD's faculty, counselors and administrators. As community college professionals, they are well positioned to assist the unified districts in creating the pathways, academic incentives and counseling reinforcement needed to convince students that they can handle academic work. Also, most local students would be helped by an early connection to the SBCCD as they need programs stressing good teaching, strong fundamentals and lower fees.

That said, for years, the community colleges have fought to become equal partners in California's higher education system. To ask the SBCCD's faculty members and counselors to suddenly become intimately involved in the issues of the unified school districts and ROPs will be regarded by many as a leap backwards. Yet, given the overwhelming education needs of the young people now living within the East Valley, this appears to be precisely what the community now needs.

B. Flexible Career Pathways For Immediate Employment

Given the demographics of the East Valley, a large and increasing percent of the area's young people will not believe they can or should attend college. Economic necessity, family demands, desire to earn money, dislike for school, low test scores or some combination of these pressures will convince them to go directly to work. Without training, this choice will condemn most to a life of hard work at lower incomes. The East Valley needs to develop flexible career pathways that can prepare these students for work while trying to entice them to continue their schooling.

Goals. Here, there are two goals:

- Help young entry-level workers acquire the basic educational levels and fundamental skills required for jobs in the area's faster growing, better paying sectors.
- Provide these students with successful educational experiences and offer them the chance to take further course work that will move them up the education, skill and income ladder.

These objectives will not be easy to achieve. Many in the target audience will not be receptive to training as they do not see education as their path to success. Counselors must tread cautiously for fear of diverting students from academic into occupational paths. Educators are hesitant to cooperate as they prefer to only accept skill certification from within their own institution. There is a tension between employers wanting young trained workers and educators concerned with teaching students for lifetime success. Meanwhile, the economy is morphing so rapidly that a today's high demand occupation group may be tomorrow's dead-end career.

Here again, the unified school districts and their regional occupational programs (*ROP*) have been groping for solutions. The economic development community, business sector and local political leaders needs to help with:

- Identifying sectors with a high likelihood of long term job growth.
- Defining occupational paths in these sectors that offer increased income for increased training and determine the basic education levels and skills need for each job.
- Finding instructors qualified to teach the basic education and skill subjects.
- Negotiating job readiness certification for students who complete programs.
- Finding funding sources and equipment for programs that are expensive to operate.

Also, the community must establish financial rewards and honors for this group of students to help convince them and their parents that education is a path to a career, not just a job. And, leaders must put their prestige, time and political muscle into creating an environment where the development of these career paths becomes a regional priority.

SBCCD Role Is Crucial. The only way that these vertical career pathways can be created is through the development of a seamless relationship between the East Valley's unified school districts, the ROPs and the faculty, counselors and administrators of the SBCCD. Failure will be harmful for the students and dangerous to the region's economic health. However, the issue creates challenges for the community college district:

- Success will depend upon the willingness of the SBCCD's technical staff to become intimately involved in the issues of students that have traditionally never gone beyond high school.

- Career path training means that students can move from one level of skill training to the next in a vertical pattern approved by industry. As students will be encouraged to transfer from the unified districts or ROPs to the community college, skill certification by one institution must ultimately be acceptable to the other. Such relationships have proven difficult to negotiate.
- The students in question rarely see themselves as “college material”. Experience indicates that only immediate rewards can dent this psychology. Their current instructors passionately believe that the best way to encourage these students to continue up the system is to give them immediate college credit for learning skills identical to those taught at the SBCCD. Typically, this runs counter to the college faculty’s instincts. Even if technical departments can agree to standards, their academic colleagues control the approval process. At the statewide level, the faculty senate has even called for legislation banning such credit.

Should the SBCCD elect to join the unified districts in launching a major effort aimed at moving large numbers of local young people up basic education and skill ladders, there will be broad community support for their work. However, should such an undertaking prove impossible, it will be catastrophic for the students and dangerous for the East Valley’s long term health.

