CITY OF SAN BERNARDINO

COMMUNITY PROFILE



INTRODUCTION

The City of San Bernardino is a community rich in history and cultural diversity. Influences of Native Americans, Mexican settlers, Spanish missionaries and Mormon emigrants can still be seen throughout the City today. From the day in 1810 when Franciscan missionary Father Dumetz named the area San Bernardino to the present, San Bernardino – nestled south of the San Bernardino mountains and west of the lower desert – has been recognized for its scenic beauty and strategic location. Today, the City of San Bernardino serves as the county seat and is the largest city in the County of San Bernardino with a population of over 205,000.

HISTORY

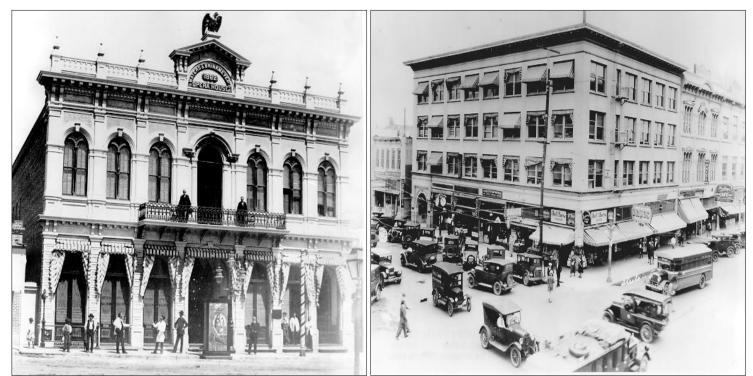
San Bernardino's colorful history begins in the early years of the 19th century when Spanish missionaries were the first settlers to the region. Mission "San Bernardino" was established in 1810 and the missionaries, along with the American Indians native to the area, diverted water to the valley from Mill Creek for irrigation purposes. As a result, the area flourished.

In 1822, California became a Mexican territory. Gradually the mission period came to a close and soon came the rise of the "Great Spanish Rancheros." The abandoned Mission San Bernardino did not stay vacant for long. "San Bernardino Rancho" was granted to the Lugo Brothers in 1842 and eventually

became an important post on the trading route known as the "Spanish Trail", where pioneer trailblazers like Kit Carson and Jedediah Strong often traveled.

In 1848, California joined the United States. By this time, many rancheros, discouraged by Indian raids and horse and cattle stealing, left the area. The Lugo brothers eventually sold San Bernardino Rancho to a party of 500 Mormon settlers in 1852 who built a stockade around the ranch and named it "Fort San Bernardino." The community thrived and was officially incorporated as a City in 1854 with a population of 1,200. At that time, San Bernardino was strictly a temperance town, with no drinking or gambling allowed.

As the last years of the 19th century waned, the giant railway companies eventually found their way to San Bernardino, changing it from a sleepy town into an enterprising city. Santa Fe, Union Pacific and Southern Pacific all made San Bernardino the hub of their Southern California operations. When the Santa Fe Railway established a transcontinental link in 1886, the already prosperous valley exploded. Even more settlers flocked from the East and population figures doubled between 1900 and 1910. Today San Bernardino has emerged into a modern urban community with a bright future. The enduring spirit and vitality of yesterday's pioneers are still evident and reflected in the pride of community.



San Bernardino City Opera House 1882

Downtown San Bernardino 1927

QUALITY OF LIFE

The City of San Bernardino has adopted the shared values of Integrity, Accountability, Respect for Human Dignity, Honesty and Fairness. The vision for the City is to be strong and prosperous. City residents can expect high quality, cost effective services as well as an excellent public safety program, which is dedicated to providing the highest level of police and emergency services.

The two hospitals within the City limits, San Bernardino Community Hospital and St. Bernardine's Medical Center are both state of the art facilities. City residents also have access to the nearby San Bernardino County Medical Center and the world renowned Loma Linda University Medical Center.

With 40 parks and six community centers, residents can enjoy beautiful playgrounds, swimming and play pools, adult and youth sports, special interest classes and excursions. The City's first-rate menu of programs and services includes a public library system comprised of one main and three library branches which provide life long learning to the world of ideas, information and creative experience for all citizens of San Bernardino.

Enhancing public safety is also a key part of improving quality of life. Over the last three fiscal years, 31 new sworn police positions and 10 non-sworn support personnel were added to the Police Department. Another 9 sworn officers are scheduled to be added in FY 2008-09 to complete the City's Police Hiring Plan, for a total of 40 new officers. The City added a police helicopter contract in 2006, established recruitment incentives for new officers, and implemented Crime Impact Teams on major corridors in the City.

