

# INTERCONNECTION

An ADVANTEC Newsletter  
Fall 2007 – Second Edition



"Because We Care"

#### President:

Leo K. Lee, P.E.

#### Vice President:

Bernard K. Li, P.E., PTOE

#### Principal:

Tracy M. Moriya

#### Providing Engineering Solutions In:

Traffic Engineering  
Transportation Planning  
Civil Engineering  
Traffic Operations  
Electrical Engineering  
Intelligent Transportation Systems

#### ADVANTEC Hits the Press:

ADVANTEC's President, Mr. Leo Lee recently completed an article for the Los Angeles Times printed Monday, October 1st. The theme of this article surrounded the thoughts of white collared businesses that are expanding in the Inland Empire. (Article provided below)

#### Staff Updates/Announcements:

ADVANTEC Consulting Engineers, Inc. is excited to announce the addition of our newest senior project manager, Mr. James "Jim" Harris, TSOS. Jim has over 40 years of hands-on professional experience in all aspects of traffic and transportation engineering including: design, operations and maintenance of traffic signal and lighting systems and implementation thereof. Mr. Harris, as the prior Associate Engineer / Project Manager for the City of Rancho Cucamonga was responsible for the design, timing and operation of city traffic signals and systems. Jim continues to serve as both a valuable asset and wealth of knowledge in the Inland Empire. You may reach Jim at [JamesHarris@advantec-usa.com](mailto:JamesHarris@advantec-usa.com).

In addition, ADVANTEC gladly welcomes project manager, Mr. Kenny Chao. Upon completion of his executive MBA program at Chapman University, Kenny joined ADVANTEC in June, bringing with him over 5 years of professional project management experience in fields related to: traffic engineering, commercial development, and construction management. You may reach Kenny at [KennyChao@advantec-usa.com](mailto:KennyChao@advantec-usa.com).

Both of these newest members of ADVANTEC will be working at our Ontario office located at: 3237 E. Guasti, Suite 100. Visit us at [www.advantec-usa.com](http://www.advantec-usa.com).

#### ADVANTEC Staff Entry:

When asked why employees love ADVANTEC, we received many responses— of which this entry won 1st place. One staff member uses pictures, colors, and memories to express their thoughts.

I    
because...

we are always **exposed** to new things. 

 we learn by **doing**.

we have great opportunities to **network**. 

 we are a **team**.

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## Los Angeles Times BUSINESS

Monday, October 1, 2007

#### ECONOMIC DEVELOPMENT

### Wooing white collars in the Inland empire

The region flourished as a center for warehousing cargo. Now it's focusing on the infrastructure and amenities to attract higher-end technology and professional firms.

By Ronald D. White  
Los Angeles Times Staff Writer

October 1, 2007

Mary Jane Olhasso was a warehouse warrior.

As Ontario's economic development director, Olhasso helped lead the city's efforts to wrest warehouse and distribution projects away from other communities, even appearing in print ads vowing, "We can get you through the process faster" than rival towns.

The stakes were high: For two decades, the cargo container propelled an economic boom in Ontario and much of the Inland Empire. As other parts of California struggled through recession, military base closures, the dot-com bust and the loss of manufacturing and aerospace jobs, the Inland Empire was transformed into a premier staging area for the movement of international goods across the U.S.

Today, warehouses and distribution centers in Riverside and San Bernardino counties cover nearly 400 million square feet, roughly equal to all of the office space in Midtown Manhattan. The warehouses brought steady jobs with generous health benefits, an average salary of nearly \$40,000 and no need for a college education to places like Ontario, Rancho Cucamonga, Corona, San Bernardino and Redlands.

But lately, Olhasso has been fighting it out over a workhorse of a different color -- businesses in which the employees wear white collars instead of blue.

The areas that reached prosperity on diesel fuel and truck traffic are paying far less attention to the cargo box culture or have run out of the large tracts of land needed to accommodate it. Instead, they are courting professional, scientific and technical firms that pay the highest white-collar wages.

Warehouse and distribution "is the source of the majority of our jobs and will continue to be so. That element of our economy is not going away," Olhasso said. But the current need is for businesses that can employ the legions of highly educated professionals who bought relatively affordable homes in the Inland Empire and are still commuting to jobs in Los Angeles and Orange counties.

"Going forward, it's up to us to provide that opportunity and to encourage this type of business development. That is what we are all about for the next couple of decades," Olhasso said.

Ontario's change is echoed by others. "We want to bypass [warehousing] and go right into more intensive high-tech job creation," said Michael Beck, Riverside's assistant city manager.