C. Providing Workforce Training For Existing Workers

During the past decade, the Inland Empire has been the fastest growing portion of Southern California’s economy adding 307,000 jobs to reach 1,050,000. This growth has been dominated by blue collars jobs in construction, manufacturing and distribution plus population-serving jobs in areas like retailing and consumer services. Historically, employment in these sectors has been a good fit with the modest educations and skill levels of the area’s adult population. But, information technology is dramatically impacting this situation:

- Warehousemen track orders by computer and move cargo with robotic devices.
- Manufacturing workers manipulate digitized tools and machines.
- Surveyors triangulate with satellite locators.
- Secretaries handle word processing, search engines, powerpoint and spreadsheets.
- Retailers manage inventories with just-in-time computer systems.
- Truckers map local routes with GIS programs and follow containers with GPS chips.

Typically, firms have relied upon on-the-job or vendor training to instruct employees in the use of their new tools and processes. Today however, they find that many workers lack the basic reading, language and mathematical skills required by information-based equipment and systems. A wide variety of firms thus believe that worker training must be delivered in a different way. How? They do not know. The difficulty is compounded in that the inland economy is made-up of smaller firms, few of which can afford major training efforts.

The East Valley’s leadership is finding this issue particularly difficult as no one is experienced at delivering basic education to very large numbers of working adults. Many have already failed at campus learning. Their time is constrained by family, work schedules and the physical toll of their jobs. And, there is no massive, mobile corps of experienced adult teachers. Yet, today’s world favors workers who can learn increasingly sophisticated technologies. For example:

- Distribution workers in San Bernardino County’s Westend averaged \$25,838 a year

in 1991, before the information revolution hit their sector. By 2000, they averaged \$36,662. The 41.7% increase in pay far exceeded the rise in local prices (21.3%).

- Manufacturing workers averaged \$22,217 a year in 1991. After new technologies hit their sector, this rose to \$31,982 in 2000, a 44% increase.

Goal. If the East Valley is to see its workers achieve higher living standards, a key goal must be to provide a huge volume of adult workers with a variety of paths for upgrading their basic educations and technical knowledge. Many interests must contribute to doing this:

- Economic development groups must use their ties to business and education to link schools wanting to create classes to employers whose workers need them.
- Groups of small companies must be willing to cooperate with competitors and educators in creating classes for their workers. They must also provide facilities, time for the training and help in locating instructors with specialized skills.
- San Bernardino County Jobs & Employment Services Department (*JESD*) must be willing to use its Workforce Investment Act and Cal Works monies to fund those public schools willing to train working adults.
- Legislators must change the rules governing the Employment Training Panel, a major source of adult training funds. Tax supported schools cannot afford the program's timing as they must front training costs for long periods. Its risks are too great as no repayment occurs if a student fails to get a high paying job within 90 days of training.

SBCCD's Role. In the East Valley, the SBCCD must play the central role if this adult education challenge is to be answer. Certainly, it is consistent with the district's mission to help people gain the knowledge and skills necessary to raise their living standards. The district has professors experienced in teaching technical skills as well as basic reading, language and mathematics. When needed, it can hire adjunct skill instructors from industry or contract with experienced adult school teachers. The system also has classrooms and technical equipment on its campuses and at its new headquarters. And, there are several administrators with responsibility for setting up and running various skill programs. The SBCCD also has a financial interest in this effort as the funding would be from outside its traditional sources.

However, the SBCCD has not been a premier provider of adult basic skills or workforce education. In part, this has been a funding issue as there has not been a secure cash flow to allow a long term approach to this training. That said, government and industry groups with short-term funds indicate they have relied heavily on ROPs and expensive private schools to provide classes as the SBCCD has not been able to organize them in a timely manner. Looking ahead, for the SBCCD to succeed in the adult arena, it must:

