

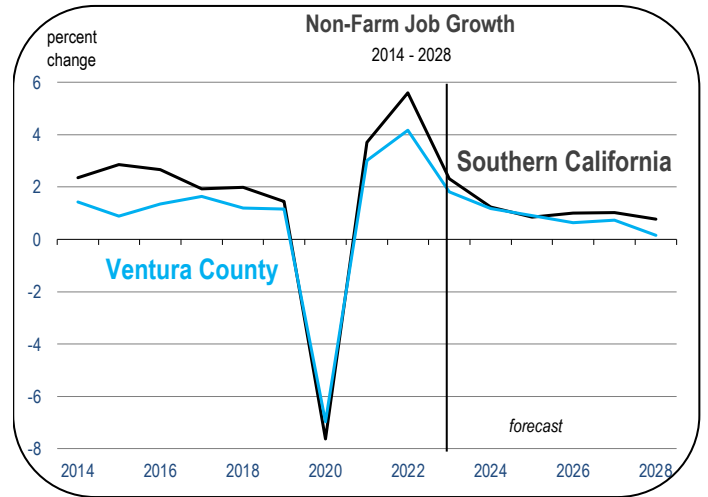
Ventura County Economic Forecast

Forecast Summary

- Over the last two calendar years, the labor market has created over 22,000 jobs in Ventura County
- Employment gains during 2022 and 2023 were largest in leisure services and healthcare.
- 10,000 new jobs are expected during the forecast period led by the professional and business activities sector.
- The unemployment rate averaged 3.7 percent in 2022, and 3.9 percent in 2023.
- The population has been in decline since 2016 and this trajectory will continue over the forecast period because of persistent out-migration.
- Housing production will be 16.6 percent lower over the 2023-2028 period than it was between 2017 and 2022.
- Median home prices rose sharply in 2022, increasing by 9.2 percent to 897,550. Prices are expected to decrease 8.1 percent in 2023.

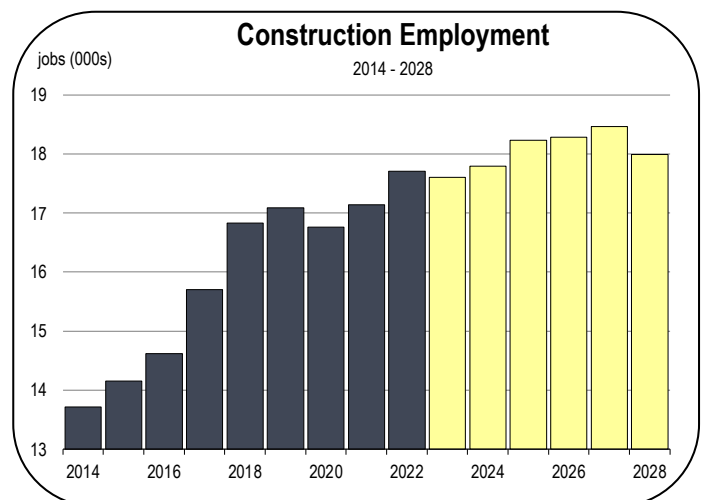
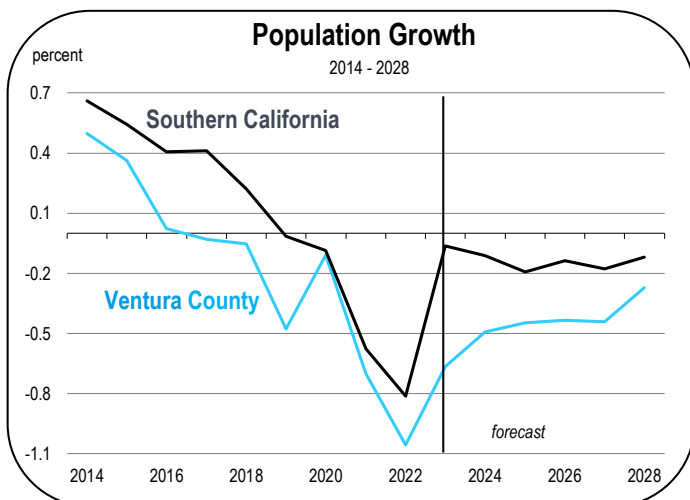
Job Growth

- Total employment in Ventura County expanded by 4.4 percent in 2022, and is on pace to grow 2.4 percent in 2023.
- Growth is expected to subside to an average annual growth rate of 0.6 percent over the forecast period. This will result in the addition of 10,000 jobs over the forecast period. Many of these jobs will have to be filled by commuters from Los Angeles County.

