

VENTURA COUNTY COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY EXECUTIVE SUMMARY

December 2014

The CEDS report was completed for EDC-VC by Applied Development Economics (adeusa.com). EDC-VC appreciates the California Stewardship Network's partnership and support, and the Morgan Family Foundation's (morganfamilyfoundation.org) grant contribution in support of this project.

The Economic Development Collaborative-Ventura County recently completed a Comprehensive Economic Development Strategy (CEDS), the result of several months of detailed research and analysis that included input from the cities' and county's leaders in economic development, and in manufacturing, agriculture, education, infrastructure and other stakeholders.

The report will serve as a tool to help focus on our ongoing economic development activities and work to maximize the county's economic assets among its 10 cities and unincorporated areas.

Here's a sampling of what we learned:

- **Strength in manufacturing:** Including a broad diversity from pharmaceuticals to machine tools and a concentration in Research & Development, manufacturing continues to be our region's most productive sector, responsible for 26% of the County's economic output.
- **Weakness in transportation infrastructure:** Ventura County's workforce is extremely mobile, with only 22.6% of the county's workforce both living and working in the same city, placing a heavy burden on the region's transportation infrastructure as workers crisscross the region. Exacerbating our concerns, we are at a competitive disadvantage relative to our surrounding counties, as we lack a locally dedicated source of funds for investment in roads infrastructure.
- **Agriculture's unrealized opportunities:** Viewed through an economic development lens, our agriculture sector is extraordinarily strong in food production—that is, in the value taken from the fields—but tremendously under-productive in the higher value-added components of food processing and distribution. Sustaining our dominance in agriculture may require a shift toward strategy around the development and maintenance of food systems, complementing our strength in food production.
- **Looming threat in the lack of jobs:** While we enjoy relatively high level incomes and quality jobs, there is a profound shortage of jobs in Ventura County for the population, resulting in the county being a daily exporter of jobs and talent. Ventura County generates the lowest share of jobs per worker as compared to all our surrounding counties.

In response to these highlights and others, a sampling of the economic goals identified in the CEDS includes:

- Improve regional infrastructure, including transportation, water resources and broadband.
- Support well-targeted workforce development programs designed to improve work readiness and create the labor force of choice in Ventura County.
- Promote a sustainable balance of employment opportunities, housing choices, agriculture, open space and natural resources, that is, promote and retain our quality of life and lead with an assets-based economic development agenda.

The purpose of the CEDS is to identify how the region can create more jobs, retain existing businesses, accelerate entrepreneurship, and to identify supporting programs and projects to facilitate our achievement of the goals.

CEDS places a heavy emphasis on the need for skilled workers and a quality education system—including an emphasis on early child education. The workforce components are consistent with the Workforce Investment Board of Ventura County's five-year strategic plan.

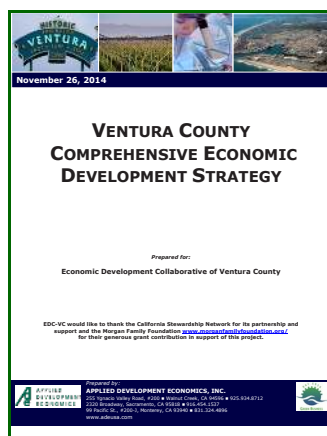
We remain bullish on the region's economy, though recognize there is real work ahead to retain and advance the quality of life we have so long cherished in Ventura County.

Sim Tang-Paradis, 2014 Chair

Bruce Stenslie, President/CEO

EXECUTIVE SUMMARY: INTRODUCTION

The Comprehensive Economic Development Strategy (CEDS) includes all 10 incorporated cities as well as the unincorporated area of Ventura County. It was prepared under the auspices of the Economic Development Collaborative–Ventura County (EDC-VC), with the support and assistance from the economic development leadership from the 10 cities and the county and the input from stakeholders in key economic sectors.



EDC-VC conducted a seven-month process to evaluate economic trends and conditions in the county, identify strengths, weaknesses, opportunities and threats, and develop strategic goals and implementation projects for the CEDS. During this time, EDC-VC's board of directors—serving as the CEDS committee—and EDC-VC's Economic Roundtable each met four times to review incremental materials developed through the process and to formulate the strategic goals for the plan.

This extended executive summary covers the economic overview, strategic issues, our economic assessment by industry clusters and jobs/housing balance. For additional information on the cities and unincorporated area, real estate conditions and occupational distribution, see the complete report.

We welcome your review and comment and encourage you to take a look at the complete document, at edc-vc.com/wp-content/uploads/Ventura-County-Final-CEDS-1126142.pdf.

ECONOMIC OVERVIEW

Located along the Pacific Coast between Los Angeles and Santa Barbara counties, Ventura County has a population of 842,967 and a civilian labor force of 348,100. As of 2013, the county had 314,300 wage and salary civilian jobs, which is still below its 2006 peak of 321,800 jobs. In 2013, unemployment in the county is estimated at 7.8 %, with 33,800 workers out of work. While the countywide unemployment rate is below the statewide average of 8.9 %, several cities in the county continue to struggle with unemployment, including Oxnard, Santa Paula and Fillmore, as well as unincorporated communities such as Oak View and Piru.

The Gross Domestic Product (GDP) of the county is estimated in 2011 at \$70 billion, with more than 25% of this produced by manufacturing industries. Within manufacturing, leading industry clusters include pharmaceuticals (\$7.9 billion), computers and electronics (\$3.0 billion), machinery manufacturing (\$1.1 billion) and bio-medical devices (\$561 million). Manufacturing employment has declined in Ventura County, but largely as a result of state and national economic conditions and the county has maintained its relative concentration of manufacturing compared to statewide industries.

The second largest economic sector in the county is financial services, including insurance and real estate, with \$13.7 billion in output. While this industry experienced corporate restructuring during the recession and following years, the county has retained its position as having nearly the largest concentration of jobs in this sector as compared to all other California counties.

Agriculture is a powerful economic driver in Ventura County, with an estimated total output of \$3.3 billion. The county enjoys some of the highest per-acre agricultural production values in California. That bounty from the fields and orchards, however, hasn't translated to jobs and economic output in food processing and distribution, which remain unrealized opportunities for sustaining agriculture's positive contributions to the economy.

The hospitality sector attracts \$1.4 billion in visitor spending (2012) and supports about 12,700 jobs. However, relative to the size of the overall economy, visitor-generated spending and jobs are low compared to other coastal counties and state averages.