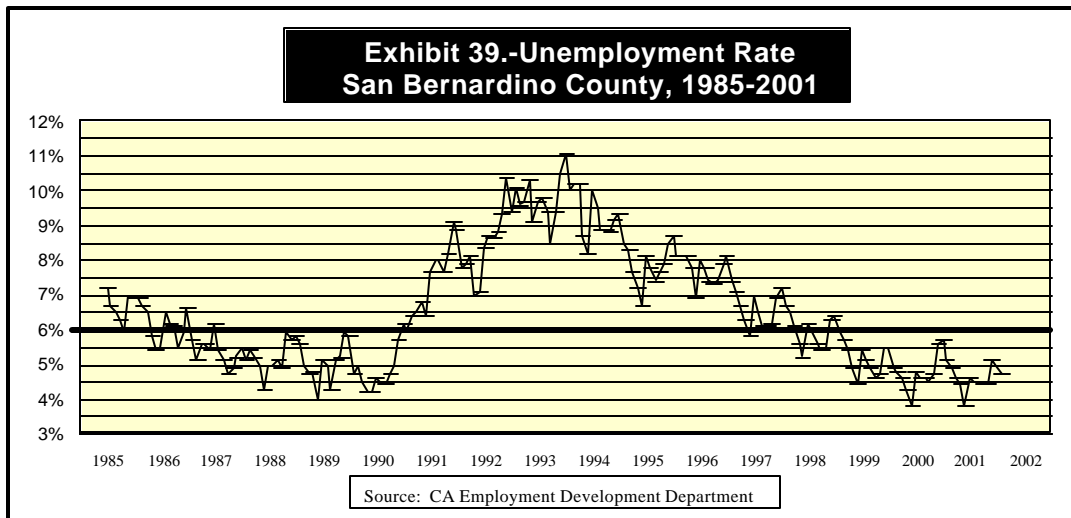
- Become a major player on the economic development scene, working with industry leaders, economic development groups, governmental funding sources and other workforce education providers.
- Develop the ability to rapidly organize adult workforce training once a need is identified and a funding source is available.
- Recognize the need for academic and technical departments to work with adult schools and industry in identifying instructors who can organize and teach combined basic education and skill training programs.

- Understand that adult blue collar workers face physical and lifestyle pressures that may require courses to be held at odd hours and places, and that firms may need classes to be launched quickly and last no longer than the subject matter requires.
- Develop courses that KVCR can broadcast to adult students willing to engage in distance learning at their homes or worksites.

If the SBCCD begins reaching out to create a long term adult workforce strategy, it will find that the East Valley's leadership is willing to help and support. All of the major players recognize that the success of such an effort is crucial to their community's long term economic health.

D. Training For Transition To Management

As Inland Empire's companies expand and others migrate to the area, they are having difficulty filling their front line management positions. This problem has been exacerbated by San Bernardino County's low unemployment rate (*Exhibit 39*). Normally, the logical people to move into these positions would be the region's more experienced production and office workers. However, many have serious reading, writing, language and mathematical deficiencies. It is thus difficult to promote them into positions where they must communicate by memo, notice and e-mail; read and interpret company rules; enforce company human relations policies; work with budgets and administer production schedules.



Goal. The Inland Empire has strong reasons for making it a regional goal that these workers be given access to programs that can provide them with the educational foundation to become managers. In the simplest terms, success would provide another group with a pathway to standards of living. More importantly, it will broaden access to the reins of business power. This is of particular concern in the East Valley given its large and growing Hispanics population and their historic concentration in blue collar as opposed to executive positions (*Exhibits 23-25, 30*).

Three East Valley groups have a particular interest in the achievement of this goal:

- Companies would have access to programs that provide a level of education to potential managers that they cannot handle internally.
- City and county economic development agencies would have a place where they could refer companies facing this management issue. They would undoubtedly be willing to assist the colleges and companies to work out the details of programs.

- The area’s Hispanic and African-American workers would have a new route to management, an area in which they have been underrepresented (*Exhibit 26-27*).

SBCCD Role. For the SBCCD, the establishment of basic education programs for first time managers would be an adjunct to the creation of training programs for adult workers generally. The issues to be resolved would therefore be identical to those highlighted under Issue #3 above. One exception might be the funding. Unlike skill based programs, the management effort would likely rely more heavily on payments from the companies involved.

At a more fundamental level, the two workforce training issues raise the question of the degree to which SBCCD wants to accept responsibility for educating adults in need of help with reading, writing, elementary mathematics and English as a second language. Certainly, the East Valley needs the district to play this role given the changing dynamics of its population and the importance of basic education to the upward mobility of its workforce.