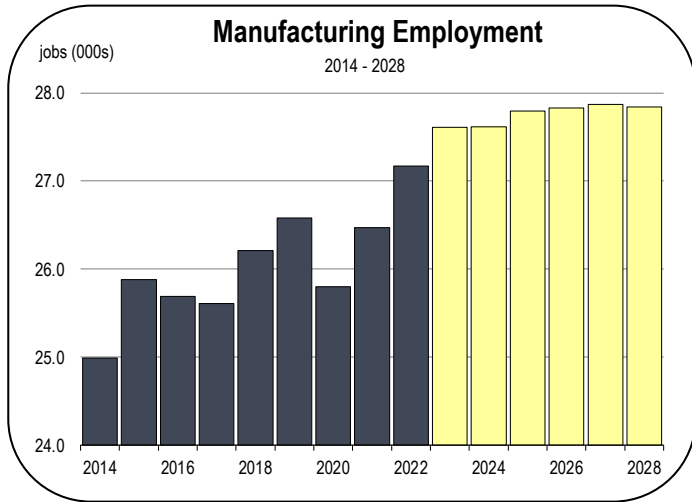


Construction Employment

- Construction employment has now risen to the largest workforce level since 2007; nearly 600 new jobs were created in 2022.
- The sector is unlikely to add to the total workforce as building slows in 2023. No change in total employment is forecast.
- The construction workforce is expected to grow by 400 workers over the forecast period given the continued development of housing in Moorpark and Simi Valley, and new industrial building in Oxnard and Thousand Oaks.



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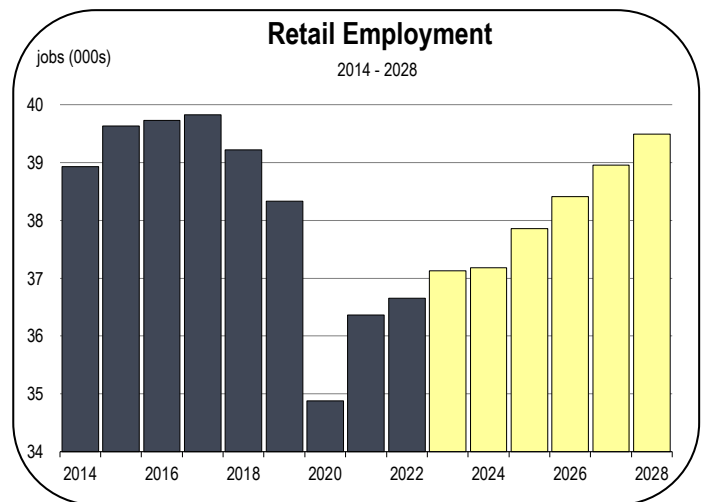
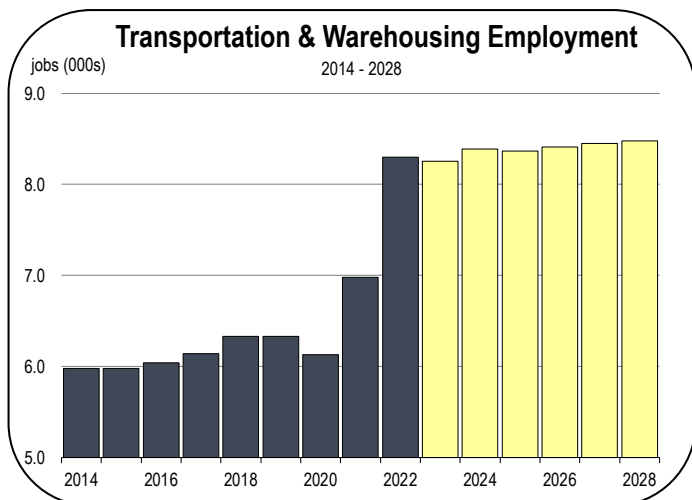


Manufacturing Employment

- Manufacturing employment in Ventura County includes Amgen, Baxter Healthcare, Haas Automation, Proctor & Gamble, and JM Smucker Company. The industry is a mix of pharmaceutical development, advanced tools, paper products, and food.
- Pharmaceutical manufacturing—Amgen and Baxter combined—employ 2,780 workers.
- The industry increased 2.6 percent in 2022 and is on pace in 2023 to grow by 1.6 percent. Combined, this will add over 1,300 jobs.
- The forecast calls for stable employment levels over the next several years, but automation and the lack of affordable housing for workforces present a risk of defection by large firms—including manufacturing companies—from Ventura County.