The City launched Operation Phoenix, a comprehensive crime-reduction strategy that incorporates crime prevention, suppression, and intervention. In partnership with County social services agencies, Operation Phoenix provides integrated public safety and community support services, resulting in significant reductions in crime and improvements in quality of life. In FY 2007-08, the Mayor and Council expanded Operation Phoenix to 2 additional areas of the community. Cities around the state are now seeking to replicate the successes of Operation Phoenix, and leading experts are pointing to the program as a model to reduce crime.

Residents voted to support these enhanced crime suppression and prevention strategies by passing Measures YY and Z in November 2006. These measures established an additional .25% sales tax that

took effect in April 2007. Use of Measure Z funds are reviewed by a Measure Z Oversight Committee and will be reported on by the Committee annually. To date, funds have been spent primarily to hire the 50 Police Department personnel called for in the Police Hiring Plan, and also to fund parts of Operation Phoenix.

Location/Transport

The City's elevation is 1,049 feet above sea level and encompasses the area of approximately 59.3 square miles. San Bernardino is located about 60 miles east of Los Angeles, 120 miles northeast of metropolitan San Diego, and 55 miles northwest of Palm Springs.

For more than 100 years, the city of San Bernardino has been a major transportation



link between the east and west coasts. With rail, freeway, a nearby International Airport just 30 minutes away, and the Port of Los Angeles within an hour's drive, San Bernardino is the link to national markets, Mexico, and the Pacific Rim. Local bus service connects ten cities in a two county area and provides access to transcontinental bus connections.

In 1993 access to the City was further enhanced with the creation of the Metrolink commuter rail service. It provides long distance transportation to commuters from the San Bernardino area to major centers of employment, such as downtown Los Angeles, and Orange County, within 90 minutes.

Taxpayer	2010 Assessed Value	Pecent of Total City Taxable Assessed Value
SP4 Cajon 1 LP	336,652,884	3.06%
Stater Bros Markets	274,768,316	2.50%
Catholic Healthcare West	121,076,766	1.10%
LIT Industrial LTD Partnership	115,668,000	1.05%
Opus R/E CA VII Northpointe	77,520,000	0.70%
Rancon Realty Fund V	76,490,233	0.67%
St Bernadine Medical Center	62,296,234	0.57%
Westgagte No 1	61,123,047	0.55%
WM Inland Adjacent LLC	57,505,359	0.52%
Prologis – A5 CA1	52,734,000	0.48%

Tax Base

Employment

The City of San Bernardino has a labor force of 85,000 with 68,900 employed resulting in a18.9% unemployment rate. Below is table showing the major employers within the city.

Major Employer	Industry
Cal State University – San Bernardino	Schools-Universities & Colleges
Community Hospital – San Bernardino	Mental Health Services
San Bernardino County Superintendent of Schools	Schools
San Bernardino Community Hospital	Hospitals
San Bernardino County Sheriff	Police Departments
San Manuel Band of Mission Indians	Casinos
California Department of Transportation	State Government – Transportation Programs
Wells Fargo Home Mortgage	Real Estate Loans

Schools

Providing quality education and programs to providing quality education and programs to San Bernardino's youth is an important priority to City residents. High standards and emphasis on mastering the fundamentals resulted in the district's steady improvement on standardized test scores. Many schools in the San Bernardino Unified School District have been named California Distinguished Schools. If private schooling is a preference, San Bernardino has many private schools, from kindergarten to high school.

San Bernardino Valley College, conveniently located two miles from downtown, serves over 11,100 students who are enrolled in occupational training programs, job skill enhancement, and courses leading to Associate Degrees with transfer credits to four-year colleges.

California State University San Bernardino is one of the Inland Empire's largest trainer of business managers. Cal State's School of Business and Public Administration is accredited by the American Assembly of Collegiate Schools of Business (AACSB) at both the under graduate and graduate degree levels. With more than 17,000 students enrolled in more than 50 undergraduate degree programs, Cal State San Bernardino is one of the fastest growing campuses in the state university system.

Recreation, Sports & Culture

San Bernardino has a wide variety of recreational attractions. From playing golf at one of San Bernardino's many public and private golf courses, to a 30 to 45 minute drive to mountains, skiing, deserts, beaches, resorts, and world-class cultural and sporting San Bernardino Valley College



Cal State University San Bernardino



events, a variety of activities for all ages is available to residents and visitors.

San Bernardino is home to the Inland Empire 66ers of San Bernardino, a Professional Baseball Club, which in 2006 became part once again of the Los Angeles Dodgers organization. The Inland Empire 66ers play at the multi-use Arrowhead Credit Union Park which regularly seats 5,000 people and can be expanded to seat 10,000.