Health care was one industry sector in Ventura County that continued to grow during the recession, similar to other areas of the state. The county's strong presence of the pharmaceutical and bio-medical devices industries, as well as leading regional hospitals, provides this sector with a growth potential beyond the normal demographic drivers for health care.

Ventura County has a strong military presence with Naval Base Ventura County, through Pt. Mugu Naval Air Station and the Construction Battalion Port Hueneme. Naval Base Ventura County directly supports about 6,000 military jobs and an estimated 11,000 civilian jobs among defense contractors.

The Port of Hueneme is an important part of the economic infrastructure in the county. Offering a deep-water harbor north of the L.A. Basin, the Port of Hueneme is a major import location for automobiles from Asia and bananas and other produce from South America. It also exports U.S.- produced automobiles and agricultural equipment and produce. In 2012/2013, the port handled 1.44 million metric tons of goods with a value of \$8 billion and generated \$1.1 billion in economic activity in the county.

STRATEGIC ISSUES

The development of Strategic Issues was informed by the completion of a comprehensive analysis of Strengths, Weaknesses, Opportunities and Threats. The primary issues that emerged include the following:

AGRICULTURE AND URBAN DEVELOPMENT CONSTRAINTS

Ventura County has had a long history of managing urban development to protect farmland and create distinct buffers between the cities. This has resulted in one of Ventura County's critical competitive and quality of life assets, that is, greenbelts and communities with distinct identities, unique among the communities to the south of us that have succumbed to sprawl.

Since 1995, this land-use issue has been managed through ordinances referred to as Save Open Space and Agricultural Resources (SOAR), which were adopted by eight of the cities and the county between 1995 and 2001. Recently, supporters of the measures have indicated they wish to place all the ordinances on the ballot in 2016 with a view to extending the sunset horizons to 2050. Some of the issues that affect economic development include the following:

- Agriculture is an important economic cluster in Ventura County, with an economic impact that goes beyond the produce grown on farmland. There is the need for expanded and upgraded processing and distribution facilities, particularly as consumer preferences evolve, global competition changes product requirements and automation in harvesting eliminates jobs in the field. Sustained prosperity in Ventura County would be enhanced by revisions to SOAR to permit food processing and distribution as an incidental use to farming on farm land.
- A similar issue relates to providing farmworker housing. The inability of farms to provide housing for their workforce leaves open a large question about how to attract and retain a qualified labor force for this important industry.
- Studies regarding the remaining capacity for development within the CURB lines have become outdated and it is not clear what effect continued limits using the same lines as far out as 2050 would have on the ability of the cities and the county to maintain a reasonable jobs-housing balance.

As data displayed further below demonstrates, Ventura County and its cities lag behind optimal levels for the number of jobs available per worker.

THE VENTURA COUNTY BRAND

Studies have shown that many business people in the Los Angeles area and elsewhere outside Ventura County fail to identify the county as a distinct place. In response to this issue, the Workforce Investment Board (WIB) and other stakeholders in the county have developed the Ventura County Grows Business public relations program and website (VenturaCountyGrowsBusiness.com). This effort to create a unified brand message and marketing tool concentrates on promoting the assets of the region, featuring quality of life, quality education system and skilled workforce, and communities with distinct identities, well-defined urban boundaries and separated by greenbelts.

While there has been a shortage of funding to push out the branding to a wider audience, we recognize that a strong brand is useful both for retaining our existing business base and attracting new firms whose profile fits the Ventura County landscape. A strong brand enhances individual firm's marketing, as customers and clients would associate the company with a quality location and environment. For example, technology firms located in Silicon Valley certainly see this effect in terms of their global identity.

One form of natural marketing that regional leadership pursues is related to tourism. Local leaders have found that entrepreneurs discover areas by vacationing in them and sometimes relocating themselves and their businesses there when it is feasible. Additional joint leveraging of economic development and tourism branding—through the several Tourism Business Improvement Districts in the county—will have positive impacts on our goals for retaining businesses, fostering entrepreneurship and new business development.

TRANSITION OF TALENT FROM CORPORATE DOWNSIZING TO NEW BUSINESS DEVELOPMENT AND ENTREPRENEURSHIP

Ventura County has a highly trained workforce and a relatively high-skilled job base, yet there is always potential for economic dislocations when major corporate downsizing occurs due to internal corporate issues or global events and competition affecting broader markets. The skilled labor pool is one of the county's greatest assets and finding ways to channel the expertise into other related economic avenues is an important way to preserve it. This ties into our interests for nurturing entrepreneurship and networking new business development. Given the talented labor pool and scale issues with trying to attract additional major corporations to the county, new business development is a critical component of the countywide economic development program.

DEFENSE INDUSTRY

Naval Base Ventura County (NVBC) directly supports an estimated 17,000 armed forces and civilian jobs. The various commands located at NBVC are responsible for a significant amount of research into new technologies and materials for defense applications. A number of private firms work closely with the military to research and develop these new systems. Yet many other manufacturing and technology companies in Ventura County find it difficult to gain access to the appropriate offices and personnel on the bases to explore additional contract opportunities. The Regional Defense Partnership for the 21st century (RDP-21) is the lead organization that helps to maintain communications and collaboration between the military and the private sector and local government. In addition, SCORE offers periodic seminars on doing business with the government, which includes military facilities. However, further efforts are needed to ensure that this economic opportunity is fully realized.

EXPORT TRADE OPPORTUNITIES

Ventura county saw significant expansion in export trade during the past decade and by 2010 ranked seventh in the nation for the share of local GDP generated by export trade, at \$6.2 billion. The Port of Hueneme is the major local asset for international trade and handled \$8 billion in both import and export trade goods in 2013. The port also has a Foreign Trade Zone and is a member of the World Trade Center Association. The port, in partnership with EDC-VC and other stakeholders, has developed priorities and strategy for building on these assets to expand economic opportunity.

TOURISM AND TRAVEL-RELATED SPENDING AND EMPLOYMENT

Based on the most recent state reports (2012), Ventura ranks last among all the California coastal counties in share of the economy supported by travel spending. While recent efforts through several tourism business improvement districts, chambers of commerce and convention and visitors bureaus have successfully improved occupancy rates, there is still room for growth. As these programs grow, continuing and greater regional collaboration is needed to generate demand for lodging and entertainment commensurate with Ventura County's natural attractions.

FILM INDUSTRY

Ventura County's proximity to Hollywood and the San Fernando Valley and its numerous scenic and historical sites, make it a natural location for filming activity. However, location specialists have routinely reported that filming is difficult in Ventura County, owing to insufficient dedicated capacity to aid communication between local communities and production. This lack of facilitation has resulted in disaffection among producers, residents and regulators and has stifled film industry investment throughout Ventura County.