**Leo Lee heard the message. Lee, president of a Diamond Bar civil engineering firm called Advantec, recently opened the company's first Ontario office and plans to rapidly expand.**

**"I listened with interest to the mayor's state of the city address last year, about how the city had a vision to grow as the Western U.S.' newest hub for business technology. So opening an office there seemed like a very positive step to take," Lee said. His new employees will come from the Inland Empire's "growing population of engineering and technical people," he said.**

The shift from blue collar to white is the latest sign that the region has matured, following the same pattern of development as Los Angeles and Orange counties.

The catalyst for this transition is also what attracted wave after wave of the nation's giant retailers and other importers: cheap real estate. At the same time, the young professionals who bought homes in the Inland Empire have become fed up with long commutes and are willing to earn a little less to work closer to home.

The more built-out regions of the Inland Empire "are seeking the high-end, upscale businesses that provide jobs that pay well. That has been a missing ingredient until very recently," said John Husing, an Inland Empire economist with expertise in supply-chain logistics and goods movement.

"The housing market brought in educated younger workers who could no longer get the kind of lifestyle they wanted in the coastal communities. Now the area can staff high-end firms, technical firms, corporate offices, professional companies."

From 2000 to 2006 the number of Inland Empire residents with bachelor's degrees or higher rose by 129,234, an increase of 41.4%, Husing said. Inland Empire employment at professional, scientific and engineering firms grew by 9,800 jobs, or 31.6%, from 2004 to 2006, he added.

The cargo boom continues, heading for another record year through the ports of Los Angeles and Long Beach, which handle more than 40% of the nation's container freight. All those toys and shoes and electronics have to be stored somewhere, meaning that retailers who must continue to expand their national staging areas have had to find new hosts.

They are being courted in the northern reaches of the Inland Empire, particularly in the Victor Valley area. It's a region that was hard hit by the end of the Cold War in 1989 and the closure of George Air Force Base in 1992.

Victorville officials have vowed to never again rely on a single source of jobs and income. They hope to capitalize on the south's new cold shoulder to warehousing and distribution.

"We are courting the big box, the big warehouse operation. We are welcoming them, rather than trying to thwart them," Victorville Mayor Terry Caldwell said.

Caldwell is counting on a continuation of the trade boom that has seen warehouse and distribution jobs in the Inland Empire leap to 166,700 this year from 44,100 in 1990.

One of the first to make the shift north was Newell Rubbermaid Inc., which had outgrown its old factory space in Hesperia and needed as much as 1 million square feet of space to process goods shipped through the Port of Long Beach.

After looking at sites throughout Southern California, the Atlanta-based consumer products giant chose Victorville and last week completed a 408,000-square-foot warehouse in a deal that includes an option for 600,000 square feet more in the future.

Victorville made the strongest pitch and had real estate that was much cheaper than what was available in warehouse-heavy sites in the Inland Empire. Officials even chartered a Bell JetRanger 206-B3 helicopter for an aerial tour of prospective sites.

"No one else in California did that for us. You're up in the air and you see this vast expanse of land, a very long runway and a power plant at the end of it, an intercontinental rail line right next to them, and you realize that this could be perfect," said Art Garcia, director of real estate and property for Newell Rubbermaid.

The hunger for white-collar jobs has made local governments in the southern and western parts of the Inland Empire anxious to convince businesses that they are more than just a mecca for warehouse space.

Toward that end, the city of Riverside hosts two events a year for commercial real estate brokers that tout projects in the city. The economic development office of San Bernardino County talks up the fact that the county has 3 million square feet of office space under development. Ontario's economic development office bills itself as Southern California's next urban center.

"The mayor's mantra is 'Live and work in Ontario. Do not get into your car. We have whatever you need right here,'" said Olhasso, Ontario's economic development director.

Putting it a little differently, Brian McGowan, economic development administrator for San Bernardino County, said, "What this region needs, what we are challenged with, is having more cultural amenities, more restaurants and more places that you can just walk to. All the cities in the Inland Empire are working toward that."

Bruce W. Kirby is a convert. Kirby, managing principal for engineering firm Stantec Consulting Inc., opened an Inland Empire office in 2005 and found the experience surprisingly smooth.

"Our Orange County office has had a hard time hiring staff because of the difficulty of affording homes there. Here, we found a lot of well-qualified professionals who had been commuting to Los Angeles and Orange counties," Kirby said.

Patrick Flaherty, a general manager for Gevity, a human resources company, now happily manages the Ontario branch on the second floor of a new office building that is just minutes from his home. He hasn't forgotten the severity of his old commute to the Irvine office.

"I bought a hybrid, I carpooled, and none of it mattered," Flaherty said. "There were still times when I could sit behind the wheel and look at the newspaper because we weren't moving."