Transportation and Warehousing Employment

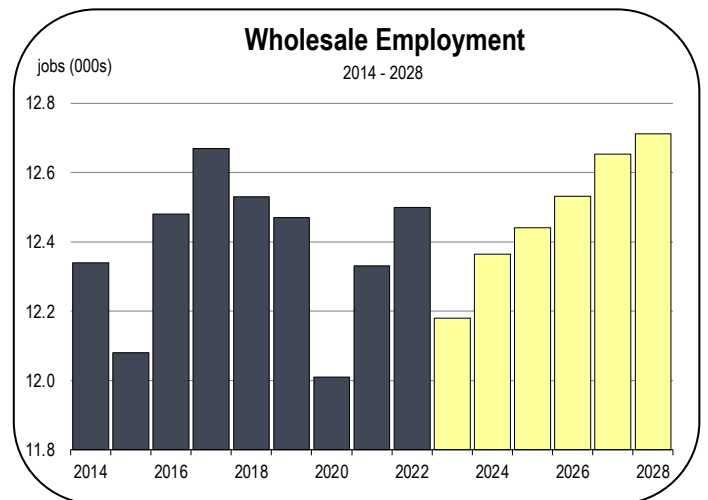
- Employment in the greater transportation and warehousing sector grew 18.9 percent with the addition of 1,300 new jobs in 2022. A principal reason for the surge in hiring was the opening of the new Amazon warehouse in Oxnard which now employs 1,500 workers.



- This sector has replaced many retail jobs because the warehouse and fulfillment center environment supports the dramatic growth of online commerce.
- Employment levels in this sector will see moderate growth with an average annual gain of 0.4 percent during the years 2023-2028.

Retail Trade Employment

- Growth of jobs in the retail sector increased 0.8 percent in 2022. Based on data in the first half of 2023, the sector is on pace for retail employment to add an additional 500 jobs with growth of 1.3 percent.
- Counter to the changing retail landscape that favors online commerce, and more automation within physical stores, the retail sector is projected to continue growing employment at its current pace. The forecast projects employment growth at an average annual rate of 1.3 percent with the addition of an estimated 2,400 jobs during the forecast period.



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Wholesale Trade Employment

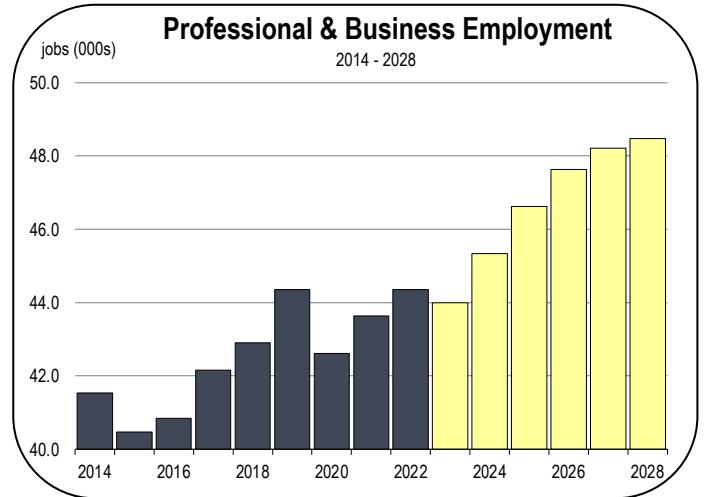
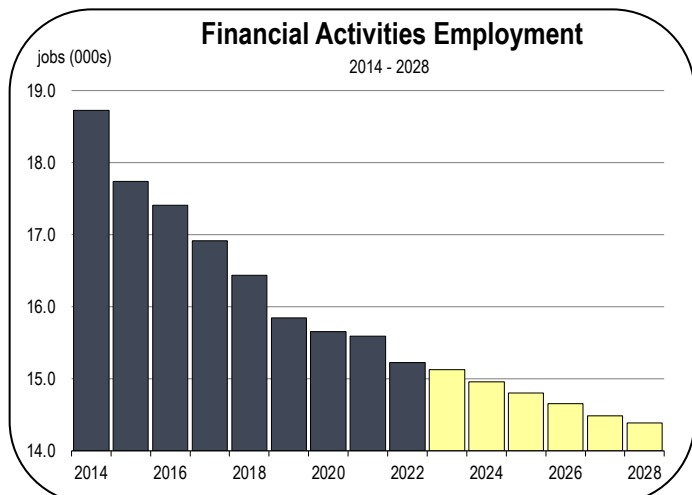
- In tandem with retail trade, wholesale trade employment has been consolidating since 2017. Both sectors are subject to labor saving advances in automation.
- In 2022, employment in this sector increased by 1.4 percent. While there will be consolidation of jobs in 2023 with a 2.6 percent decline in growth rate, the average annual growth rate is projected to be 0.9 percent during the forecast period.

Financial Activities Employment

- Two-thirds of the employment in financial activities is finance operations (banking, lending) and insurance. The other third is real estate including rental and leasing. The former has been in gradual decline while the latter has been relatively stable since 2009.
- This is a population-serving industry. The decline in Ventura County population has and will continue to contribute to the negative growth of employment in this sector. As a result, employment declined by 2.3 percent in 2022, is on pace to decline 0.6 percent in 2023, and will decrease at an average annual rate of 1.0 percent during the forecast period.