This negative trend recently has been turned around by EDC-VC's partnerships with the county and cities and Ventura County Lodging Association, which established a Film Liaison position dedicated to coordinating communication between the industry and local communities. Based on current permitting trends, outcomes are promising for an increase of well-managed film activity, resulting in an increase in film shoots, film industry spending (particularly in overnight lodging), local job retention and creation, and increased positive exposure of Ventura County in the media. Still, securing our fair share of the film industry's spending will require continuing investment and coordination among communities, making it easier to film here while mitigating and managing its impact.

BROADBAND CAPACITY

Ventura County is part of a three-county Regional Broadband Consortium with Santa Barbara and San Luis Obispo counties to address deficiencies in broadband capacity in many communities in this region. It is critical for an economy with high-performing, high-tech manufacturing, finance and insurance sectors to be connected globally. Ventura County needs to set a high standard for total available capacity (Kansas City, for example, is a 1 gigabit city) and to develop and implement local tools and capacity to drive business broadband adoption and utilization.

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STRATEGIC ISSUES -CONTINUED

SUSTAINABLE WATER RESOURCE MANAGEMENT

As an agricultural county, Ventura places high demand on its water resources. Sea water intrusion occurs on the Oxnard Plain and will continue to be an issue as increasing urban water demand affects groundwater basins along with agricultural use. Projects to increase water storage capacity, reduce water use, and better align water availability with water use are needed to balance the county's economic and environmental goals. Plans are under development for a water project in the Santa Clara River Valley that would augment supplies in the Ventura area with high-quality water from the upper river reaches. This would reduce pressure on the lower aquifer and, in turn, free up other river basin water for agricultural use. This type of project, with benefits for both urban water users and farmers, is the type of creative infrastructure the county needs to balance its economic and environmental goals. Other projects to increase water storage capacity, reduce water use and better align water availability with water use are also needed.

FUNDING FOR TRANSPORTATION CAPACITY IMPROVEMENTS

The major transportation issues in Ventura County relate to accommodating commuter traffic among the cities and from Ventura County to destinations in Los Angeles County. Our dispersed concentrations of jobs—while beneficial for managing sprawl—creates challenges for designing a viable, efficient transit system. The Ventura County Comprehensive Transportation Plan identifies severe funding constraints because Ventura County does not have a local source of investment for road improvements and maintenance except the city and county general funds and limited outside grants. All other counties in the Southern California region have a local sales tax measure or other local transportation funding source that can be used as a match for state and federal highway funds. Lacking this asset, most of the federal funds coming to Ventura County are for transit purposes only, but very little of the total vehicle miles traveled are on transit.

Local investments in circulation infrastructure would not only improve the quality and capacity of the road system, but would derive broader economic benefits from the construction activity associated with major facilities projects. Construction is one industry that has not significantly recovered in Ventura County since the recession. Infrastructure construction jobs are well-paying and would contribute to the quality of systems used by nearly everyone in the county without necessarily affecting the pace of development within the urban development boundaries.

EARLY CHILD EDUCATION

Several studies in Ventura County have documented an enduring gap between the number of children who need some form of early or after-school care and the number of licensed child care and early child education slots available. In cost-benefit analyses, economists have found that a dollar invested in high-quality early learning offers one of the highest returns of any public investment, more than \$7 for every \$1 spent. Consistent with the region's goals to retain and attract business through an assets-based approach, local projects that leverage public- and private-sector investment to increase the number of licensed child care slots will have positive results. In the long-term, it will create a more competitive workforce, and in the short-term a stronger commitment to businesses and workers for a high-quality education network.

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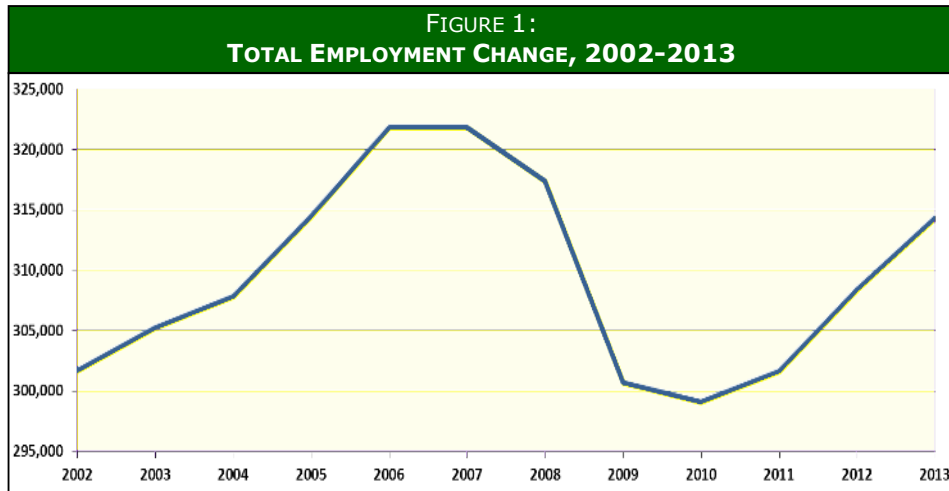
ECONOMIC ASSESSMENT

This section discusses recent economic trends in Ventura County. For further detail and for description of the cities and larger unincorporated communities in the county, see the complete CEDS document at edc-vc.com/wp-content/uploads/Ventura-County-Final-CEDS-1126142.pdf

VENTURA COUNTY EMPLOYMENT TRENDS

Past and Current Industry Employment

According to the most current annual data, EDD reported 314,300 jobs in 2013 for Ventura County, not including self-employed or active military personnel. Between 2002 and 2006, the county's employment increased to 321,800 and then remained flat in 2007. During the recession, employment dropped by 22,700, to 299,100 by 2010, and though currently rising, wage and salary employment has not yet returned to its peak in 2006 (Figure 1).