E. Providing Skills Training To Lure New Firms

Within America, states and regions compete to lure companies to their jurisdictions. Area leaders hope that firms will come and hire local workers. As was shown earlier, the Inland Empire’s competitive advantages have caused hundreds of manufacturers and distributors to migrate to the area (*Exhibits 18-20*). Lately, they have been joined by numerous office operations including relatively high paying “1-800” call centers:

Pacific Bell	Riverside	700 workers
Wells Fargo Mortgage	San Bernardino	500 workers
Sherwood Vacation Resorts	San Bernardino	270 workers
Hilton Reservations Worldwide	Hemet	200 workers
United Airlines Reservations	Moreno Valley	175 workers
Amtrack	Riverside	900 workers

Goal. Increasingly, the inland migration of companies is bringing them to the East Valley as the Inland Empire’s western edges are running out of land (*Exhibits 8-9*). The goal of the area is to handle this situation well and use this flow of new firms to raise its standard of living. A repeated issue is whether the East Valley’s labor force can handle the equipment and processes of a potential employer. The question is raised in part because of the area’s low unemployment rate (*Exhibit 39*). However, most company location scouts are also aware of the area’s demographic profile. As a result, the economic development community has undertaken a pattern of actions:

- Commercial brokers often alert the Inland Empire Economic Partnership (*IEEP*), city economic development departments or JESD that a firm is interested in the area. Eventually, discussions with the company lead to a determination of the number and types of workers they need.
- If the company’s hiring profile is one that will benefit the region’s workers, San Bernardino County’s JESD will place help-wanted ads and pre-screen workers to the firm’s standards. Once the new staff has been interviewed and selected, JESD may assist the company by arranging for the training of its workers.
- Depending on the circumstances, the training may be paid for by the firm or one of several California job training programs: Workforce Investment Act, CalWorks, Employment Training Panel.
- Depending on the types of training, the speed required and the availability of funding, the training may be conducted by ROPs, private schools or a community college.

SBCCD Role. The movement of firms towards the East Valley is a relatively new phenomenon. As a result, the SBCCD has not been called upon to be a major participant in this process. However, that will now change. To the extent that the district can rapidly react to these training situations, it will become a major force in efforts to expand the job opportunities available to local residents. As with other adult training matters, the district's success in this field will give it the opportunity to access cash flows from non-traditional sources.

To succeed, the issues that the SBCCD must address are almost identical to those involving adult worker training. However here, speed is of the essence as companies are under pressure to open their doors. Also, the immediate goal of this training will be to help workers get into a new job rather than helping them move up the job ladder.

From a leadership perspective, it would be a tremendous boost to the East Valley's economic development efforts to have the SBCCD's staff intimately involved in formulating and executing strategies to lure good paying firms to the area.

4. Raising the East SB Valley's Living Standards: Recommendations to the SBCCD

In the next two decades, the East Valley will become a very different place. The population will grow in size and diversity. There will be more and different companies. Employment levels will rise and work will become more complicated. But will the East Valley be a better, more prosperous place? To a considerable extent, that depends upon the SBCCD's success in addressing the five educational issues that the East Valley must handle if its labor force is to benefit from inexorable forces affecting them. Below, recommendations are made on the how the district might address these objectives.

Issue #1: Expanding Student Educational Horizons. The East Valley is increasingly becoming populated by families without strong educational traditions. If the area is to raise its long term living standards, young people capable of college work must be identified and given the fundamentals, finances and motivation to continue their schooling. While the unified districts must lead this effort, the SBCCD can play a key role in helping create career pathways, academic incentives and counseling reinforcement to encourage these students to continue their educations. For most, the district's stress on good teaching, sound basics and low costs will make it their most viable college option. **Recommendations:**

- SBCCD Board take action making it a key mission of the district to join the unified districts and Cal State San Bernardino in an integrated effort to greatly expand the number of students going to college.
- Form a SBCCD task force of academic faculty, counselors and a senior administrators to work with unified district representatives in designing a long term cohesive strategy to assist and encourage local students, from a young age, to go to college.
- Form an endowment committee of business leaders, alumni, college faculty, unified district leaders and an SBCCD administrator to create a long term fund raising effort to guarantee that every local student meeting defined academic standards be given tuition and books for four full time semesters at SBVC or CHC.
- Work with local leaders and legislators to increase funding for the Inland Empire's community colleges since California's housing policies are forcing a disproportionate share of Southern California's at-risk students into the region.