Professional and Business Services Employment

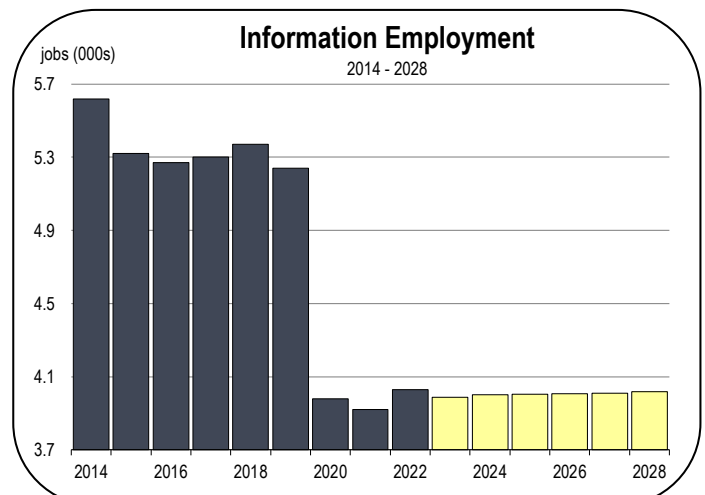
- Employment within the professional and business services industry rose by 700 jobs in 2022. About half of those jobs will be lost in 2023 as jobs in this sector will decline by 0.8 percent
- Jobs in professional, technical, and scientific services, and management accounted for positive job creation in the broader sector during 2023. Administration support jobs declined by 900 jobs in 2023.



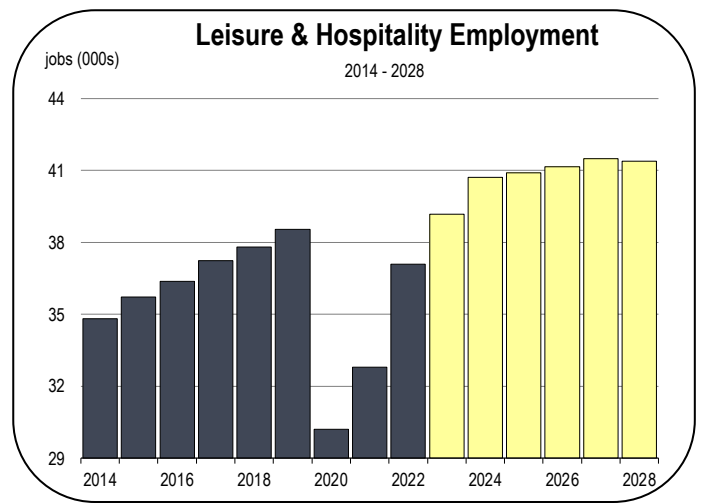
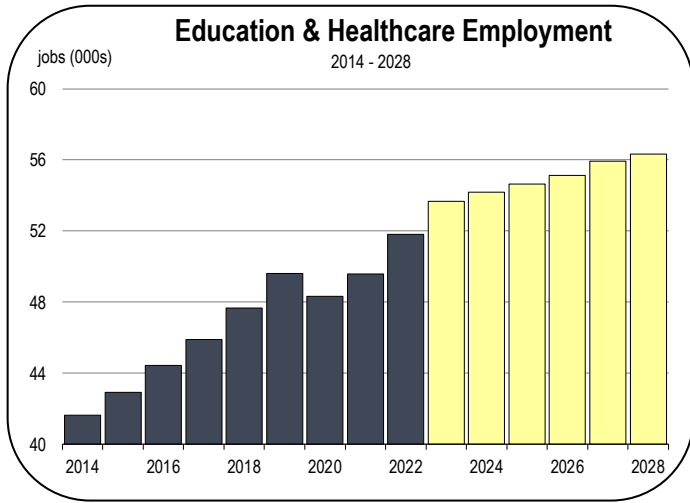
- The professional and business services industry is expected to resume growth during the forecast period with an average annual growth rate of 2.0 percent projected, resulting in the creation of 4,500 jobs.

Information Employment

- In Ventura County, the information sector is dominated by telecommunications and movie theaters.
- Across all subsectors, approximately 100 jobs were gained in 2022.
- However, the Ventura County information industry will fail to create a meaningful number of new jobs because most of its subsectors are in long term patterns of stagnation. In 2023, employment is forecast to fall 1.1 percent.



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Private Education and Healthcare Employment

- Health care and private education employment is the largest sector of employment in Ventura County.
- Healthcare represents 89 percent of all jobs in the broader private education/healthcare sector. Offices of doctors, dentists, alternative health practitioners, home health care services, and other out-patient services comprise 42 percent of all workers in healthcare. Hospitals and residential care facilities account for 28 percent of all employment. Social assistance organizations make up the balance.
- Employment in this sector grew 4.5 percent with the addition of 2,250 jobs in 2022. Growth is projected to continue in 2023 with an average annual growth rate of 3.5 percent and 1,800 new jobs.
- Despite a declining population in Ventura County, the age demographics will mandate an expansion of workers in healthcare over the current decade. As such, 2,700 new jobs will be created over the forecast period.
- The largest healthcare providers are Los Robles Regional Medical Center in Thousand Oaks with 382 beds, Community Memorial Hospital in Ventura (242 beds), St John’s Regional Medical Center in Oxnard (365 beds), and Kaiser Permanente Medical offices in Ventura.