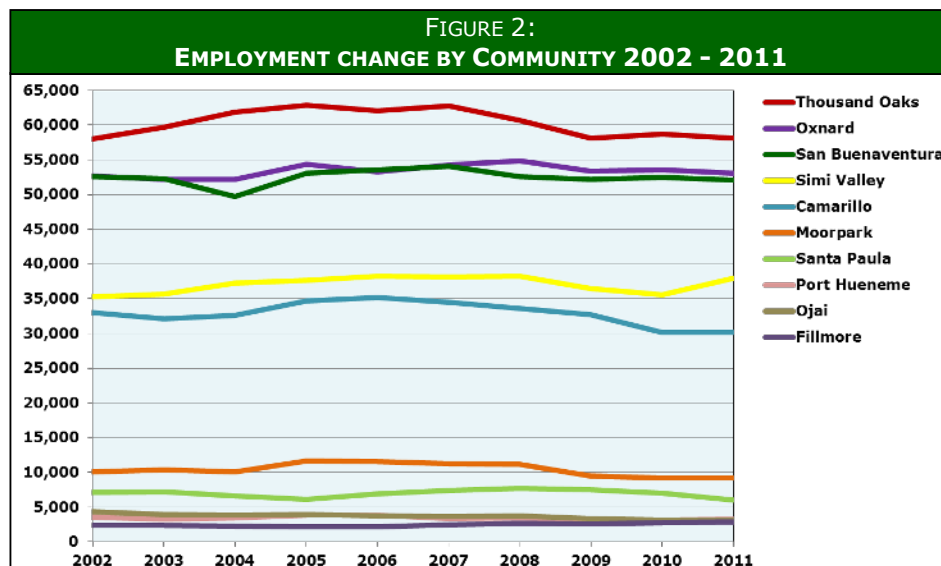


Source: ADE, Inc., Employment Development Department.

Based on data provided by the Federal Local Employment Dynamics (LED) Partnership, similar employment trends can be provided for each of the cities. Thousand Oaks has the highest job total among cities, at about 58,000 in 2011 (Figure 2). Oxnard and San Buenaventura follow with about 53,000 jobs. (The Longitudinal Employer-Household Dynamics, under the Local Employment Dynamics (LED) Partnership, reports a combination of federal, state and Census Bureau data on employment and labor force. Available for the years 2002 to 2011, the data set is useful for analyzing trends at the city or community level, but only includes workers 25 years and older. Therefore, it shows lower jobs and workforce figures than EDD at the county level, but similar trends).

As of 2011, all these cities were still showing downward employment trends. Simi Valley had about 38,000 jobs in 2011, and was among only two cities in the county to show an upward trend in jobs between 2010 and 2011. The other was Fillmore, which has the smallest employment base in the county at about 3,000 jobs. Camarillo had about 30,000 jobs and appeared to have stabilized in 2010.

Moorpark and Santa Paula each had less than 10,000 jobs; Port Hueneme, Ojai and Fillmore, less than 5,000 jobs.



Source: ADE, Inc., Local Employment Dynamics.

ECONOMIC ASSESSMENT -CONTINUED

Unemployment

In 2013, unemployment in the county was estimated at 7.8 %, with 33,800 workers out of work (Table 1). For comparison, the statewide unemployment rate in 2013 was 8.9 %. A number of communities continue to struggle with double-digit unemployment, including the cities of Fillmore, Oxnard and Santa Paula, as well as unincorporated communities in Channel Islands, Oak View and Piru.

TABLE 1:
LABOR FORCE TRENDS FOR CITIES AND UNINCORPORATED AREAS IN VENTURA COUNTY:
2013 (SEASONALLY ADJUSTED ANNUAL AVERAGE)

Area Name	Labor Force	Employment	Un-employment	UE rate
California	<i>18,596,690</i>	<i>16,933,120</i>	<i>1,663,780</i>	<i>8.9%</i>
Ventura County	<i>434,900</i>	<i>401,100</i>	<i>33,800</i>	<i>7.8%</i>
<i>Incorporated Areas</i>	<i>382,400</i>	<i>352,700</i>	<i>29,900</i>	<i>7.8%</i>
Camarillo city	32,200	30,400	1,800	5.5%
Fillmore city	6,800	6,100	700	10.8%
Moorpark city	18,800	17,500	1,400	7.2%
Ojai city	4,200	3,800	400	8.9%
Oxnard city	90,600	81,000	9,600	10.6%
Port Hueneme city	11,000	10,000	1,000	9.1%
San Buenaventura (Ventura) city	61,800	57,500	4,300	7.0%
Santa Paula city	14,800	12,900	1,900	12.9%
Simi Valley city	70,300	65,900	4,500	6.4%
Thousand Oaks city	71,900	67,600	4,300	6.0%
<i>Unincorporated Areas</i>	<i>18,300</i>	<i>16,700</i>	<i>1,400</i>	<i>7.7%</i>
Casa Conejo CDP	2,000	1,800	100	6.1%
Channel Islands Beach CDP	2,400	2,100	200	10.0%
El Rio CDP	2,900	2,700	100	4.2%
Meiners Oaks CDP	2,400	2,200	200	8.4%
Mira Monte CDP	3,800	3,500	300	8.3%
Oak Park CDP	1,600	1,500	100	4.9%
Oak View CDP	2,600	2,400	300	10.5%
Piru CDP	600	500	100	13.7%

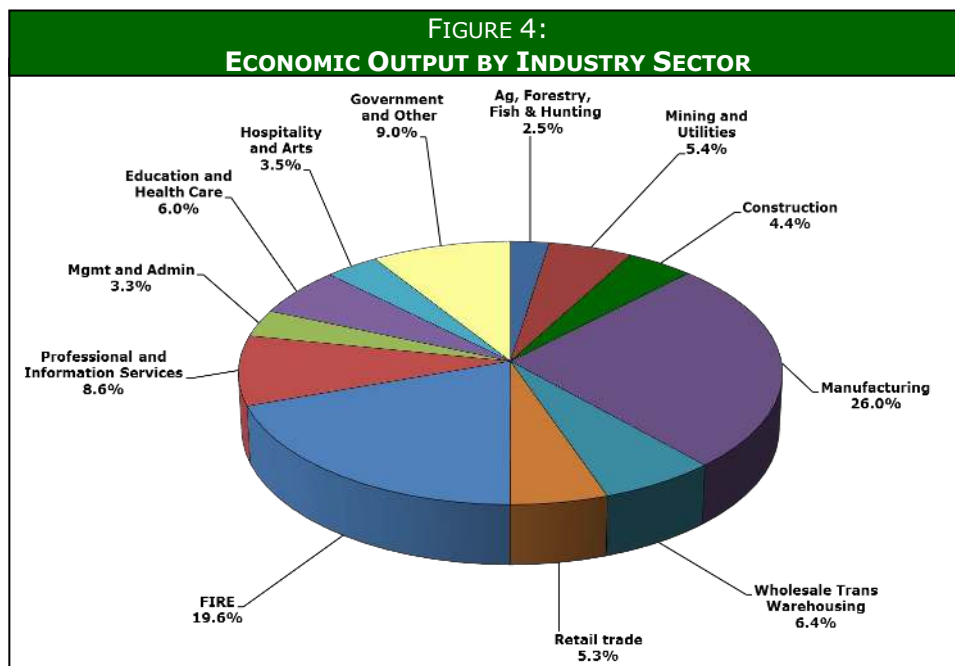
Source: ADE, Inc., based on California EDD LMID "Labor Force and Unemployment Rate for Cities and Census Designated Places."