The City of San Bernardino is known as a "Youth Sports Destination". San Bernardino is home to the Little League Western Regional Headquarters and hosts the regional playoffs each year, with fourteen

teams from 13 western states playing for the chance to advance to the Little League World Series in Williamsport, Pennsylvania for the national title. The City has also facilitated the installation of the first youth sports figure public art statue at Western Regional Little League Headquarters. San Bernardino has the largest sanctioned Soap Box Derby event on the west coast. Children build their box cars



and race for a chance to reach the national finals in Akron, Ohio.

In 1998, the San Bernardino Municipal Soccer Complex was officially dedicated and opened for tournaments and competitions. The complex is one of only a few premier youth soccer facilities in Southern California. Built on 50 acres, the complex offers 17 full sized soccer fields including 4 lighted championship fields.

The complex is home to a number of tournaments and activities throughout the soccer season. The complex provides increased revenue to the San Bernardino local economy from use of the local restaurants and hotels as well as overall operational support of the tournaments.

The city's historic California Theater, which opened its doors in 1928, is now home to Theatrical Arts International, whose starstudded Broadway plays and musicals light up the stage each year. The theater is also the home of the San Bernardino Symphony Orchestra, under the direction of Maestro Carlo Ponti, Jr. Continuing the tradition of variety and excellence, the San Bernardino Valley Community Concert Association also hosts international artists and touring companies ranging from the New York Theatre Ballet to the London Piano Duo.

One of the city's most popular events is the annual Route 66 Rendezvous. In the 1930s, Historic Route 66, which runs through downtown San Bernardino, was the first highway to link Chicago and the Midwest to Southern California.



Today the city of San Bernardino celebrates Route 66 with an annual four day event held each September. The city is host to over 400,000 visitors who come to see the show of over 2,400 pre-1973 Vintage

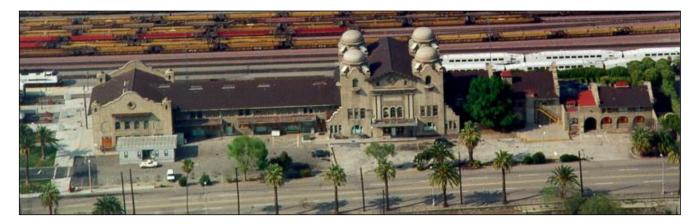
automobiles and street "rods" which cruised the highways during the 1930s through the early 1970s. This event is complete with exhibits, vendors, food booths, live entertainment and a Cruisin' Hall of Fame.

CITY GOVERNMENT

The City of San Bernardino operates under a hybrid Mayor-Council-City Manager form of government. The Mayor is elected by the voters at large, and is the City's Chief Executive Officer. Each of the seven members of Council is elected by voters within their respective wards. The Mayor and Councilmembers serve four-year terms. Under the supervision of the Mayor, the City Manager is the Chief Administrative Officer. The City Manager directs most City Departments, other than those governed by separate boards (Water Dept, Civil Service, Library) and the offices of elected officials. The City Manager's office, in addition to assisting the Mayor and Council in policy formulation, focuses on special projects. The City of San Bernardino also has an elected City Attorney, City Treasurer and City Clerk.

OUR FUTURE

A number of exciting projects are underway in San Bernardino that promise to shape the community in the years ahead. These projects include:



From a budgetary standpoint, the City of San Bernardino faces some uncertainty due to the depressed economy and pressure to help fiscally compensate the State of California for some of its budgetary losses. However, from a community standpoint the City of San Bernardino has an extremely bright future, with exciting new projects, special events and new ways of doing business just over the horizon.

A Mayor and Council retreat in 2010 helped to define where the City's elected officials believe the City could be by 2025. In 2025, San Bernardino will be a prosperous community that reflects the fabric and traditions of an All American City. With its unique location, the City will serve as a destination for youth sports and recreation, cultural heritage and as a hub of governmental activity and professional services.

San Bernardino is a wonderful place to live, work, and play, offering diversity in housing, amenities, and services which will all be easily accessible through this multifaceted transportation hub.

San Bernardino will offer one of the most aggressive business incubator programs in Southern California to assist with the acceleration and successful development of entrepreneurial companies through an array

of business support resources and services. The City will develop business initiatives that embrace sustainable growth in the market.

San Bernardino places special emphasis on education, and works diligently to distinguish itself as a leader in the academic forefront. The City has a top-ranked public school system and is privileged to have one of Cal-State's distinctive campuses located within the city.

San Bernardino's historic charm melds with its modern, family-friendly atmosphere, and its cultural diversity will be celebrated and woven throughout the community. As the County Seat, San Bernardino takes great pride in our reputation as a role model for other cities in the Inland Empire.