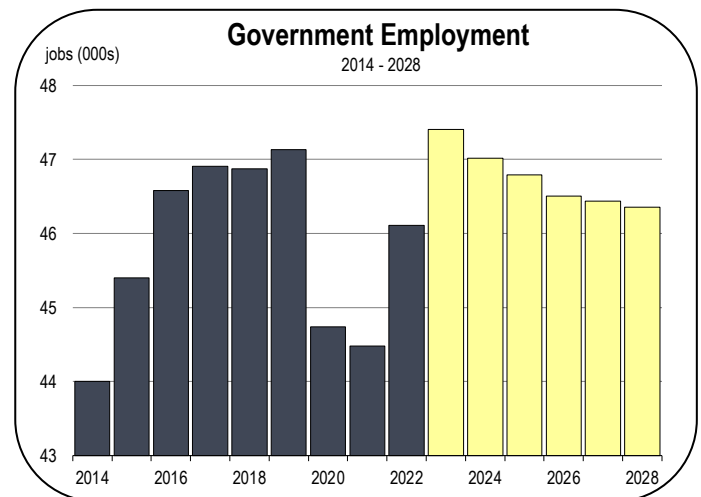
Leisure and Hospitality Employment

- Employment in the leisure and hospitality sector is now at an all time record high.
- Restaurants, bars, and caterers account for 78 percent of all employment in the broader sector, and hotels and other transient facilities contribute 10 percent. Employment within these subsectors is now thriving. The industry also includes recreation, the arts, and entertainment.

- During 2022, 4,300 jobs were gained measuring 13.1 percent growth.
- With more travel occurring in California, this industry is now serving more visitors. The industry is on track to grow 5.6 percent in 2023 creating an additional 2,100 new jobs.
- The long term forecast calls for the creation of 2,200 additional jobs representing a reduced average growth rate of 1.1 percent per year during the years 2024-2028.

Government Employment

- The Naval Air Weapons Center at Point Mugu and the Construction Battalion Center at Port Hueneme form the Naval Base Ventura County. It is the largest public sector organization in the county, and the largest employer, with an estimated 6,500 active duty military, and 5,700 federal civilians. With on-base contractors, the total on-base population exceeds 17,320 personnel.
- County government now employs 9,897 workers. The K-12 schools averaged a total employment base of 20,986 in 2023.

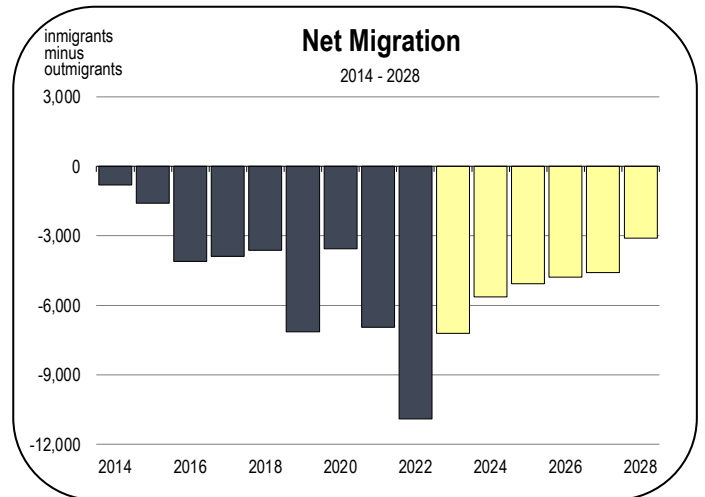


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- The public sector added 1,600 jobs in 2022 representing employment growth of 3.7 percent, and another 1,300 positions will be created in 2023, bringing total public sector employment to a record high.
- Over the forecast period, employment in the public sector will contract at an average annual rate of 0.4 percent resulting in the loss of over 1,000 jobs. The contraction is due to falling K-12 school enrollments and lower personnel growth at Naval Air Base Ventura County.