Either separately or as part of a unified strategy, the SBCCD should expand on-going efforts to help high school students in their transition to SBVC or CHC:

- Schedule SBCCD's counselors to create an active and repeated presence at the area's high schools to encourage a flow of students to the district.
- Expand the Middle College program allowing high school students with high grade point averages to attend classes at SBVC or CHC. Include safe guards ensuring that enrollees are serious about the effort.
- Expand the number of SBVC and CHC classes offered at local high schools to help students get used to college work.
- Promote aggressive participation of SBCCD students in the AVID tutoring program aimed at putting talented at-risk high school students on track for college.
- Encourage a close interaction and exchange of knowledge and technique between those SBCCD professors working in basic reading, literacy, mathematics and language and their unified district colleagues.
- Encourage SBCCD professors to make visitations to high school classes within their disciplines.
- Institute reports to the local unified school districts on the success of their transfers to SBVC or CHC.
- Develop a pre-teacher training program in conjunction with Cal State San Bernardino in which SBCCD students would work as classroom aides in local K-8 schools.

Historically, SBCCD's staff has focused on the 4-year institutions that accept their students. These recommendations would shift the orientation to the districts that feed students to it. Given the East Valley's changing demographics, the area desperately needs this new emphasis.

Issue #2: Flexible Career Ladders to Immediate Employment. For personal, family or economic reasons, many East Valley students will not plan on a college education. Without further training, most will therefore face a lifetime of economic difficulty. As a result, the region needs the unified districts and the SBCCD to jointly create career pathways in fields where students can opt for minimal training and entry-level jobs, or gradually increased training and ever higher-paying jobs. Hopefully, early success will convince many students to continue up these education and skill ladders or periodically return to them for more training. **Recommendations:**

- SBCCD Board take action making it a key mission of the district to join with the local unified districts in developing career ladders for the region's young students.
- Assign key SBCCD faculty members and administrators to join economic development, industry, ROP, and K-12 leaders in identifying vertical career pathways and their associated jobs in local fast growing, higher paying sectors.
- With career paths and jobs identified, forge agreements on the knowledge and skills required for industry to accept certification of competency in each position as well as the strategies for luring students up each career ladder.
- Encourage a close interaction and exchange of knowledge and technique between those SBCCD professors working in basic reading, literacy, mathematics and language and their unified district colleagues.

- As students will be encouraged to transfer from the unified districts or ROPs to the SBCCD, develop course certification standards acceptable to industry that will allow work completed at one institution to be acceptable to every institution.
- Where certified skills are identical to those for which the SBCCD gives credit, provide college credit to students mastering them. This would send a powerful message to students with little faith that they should move up the ladder to SBVC or CHC.

Given the East Valley's changing demographics, it is imperative that the community college community become a force enticing young people to go beyond high school. Here, the SBCCD's technical professors must take the lead in encouraging students that historically do not consider college. To be successful, they will need their academic colleagues to support their decisions.

Issue #3: Workforce Training For Existing Workers. The Inland Empire economy is largely composed of small companies in blue collar and population serving sectors. As information technology hits them, their workers often lack the educational foundations to learn the use of new tools and systems. This has rendered traditional "on the job" or vendor training ineffective, leaving firms without a way to ensure the training of their workers. For the East Valley, it is a challenge as the best paid workers are often those able to use the new technologies. The problem is immense and cannot be solved unless the SBCCD plays a major role. **Recommendations:**

