



NEWS RELEASE

Economic Development

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November 30, 2021



Retail sector proves resilient due to continued population and retail growth

Specialty Grocery Stores, Quick Service Restaurants, and Fitness Brands Continue Aggressive Expansions

San Bernardino County, CA— Population growth and new housing development in San Bernardino County are fueling strong retail activity across the region. According to CBRE’s 3rd Quarter 2021 Retail Market Report, net absorption, construction, and lease rates have all increased this year.

The report posted net absorption, which is the sum of square feet physically occupied, for third quarter at 140,781 square feet. New construction for third quarter was 926,428 square feet of space, a significant increase over second quarter 2021 construction activity of 110,690 square feet. Lease rates continue to improve as well.

“Neighborhood grocery-anchored centers are on a huge uptick and fast-food quick service restaurants are all expanding thanks to an increased emphasis on eating out versus dining at home,” said Ryan Gast, vice president of CBRE. He added that an influx of millennials into the county is making a difference. “Millennials on average tend to eat out rather than cook at home. That’s a factor in this sector’s expansion activity coupled with housing growth out here that is just outrageous.”

According to CBRE, the most active specialty grocers in the market include brands such as Grocery Outlet, Aldi, Sprouts and Amazon Fresh.

San Bernardino County’s median age is 33 years old, younger than the median age of California and the nation. According to the Jobs EQ, 2021 report, San Bernardino County’s lucrative millennial demographics (people from the age of 25 to 40) exceeds the state and nation as well, with continued population growth expected for the next five years.

Top San Bernardino County communities experiencing new retail development include Ontario Ranch and Chino. To that end is New Haven Marketplace, a newly-opened shopping center in Ontario Ranch, anchored by

a 45,204-square-foot Stater Bros. market. According to a major market tracker, Ontario Ranch replaced Irvine Ranch as Southern California's top-selling master planned community this year and No. 5 nationally.

A benefit of population growth has been an influx of new brands into the region. In 2021 Top Golf, an internationally-renowned technology-enabled entertainment experience, began construction on its 6,000-square-foot facility on 16.7 acres of San Bernardino County-owned land in the city of Ontario. The new facility will feature 102 hitting bays on three floors along with a restaurant and bar.

Gast shared that another trend is the increased activity by gyms. "They were one of the hardest, if not the hardest hit, of retail sectors during COVID. But now fitness brands such as EOS Fitness and Chuze Fitness are actively looking for deals in the county," he added.

"While the pandemic has certainly impacted our region, it is not surprising that we have experienced such a strong recovery in the retail sector. As our population continues to increase, there remains demand for well-located retail services and dining options. That is also why the County is ready to provide resources to new businesses that are looking to expand here," said Chairman and 4th District Supervisor Curt Hagman

San Bernardino County will be attending ICSC RECon 2021, considered the largest conference for the retail industry, held Dec. 5 to 7 in Las Vegas. Information about retail opportunities in San Bernardino County will be available at the County's Booth #1541.

To help encourage retail development and leasing San Bernardino County provides a wealth of information such as:

- San Bernardino County Retail Property Book detailing development and leasing opportunities across the county: https://sanbern-prod.s3.amazonaws.com/uploads/EDA-Property-Book-2021_Final-red.pdf
- Retail Overview Book which details important population data in county regions as well as locations of shopping centers and top employers, among other key points of information: <https://sanbern-prod.s3.amazonaws.com/uploads/SB-County-Retail-Overview-Book.pdf>
- San Bernardino County Retail Infographic which provides county facts at a glance: https://sanbern-prod.s3.amazonaws.com/uploads/Retail-Infographics_Rev-Nov21_Final.pdf

The San Bernardino County Economic Development Department supports retailers, brokers, and developers in many ways, including: site selection assistance, business plan development, permitting assistance, workforce assistance, demographic and market reports.

About San Bernardino County: Located at the heart of Southern California, an economy of 23 million people, San Bernardino County is the largest county in the United States. Its vast borders stretch from the greater Los Angeles area to the Nevada border and the Colorado River encompassing a total area of 20,160 square miles.

Comprised of 24 cities, San Bernardino County encompasses more than two million residents with a workforce of over 950,000. Its assets include an innovation corridor of close to two dozen colleges and universities supporting a strong, diverse workforce along with an unparalleled collection of roadways, runways and railways that lead to regional, national and international business centers. Learn more at www.selectsbcounty.com.