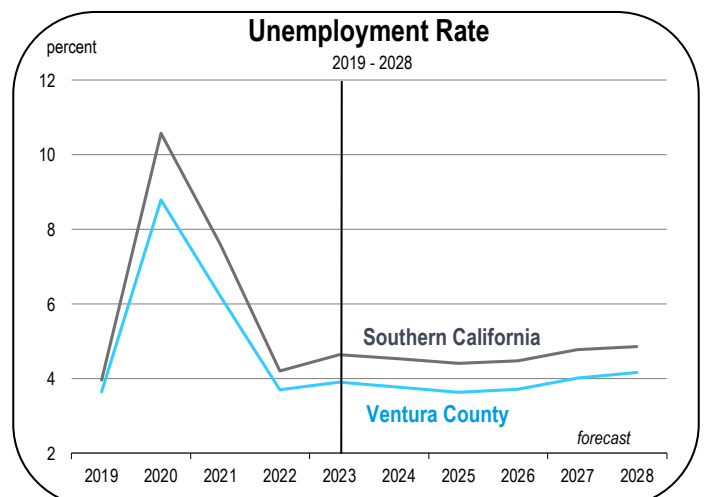
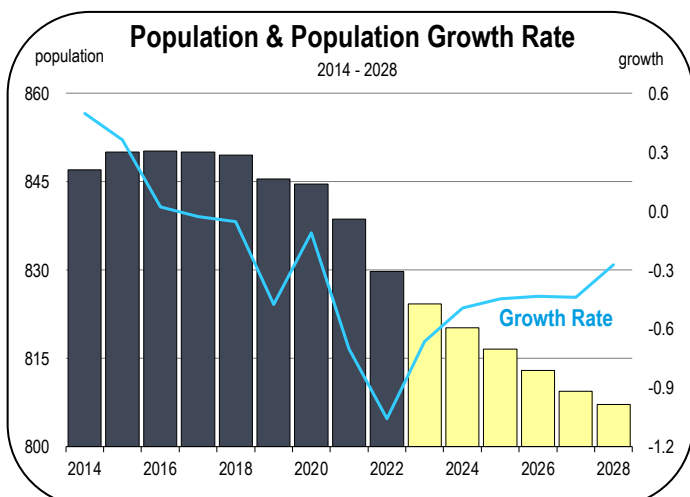
Population Growth

- The Ventura County population declined 1.1 percent with the loss of almost 9,000 residents in 2022.
- Population decline has been the result of net out-migration with an estimated 11,000 net migrants leaving the county in 2022.
- The outflow of residents is forecast to continue along a path that has generally been in place since 2014. Consequently, the forecast calls for a population decline in 2023 at a negative growth rate of 0.7 percent, continuing into the forecast period at an average annual negative growth rate of 0.4 percent. Taken together, the county will decline in population by up to 23,000 people by 2028 due to net out-migration.
- Residents are leaving Ventura County (along with many coastal areas of California) because of the cost of housing, both purchase and rental housing.
- Only the cities of Santa Paula and Filmore where the largest housing project in the county is currently underway (Harvest) is population growth positive.

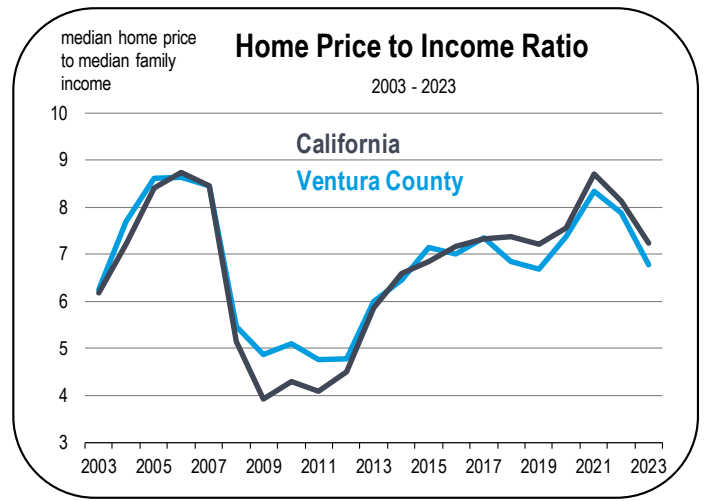
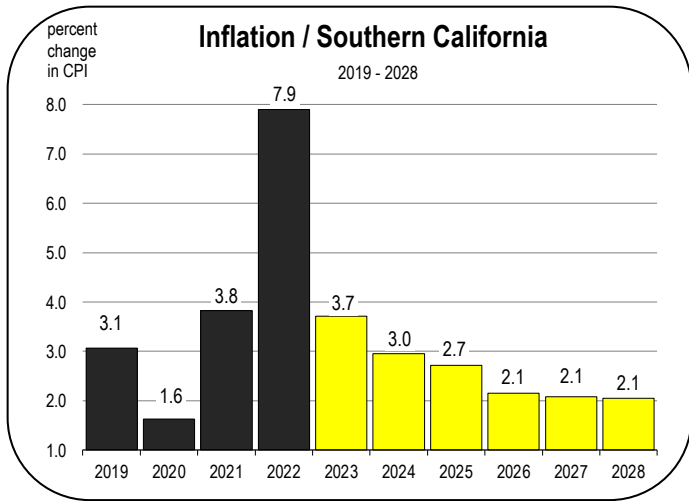


Unemployment and Inflation Rates

- The unemployment rate in Ventura County averaged 3.7 percent in 2022, which was below the composite rate for Southern California.
- The unemployment rate is expected to average 3.9 percent per year in the years 2023-2028, continuing to trend below the composite rate for Southern California.
- Inflation soared to 7.9 percent in 2022, its highest rate in 40 years, but will decelerate in 2023 to 3.7 percent due largely to declining energy costs and the restoration of supply chains.
- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.