Note: Labor force trends data seasonally adjusted.

ECONOMIC OUTPUT

While job growth and decline is an important dimension of the county economy, industry output provides a little different picture of what drives local economic growth. The Ventura County economy is estimated to produce \$70 billion in industry output per year. As shown in Figure 4, Manufacturing and Wholesale Trans Warehousing generate about one-third of total economic output in the county. Finance, Insurance and Real Estate (FIRE) combined with professional and business services and corporate management operation also comprise about one-third of the county economy.

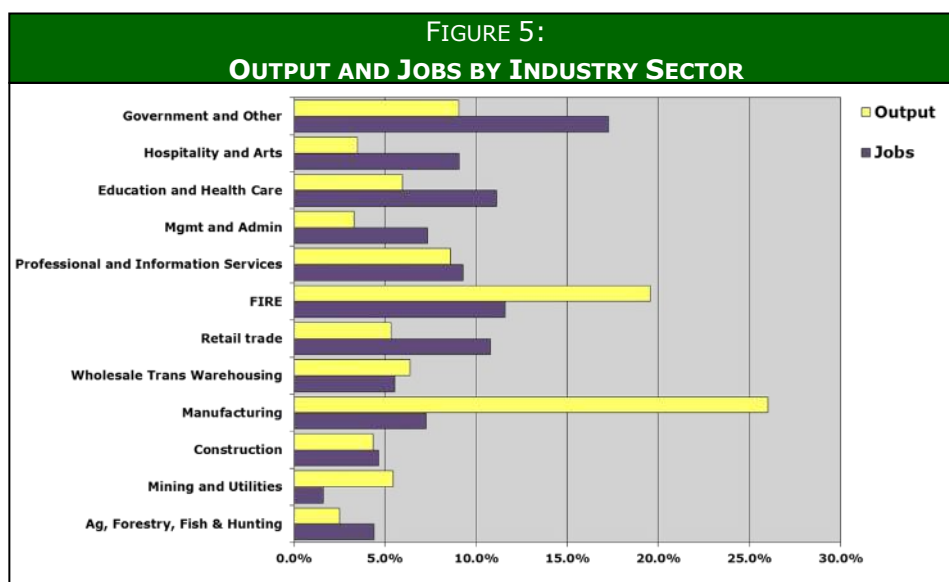
As discussed more below in terms of industry clusters, manufacturing and financial services are both more highly concentrated in Ventura County than in the state economy as a whole. Moreover, manufacturing, financial services and the oil and gas industry (Mining) produce much higher share of industry output than jobs (Figure 5). These kinds of industries tend to provide higher-paying jobs and also have high export potential.



Source: ADE, Inc., based on Implan Input-Output Model for Ventura County.

INDUSTRY CLUSTERS

Ventura County's economy is characterized by a number of industry clusters. Industry clusters represent areas of regional economic specialization and can be identified by comparing the concentration of county employment to the concentration of similar industry employment for the state or nation as a whole. In Table 2 (page 9), recent employment trends for cluster industries in Ventura County are shown in comparison to state employment for these industries. The location quotient (LQ) statistics shown in the right-hand column indicate industries that are highly concentrated in Ventura County ($LQ > 1$). Industries with LQ's below 1.0 may be components of larger clusters or emerging clusters of their own, as discussed further below.



Source: ADE, Inc., based on Implan Input-Output Model for Ventura County and employment data from CA EDD.

INDUSTRY CLUSTERS -CONTINUED

TABLE 2:
EXISTING AND EMERGING INDUSTRY CLUSTERS: VENTURA COUNTY, 2011 AND 2013

		2011	2013	2013	2013
		Ventura County	Ventura County	CA	Location Quotient
Total Employment All Sectors		255,630	268,322	13,104,262	
NAICS	Clusters				
	Pharmaceuticals	8,536	8,508	142,887	2.91
325411	Medicinal and Botanical Manufacturing	4,831	4,827	9,617	24.51
325412	Pharmaceutical Preparation Manufacturing	1,031	1,030	33,076	1.52
325413	In-vitro diagnostic substance manufacturing	129	129	6,110	1.03
325414	Other Biological Product Manufacturing	0	0	2,883	0.00
424210	Druggists' Goods Merchant Wholesalers	1,152	1,101	22,559	2.38
446110	Pharmacies and Drug Stores	1,393	1,422	70,361	0.99
Various	Computer Electronics	7,470	6,367	264,803	1.17
Various	Other Diversified Mfg.	12,749	10,681	447,690	1.17
Various	Other Machinery Mfg.	1,067	871	30,982	1.37
Various	Bio-Medical Devices	1,319	1,356	123,878	0.53
Various	Agriculture	29,921	31,806	955,680	1.62
Various	Farm Production	24,064	25,985	508,758	2.49
Various	Food Processing	1,654	1,482	202,324	0.36
Various	Agricultural Distribution	3,067	3,224	213,299	0.74
Various	Agricultural Support Services	1,136	1,115	31,299	1.74
52	Finance and Insurance	16,411	14,448	522,096	1.35
51	Information Services	4,667	5,004	443,575	0.55
53	Real Estate and Rental and Leasing	4,541	4,352	257,625	0.83
54	Professional, Scientific, and Technical Svcs	15,186	16,059	1,138,535	0.69
	Arts, Entertainment and Recreation, and Hospitality	12,500	12,695	807,000	0.77
71	Arts, Entertainment, and Recreation	3,600	3,599	239,000	0.73
721	Accommodation	2,438	2,633	206,043	0.62
722	Food Services and Drinking Places	6,462	6,462	361,957	0.87
62	Health Care and Social Assistance	28,525	33,569	1,938,758	0.85

Source: ADE, based on Data from Implan CEW and CA Employment Development Department.

MANUFACTURING CLUSTERS

Pharmaceuticals is the most highly concentrated industry cluster in Ventura County, with more than 8,500 jobs and an LQ of 2.91 compared to state industry levels. California, in general, has a high concentration of this cluster, and when compared to national employment levels, Ventura County has an LQ of nearly 9.0. It is especially highly concentrated in medicinal product manufacturing and distribution, led by Amgen in Thousand Oaks.