- SBCCD Board take action making the upgrading of the basic knowledge and skill levels of adult workers a key mission of the district.
- Appoint a district adult workforce administrator whose role is to be a player on the economic development scene, working with industry leaders, economic development groups, governmental funding sources, the ROPs and adult schools.
- Participate in creation of an East Valley adult worker training consortium with the economic development community identifying firms with training needs, JESD organizing the classes and the funding, and public educators providing the training.
- Work with the ROPs and adult schools to create an efficient and cost effective system for providing adult worker training, recognizing that the problem is immense, resources are limited and inter-jurisdictional solutions are imperative.
- Empower the workforce administrator to rapidly launch adult workforce programs when funding is available and college credit is not an issue.
- Develop an "urgency curriculum process" whereby faculty members can rapidly review workforce programs where college credit is an issue.
- Institute routine standards for approving workforce classes at dates, hours and locations best suited to the needs of the adult student audience and with course lengths dependent only on the content to be taught.
- Work with academic departments and adult schools to develop lists of instructors able to quickly organize the basic education components of adult training programs.
- Work with technical departments and industry to develop lists of instructors qualified to organize various types of skill instruction on relatively short notice.
- Develop basic education and skill courses that KVCR can broadcast to adult students willing to engage in "distance learning" at home or at worksites.

If the SBCCD becomes a major player in providing the East Valley's employers and workers with access to basic education and skill training in ways that recognize their lifestyles and competitive pressures, the region may be able to raise its standard of living.

Issue #4: Training For Transition to Management. A subset of the East Valley's adult training issue is the need to provide basic reading, writing, language and mathematics to experienced production and office workers otherwise eligible for promotion to management. By entering this field, the SBCCD would both help this group achieve higher incomes and open the reins of business power to traditionally underrepresented groups of people. Recommendations:

- SBCCD Board take action making the upgrading of basic knowledge and skills required by potential front line managers a mission of the district.
- Work with the economic development community and industry to identify the educational foundation required for workers to transition from production or office work into the first tier of management.
- Develop courses and programs that will provide this education and training.
- Rely on the economic development community and industry groups to assist in marketing the availability of these programs to employers.
- Institute routine standards for launching programs quickly and at dates, hours and locations best suited to the needs of this student audience and their employers.
- Recognize that the source of funding in this case will likely be the firms employing the adult workers rather than governmental programs.
- Work with academic departments and adult schools to develop lists of instructors able to organize and teach the basic education portions of these management programs.
- Work with business departments and industry to develop lists of instructors qualified to teach elementary management skills on relatively short notice.

This effort would give the SBCCD an opportunity to both provide upward mobility to a group of experienced East Valley workers and increase the diversity of the region's management ranks, while also expanding its own cash flows.

Issue #5: Providing Skills Training To Lure New Firms. The East Valley is engaged in a national competition for firms that can migrate to the area and raise local living standards. With land disappearing to the west, the region now offers significant cost and location advantages. However, the companies involved frequently worry about the ability of local workers to handle their equipment and processes. Here, the active involvement of SBCCD would be a major asset in efforts to boost the local economy. Recommendations:

- SBCCD Board action making it district policy to assist the economic development community in arranging training for firms interested in migrating to the East Valley.
- Assign staff to work with the economic development community in formulating the worker training aspects of strategies designed to lure good paying firms to the area.
- Assign staff to participate in meetings with potential new firms where workforce training is an issue.
- Work with technical departments and industry to develop lists of instructors qualified to organize various types of skill instruction on relatively short notice.

- Create a framework allowing training for a new firm's equipment and systems to be rapidly organized and launched once the its new workforce has been identified and a source of funding has been secured.

To the extent that the SBCCD becomes a central participant in efforts to convince new firms to bring better paying jobs to the East Valley it will be playing an important role in increasing the standard of living of the region's workers.

Summary

We have entered an era when it is impossible to overestimate the importance of those dedicated to educating young people or providing adult workers with the educational foundations and skills necessary to succeed in our increasingly technological world. Certainly, this is true in the East San Bernardino Valley. In the next two decades, the demographic and economic forces affecting the community will cause it to become much larger and more complex. However, it will not become a better place unless we fundamentally alter its educational dynamics.

Here, the San Bernardino Community College District has an enormous opportunity and obligation. For young people, it must become a key player encouraging them to expand their educational horizons while also developing career ladders for those wanting immediate training. For adults, it must become the major learning center for workers needing to upgrade their educations and skills for their existing jobs, for a transition to management, and for the new jobs migrating to the region. If the district succeeds, the East Valley will succeed. If the district fails, the area faces great difficulty.