Ventura County Economic Forecast

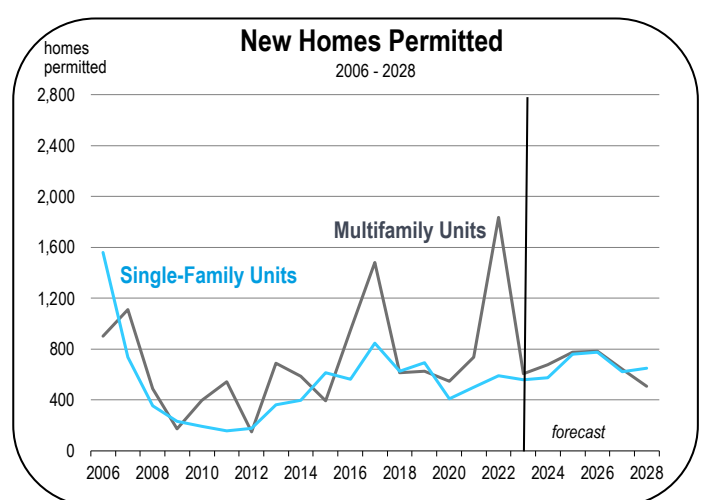
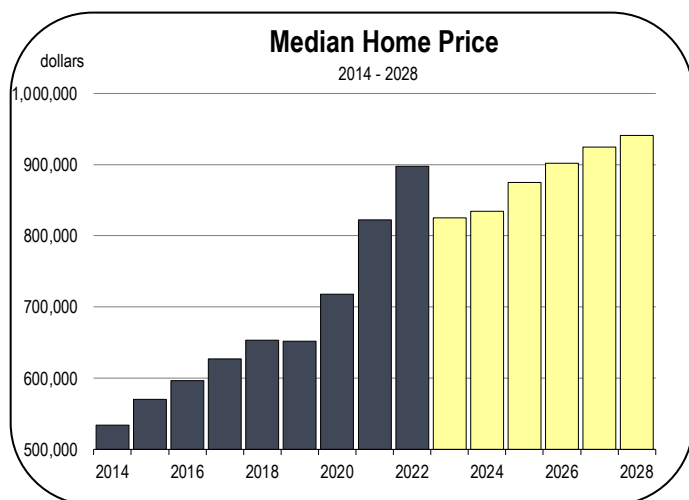


- The rate will continuously decelerate over the forecast period as the labor force is gradually restored and interest rates subside. The wildcard risk to the forecast is whether Congressional spending will subside. During 2021 and 2022, this was a principal contributor to the spate of inflation in the United States.
- Inflation is decelerating in 2023, largely because the economy has slowed and wage increases are also subsiding. The economic slowdown is moderating the demand for labor, and this has led to a subsiding of wage inflation. Average general inflation rates eventually decline to 3 percent again by 2024.

- A 20 percent down payment on the median priced home would be about \$180,000, an amount typically out of reach for most households. At current mortgage rates the monthly payment for a home purchased in 2023 is now about double the monthly payment for the same home purchased in 2020.
- From 2017 to 2022, an average of 1,585 new residential units were authorized per year. Multifamily units accounted for more than half of all new units.
- In 2022, multifamily units authorized were three times those of single-family homes.
- New home production in 2023 is forecast to be in line with the previous 8-year average. Most new residential development is now apartment projects. This trend will continue through 2027. In mid-2023, there were 843 apartment units under construction in Ventura County.

Home Prices and New Housing Production

- The median home value for all housing types was \$897,500 in 2022, a 9.2 percent increase from the previous year.
- Prices will fall 8.1 percent in 2023 but continue to trend upward over the forecast period with an average annual appreciation rate of 2.7 percent.



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New Embassy Suites Conceptual Drawing, under construction in Camarillo