Nationally, the Bioscience industry, which also includes R&D in medical labs, medical devices and equipment, medical product distribution and agricultural feedstock and chemicals, has shown stronger employment growth than the economy as a whole and weathered the recession much better than other industries, consistent with the overall performance in Health Services. (Batelle/BIO, State Bioscience Jobs, Investments and Innovation, 2014. June 2014. p 4). However, drugs and pharmaceuticals were the major declining component of this cluster nationally, with five straight years of losses starting in 2008. Despite the employment declines, the pharmaceutical industry nationwide increased output by 8% during this same period. In 2011, the pharmaceutical cluster was estimated to produce \$7.86 billion in economic output in Ventura County. In addition, Amgen was

INDUSTRY CLUSTERS -CONTINUED

issued more than 200 patents between 2007 and 2011 and four other biosciences firms in Ventura County received 182 patents during this period. (U.S. Cluster Mapping Project, Ventura County, Institute for Strategy and Competitiveness, Harvard Business School. <http://clustermapping.us/>). As shown in Table 2, the cluster stabilized its employment levels in Ventura County between 2011 and 2013, although recent announcements by local firms in the county indicate that further employment cuts are likely.

Among other manufacturing clusters in the county, **computer electronics** and **other machinery manufacturing** have relatively high concentration levels, along with **other diversified manufacturing**. These industries combined were estimated to produce \$9.0 billion in economic output in Ventura County in 2011. The **bio-medical device** industry is listed in Table 2 because it is part of the overall bio-sciences sector, but is not highly concentrated in Ventura County by itself and may be considered an emerging cluster sub-component. Nearly all of these industries have continued to lose employment after the recession, but no more so than manufacturing statewide and Ventura County has maintained its relative concentration levels for these industries.

In addition to the biosciences firms mentioned above, seven other manufacturing firms received 344 patents between 2007 and 2011, rounding out the top 12 in the county. Interestingly, the U.S. Navy received 45 patents during this period. Many of the county's manufacturing firms provide defense-related products and collaborate with the Navy on product research.

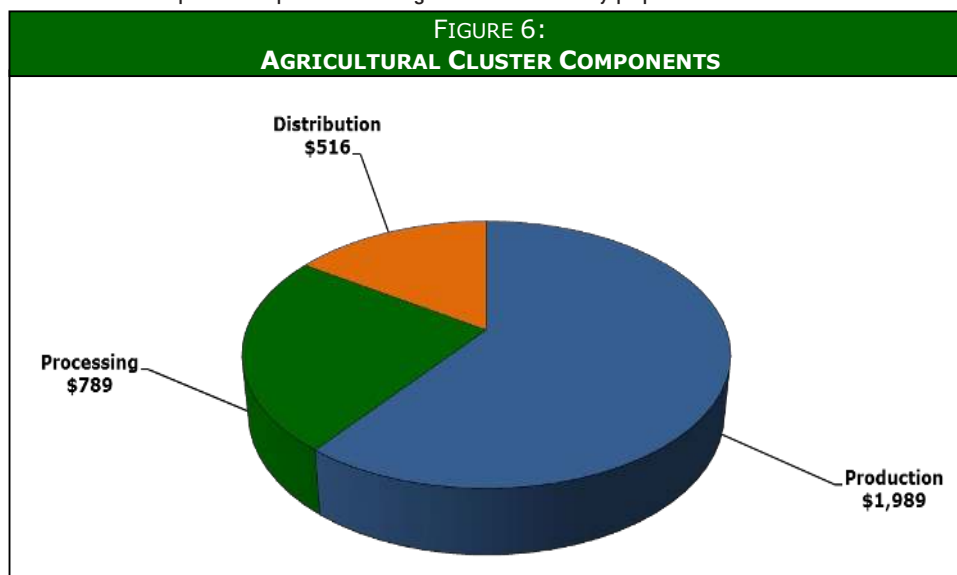
FINANCIAL SERVICES

The finance and insurance industry has a large presence in Ventura County, as the home of numerous financial services companies such as PennyMac and Data/Cardservice International, as well as the former Countrywide, now operated by Bank of America. This industry was very hard hit during the recession, but had nearly regained its employment levels by 2011 and was estimated in that year to produce \$13.7 billion in economic output in Ventura County. More recently, however, additional job losses have reduced employment by 12%.

Other types of information, real estate and professional, business and technical services provide substantial employment in Ventura County, but as shown in Table 2, are not sufficiently concentrated to stand as industry clusters. Many of these services, however, are key support industries for the manufacturing and financial services clusters.

AGRICULTURE

Ventura County is home to some of the most productive agricultural land in the nation. The county supports a number of very high value crops including citrus, avocados and specialty vegetables. As a cluster, agriculture includes not only farm production but also food processing and distribution activities and generates an estimated \$3.3 billion in economic output per year (Figure 6). Employment in the industry is somewhat seasonal, but on an annual average basis is estimated to provide about 31,800 jobs. Due to the highly productive nature of Ventura County soils and recent shifts to more labor-intensive crops, much of the farm labor in the county is year-round and agricultural workers tend to represent a permanent segment of the county population and workforce.



Source: ADE, Inc., based on Implan Input-Output Model for Ventura County
Figures are in millions.

As a cluster, agriculture includes not only farm production but also food processing and distribution activities and generates an estimated \$3.3 billion in economic output per year.

JOBS HOUSING BALANCE

The jobs housing balance is one indicator of how well the community meets the need for employment of its residents, in terms of the quantity of jobs. Measurement of this indicator is subject to a number of definitional issues and, as Figure 1 (page 6) demonstrates, employment fluctuates so the long-term jobs housing balance depends on stable economic conditions. Figure 1 shows wage and salary employment, which does not include self-employed proprietors or military personnel. However, the Federal Bureau of Economic Analysis (BEA) provides estimates of these components of employment as well.

Based on BEA data, Ventura County has about 443,000 jobs and would have a jobs housing balance of 1.57. This is a close match to the labor force shown in Table 1 above. Similarly, the State of California is estimated to have 20.8 million total jobs and would have a jobs housing balance of 1.52. State agencies such as the Housing and Community Development Department often use 1.5 as a benchmark for this indicator.

In order to compare the cities in Ventura County, Table 4 shows the ratios based on the LED data, which counts jobs occupied by workers 25 years and older. On this basis, the state has a ratio of 0.98, or about 1 job per housing unit and the county is slightly below at 0.93. The table indicates that some cities are well above the state average for the quantity of jobs in relation to the size of their workforce, including Camarillo, San Buenaventura and Thousand Oaks. Fillmore and Santa Paula generally provide fewer jobs, although their workforces are more agricultural and their jobs are likely in the surrounding farmland area but not within the city boundaries. Similarly, these data do not count the military jobs in Port Hueneme, which employ many of its residents.

