

NEWS

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Biane urges FDIC to reconsider site of temporary offices

Board of Supervisors Chairman Paul Biane today urged the Federal Deposit Insurance Corporation (FDIC) to rethink not considering the Inland Empire in its plans to open temporary office space in Southern California to liquidate the assets of troubled banks and thrifts in the Western U.S.

The FDIC has announced plans to seek 200,000 square feet of office space in Irvine to house as many as 600 employees. The agency has cited proximity to an airport and freeways, and availability of vacant office space and unemployed mortgage-industry workers its primary reasons for focusing solely on the affluent Orange County community.

"It's incredibly short-sighted of the FDIC to not even consider the abundance of available affordable, freeway- and airport-close office space in San Bernardino County," Chairman Biane said today.

"The Inland Empire is widely acknowledged as the hub of the mortgage crisis. This combined with the availability of affordable office space and skilled labor makes San Bernardino County by far the ideal location for this operation," Chairman Biane said.

Former Orange County Chief Executive William J. Popejoy was quoted in the news media this week acknowledging that office space in Orange County will cost American taxpayers far more than office space in San Bernardino County. However, he also claimed the Inland Empire lacked Orange County's available financial workforce.

"We have the workers," Chairman Biane said. "As with most industries, Orange County's finance sector gets an infusion of talent from thousands of Inland Empire residents who commute to their jobs in Orange County and Los Angeles."

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“Furthermore, the FDIC can save on the same talented workers by considering our region. Recent studies indicate that many of these workers would be willing to accept lower wages for an opportunity to cut down their drive and be closer to their families,” Chairman Biane said.

The FDIC is looking to establish a temporary, five-year operation in Southern California to cope with 18 bank failures during the past two years and the prospect of more to come. The federal agency is currently operating out of the Pasadena headquarters of IndyMac Bank, a mortgage lender that failed in July.

FDIC officials had therefore wanted its new temporary operation to be sited in close proximity to Pasadena, which makes the focus on Orange County over San Bernardino County even more puzzling.

“I will contact officials at the FDIC as quickly as possible and also consult with our county’s Congressional delegation to ensure that San Bernardino County is considered as a location for this operation,” Chairman Biane said. “I am confident that if San Bernardino County is given a chance to compete, there will be no way to deny that our county has much more to offer than anyplace else in the Western U.S.”