TABLE 4:
2011 JOBS HOUSING BALANCE RATIO FOR
INCORPORATED AND UNINCORPORATED VENTURA COUNTY

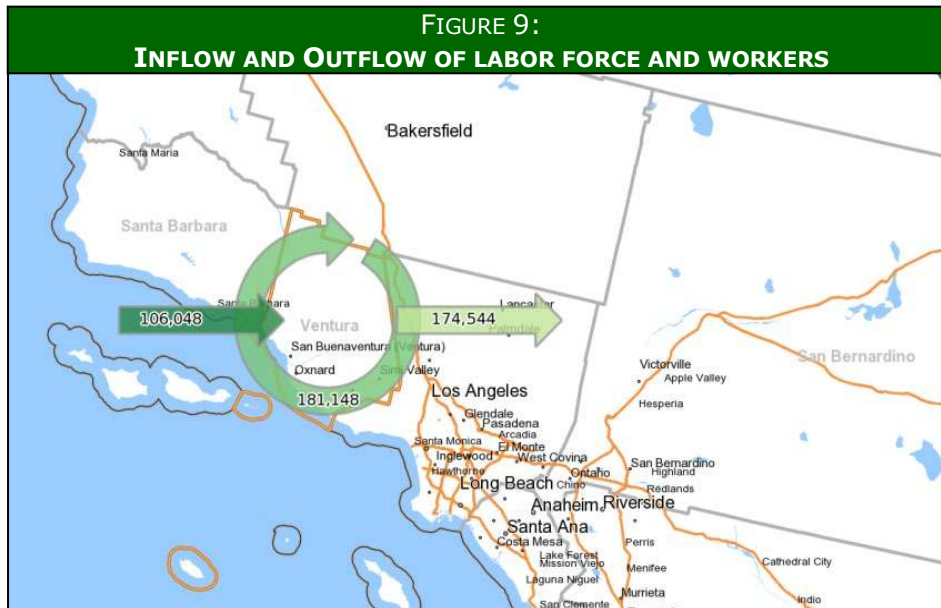
Ventura County	Housing Units	Jobs	Jobs Housing Ratio
Camarillo	25,985	27,595	1.06
Fillmore	4,415	2,495	0.57
Moorpark	10,760	8,211	0.76
Ojai	3,384	2,834	0.84
Oxnard	52,929	48,290	0.91
Port Hueneme	8,138	2,940	0.36
San Buenaventura	42,830	47,727	1.11
Santa Paula	8,757	5,379	0.61
Simi Valley	42,508	34,689	0.82
Thousand Oaks	47,529	53,408	1.12
Balance Of County	35,033	27,794	0.79
Incorporated	247,235	233,568	0.94
County Total	282,268	261,362	0.93
California	13,704,850	13,363,485	0.98

Source: ADE, Inc., based on California Dept. of Finance Demographic Research Unit (Report E-5) and US Census OnTheMap.

COMMUTE PATTERNS

Based on the LED data discussed above under employment trends, about 51% of Ventura County employed residents (25 years and older) worked in the county in 2011. As shown in Figure 9, 181,148 of Ventura's residents worked in the county, while 174,544 residents out-commuted. In addition, LED reported 106,048 workers from other counties commuted into Ventura for employment.

The city of Los Angeles absorbs 53,585, or about 31 %, of the out-commuting workers and Burbank and Santa Clarita are part of the L.A. metro commute. Relatively few workers, at 3.4 %, commute north to Santa Barbara.



Source: ADE, Inc., Local Employment Dynamics.

REGIONAL COUNTY COMPARISONS

The EDC-VC has compiled similar data for the nearby Southern California counties of Santa Barbara, Los Angeles and Orange. Comparing industry jobs reported by LED with population, labor force and commute data, Ventura county ranks last among the four counties in terms of jobs per labor force and the percent of labor force working within the county (Table 5).

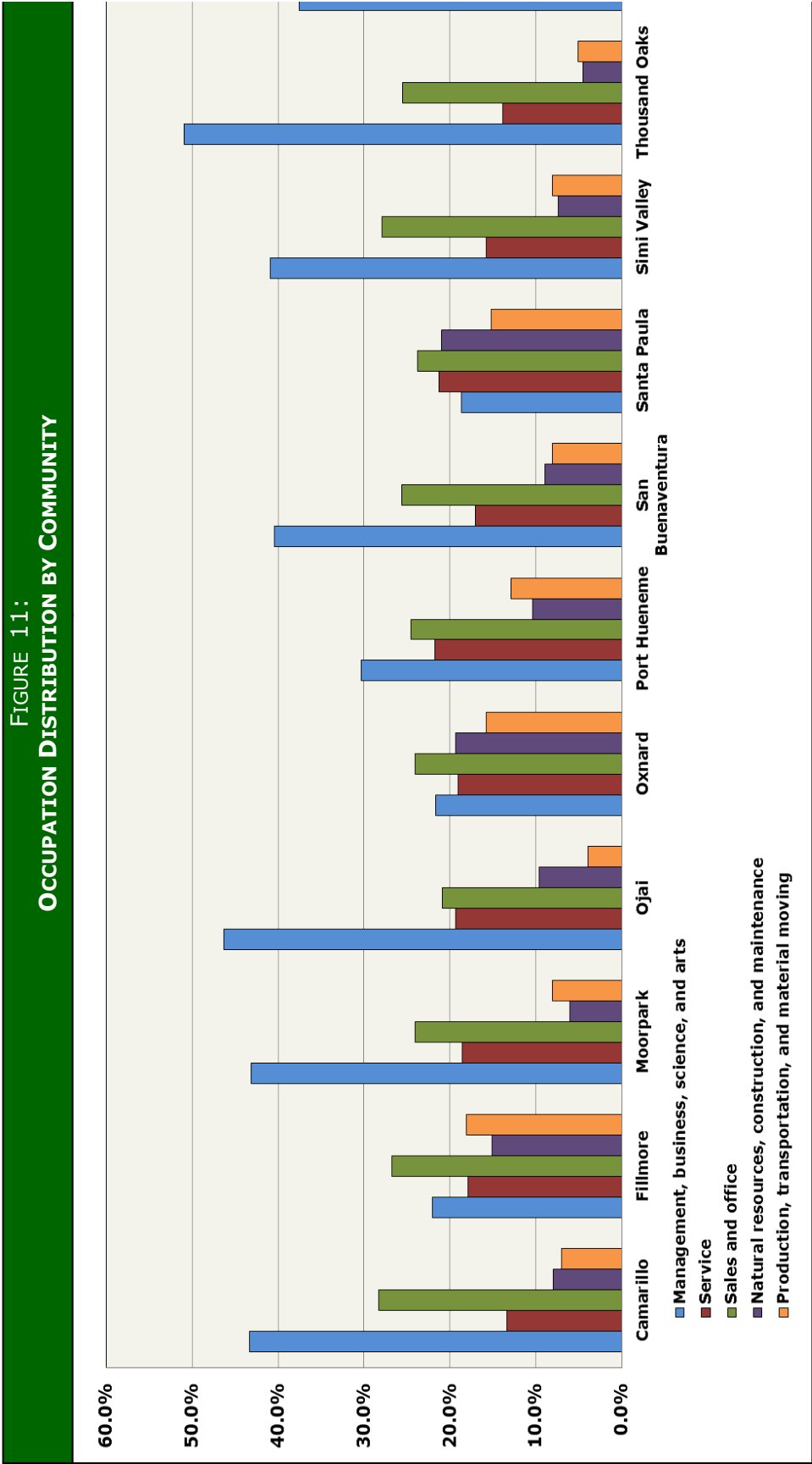
**TABLE 5:
COMPARISON OF JOBS, LABOR FORCE AND COMMUTE PATTERNS
AMONG SELECTED COUNTIES**

County	2014 Population	Industry Jobs	Percent Jobs per Pop.	Employed Labor Force	Percent Jobs per Worker	Living and Employed in County	Percent Living and Employed in County
Ventura	842,967	261,362	31.0%	355,692	73.5%	181,148	50.9%
Orange	3,113,991	1,326,589	42.6%	1,200,235	110.5%	775,447	64.6%
Los Angeles	10,041,797	3,720,262	37.0%	3,496,108	106.4%	2,845,491	81.4%
Santa Barbara	433,398	149,543	34.5%	142,547	104.9%	99,679	69.9%

Source: Population data from Ca. Department of Finance; Jobs and commute data from <http://onthemap/ces/census.gov>, most current available 2011.

OCCUPATIONAL DISTRIBUTION

Management, business, science and arts occupations comprise the largest job category in Ventura County, at about 37% (Figure 11). Sales and office jobs is the second largest category with about 25%. The cities with technology based economies such as Thousand Oaks, Simi Valley, Camarillo and Moorpark drive this pattern for the county as a whole. These figures are almost exactly the same as the statewide averages for these occupational groups, and reflect the strong diversity of the jobs base and labor force in Ventura County. The cities with more agricultural economies such as Santa Paula, Fillmore, and Oxnard have higher percentages of workers in production, natural resources, construction and maintenance occupations.



Source: ADE, Inc., American Community Survey 5 year Estimate, 2008-2012

REGIONAL ECONOMIC DEVELOPMENT GOALS

The CEDS is intended to focus regional collaboration on key economic development goals aligned with the interests of the cities, the county and the many economic development partners and stakeholders in Ventura County.

1. Promote regional collaboration among jurisdictions and economic stakeholders throughout Ventura County and with state and regional partners outside the county.

A number of critically important issues to Ventura County businesses and residents are countywide and often extend beyond the county's boundaries. Some issues include workforce development, branding and marketing, backbone transportation infrastructure, sustainable management of water supplies, industry cluster expansion and retention, and enhancement of broadband capacity.

2. Support retention and expansion of key industry clusters.

Industry clusters are the primary source of living-wage jobs and long-term career opportunities. Developing the support networks necessary to grow and sustain clusters provides many other opportunities related to education, finance and governmental services. In Ventura County, key industry clusters include manufacturing and bio-tech, agriculture, defense, tourism, health care, environmental services and technologies, and financial services.

3. Reduce unemployment and under-employment through well-targeted workforce development programs that improve work readiness and create the labor force of choice.

Local workers and residents need access to local job openings and good career opportunities. A highly qualified labor force is a major economic development asset and helps retain existing businesses. This issue requires resources from preschool to four-year universities and the many public and private education and training organizations in Ventura County. This issue focuses on regional collaboration between public agencies and the private sector. The Workforce Investment Board (WIB) has developed a five-year plan and is convening business groups by sector.

4. Improve regional infrastructure including water resource management, transportation and broadband.

Many critical infrastructure systems require a regional approach to designing technical solutions, securing funding and creating efficiencies to maintain sustainable systems. Effective regional collaboration on these issues would improve the business climate and overall quality of life throughout the county.

5. Promote a sustainable balance of employment opportunities, housing choices, agricultural production, open space and natural resources.

Land use is a central component of Ventura County's quality of life. While residents value efforts to preserve open space and farmland, Ventura County is a net exporter of labor to job centers outside the county. There needs to be a way to provide a better balance of employment opportunities for local workers. This would potentially help reduce commute times and related pollution, improve household incomes and the fiscal health of local government.

PERFORMANCE MEASURES

Implementing these CEDS goals and the specific projects identified below is expected to improve a number of key economic indicators in Ventura County. CEDS performance measures will be monitored and reported annually.

- Grow jobs in key industry clusters
- Reduce unemployment
- Increase the proportion of workers who both live and work in the county
- Expand jobs in existing businesses
- Invest in economic development infrastructure (broadband, water, roads, wastewater and utilities)
- Develop resources for new business creation and expansion
- Increase visitor overnight stays and spending
- Increase the number of licensed child care slots in Ventura County

REGIONAL PRIORITY PROJECTS

The following is an abbreviated list of projects local jurisdictions identified to help implement the CEDS goals.

- City of Camarillo – Northeast Pleasant Valley Regional Desalter RO Treatment
- City of Ojai – Fulton and Pearl Street extensions to support Bryant Industrial Area Plan
- City of Oxnard – Agricultural Research and Education Center
- City of Ventura – Complete design and construction of Olivas Park Drive and adjacent levee.
- City of Simi Valley – Extend Cochran Street west from its current terminus to allow development of over 80 acres of industrial park property.
- City of Thousand Oaks – Thousand Oaks Auto Mall area improvements to increase traffic circulation and parking.
- Ventura County Information Technology Services Department – Broadband Network Expansion Project – Partner with multiple neighboring city governments and community organizations to establish dark fiber (i.e. fiber not owned by a telecom carrier) and continue expanding the microwave data network within certain areas in the county.

CEDS COMMITTEE

The following individuals comprise the CEDS Committee for Ventura County for 2014.

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