New Development

- Restrictive growth controls have been in place in Ventura County for the last 20 years, called SOAR, or Save Open Space and Agricultural Resources. SOAR is a principal reason for the austere development environment in Ventura County.
- While SOAR has limited both new housing and new investment dollars in non-residential structures over the foreseeable future, there have nevertheless been a spate of recent development applications and/or project approvals in the county.
- The Village Wagon Wheel developmental project is part of the village specific plan and is currently under construction. The overall master plan encompasses 15 acres consisting of a transit center, farmers market, 50,000 SF of retail, a remaining 821 market rate units housed in 3 wrap buildings and a senior housing center.
- A 400 unit project including 225 apartments proposed by KB Homes is currently one of the largest pending new developments in the City of Ventura.
- The Westview Village Project is currently in Phase 3 and under construction on West Warner Street in Ventura and will be bringing 320 residential units, a senior center, and early childhood development center on a 20 acre site. Developers broke ground on the apartments aimed for homeless individuals in July 2022. Completion of all 4 phases is expected by late 2024. All 286 apartment units will have long term affordability of at least 35 years.
- The largest apartment project in Ventura County has been approved and is currently in plan check for Camino Ruiz and Verdugo Way in Camarillo with Camino Ruiz LLC listed as the developer. The 385-unit rental apartment complex is comprised of seven three-story and seven four-story buildings. Five floor plans will range in size from 600 SF to 1,000 SF.
- The Teal Club project of 990 residential units and some commercial development is under environmental review in Oxnard.
- Phase 1 of the Harvest at Limoneira project has been under construction in Santa Paula since 2019. 586 single family homes and a 36 acre sports park define the project. Prices range from \$470,000 to \$800,000.
- A 155 room Embassy Suites hotel and conference center is under construction and is planned for completion in September 2024.
- The Lost Canyons project in Simi Valley is an approved 364 single family home development. The project has begun construction in 2023.
- The 311 unit Sycamore Landing apartment project is under construction in Simi Valley.
- The 755 unit Hitch Ranch development was approved by the Moorpark City Council in 2022. The 277 acre project is the largest housing project in Ventura County.
- Vendra Gardens, a 200 unit affordable housing project will be built on an 18 acre development site in Moorpark starting in late 2023. Danco, the developer, received funding for the project through tax credits by the California Debt Limit Allocation Committee and a grading permit was issued in April 2023.

Ventura County Economic Forecast

Economic Indicators

2015-2022 History, 2023-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	850,038	270.6	-1,596	1,009	790	\$46.4	\$9.5	\$13.9	\$15.1	\$69,644	5.7	\$2.8	0.9
2016	850,227	272.0	-4,107	1,512	810	\$47.8	\$9.6	\$13.8	\$14.2	\$70,355	5.2	\$2.6	1.9
2017	849,979	272.9	-3,897	2,326	808	\$49.2	\$10.0	\$14.0	\$13.7	\$70,517	4.5	\$2.6	2.8
2018	849,523	273.3	-3,617	1,239	813	\$51.1	\$10.3	\$14.3	\$11.6	\$70,548	3.8	\$2.5	3.8
2019	845,474	274.6	-7,157	1,320	829	\$54.0	\$10.5	\$14.8	\$11.7	\$72,671	3.6	\$2.3	3.1
2020	844,545	279.7	-3,567	954	821	\$57.9	\$10.4	\$14.5	\$11.6	\$76,759	8.8	\$2.2	1.6
2021	838,630	279.4	-6,941	1,233	825	\$61.6	\$12.3	\$18.1	\$12.2	\$79,280	6.2	\$2.3	3.8
2022	829,764	280.4	-10,910	2,427	830	\$62.3	\$13.3	\$18.9	\$12.0	\$75,040	3.7	\$2.1	7.9
2023	824,247	282.2	-7,208	1,164	833	\$66.4	\$14.0	\$19.8	\$12.8	\$77,657	3.9	\$2.1	3.7
2024	820,178	283.3	-5,628	1,254	834	\$69.9	\$14.4	\$20.5	\$13.0	\$79,802	3.8	\$2.0	3.0
2025	816,513	284.5	-5,079	1,531	835	\$73.2	\$15.4	\$21.8	\$12.6	\$81,725	3.6	\$2.0	2.7
2026	812,961	285.9	-4,787	1,559	836	\$75.8	\$16.2	\$22.9	\$13.0	\$83,230	3.7	\$2.0	2.1
2027	809,377	287.4	-4,598	1,263	836	\$78.5	\$17.0	\$24.1	\$13.0	\$84,804	4.0	\$2.0	2.1
2028	807,170	288.6	-3,114	1,156	837	\$81.1	\$17.8	\$25.3	\$12.8	\$86,055	4.2	\$2.0	2.1
2029	805,612	289.7	-2,321	1,069	839	\$83.8	\$18.5	\$26.3	\$12.4	\$87,328	4.2	\$1.9	2.0
2030	804,349	290.7	-1,790	1,084	840	\$86.1	\$19.2	\$27.3	\$12.6	\$88,063	4.3	\$1.9	2.1
2031	803,014	291.7	-1,599	1,095	843	\$88.5	\$19.9	\$28.3	\$12.2	\$88,865	4.3	\$1.9	2.0
2032	801,681	292.8	-1,381	1,002	846	\$90.5	\$20.6	\$29.2	\$11.9	\$89,056	4.2	\$1.9	2.2
2033	800,216	293.7	-1,233	944	849	\$92.6	\$21.2	\$30.1	\$11.8	\$89,708	4.2	\$1.9	1.8
2034	798,478	294.6	-1,217	974	851	\$95.1	\$21.8	\$31.0	\$11.9	\$90,499	4.3	\$1.9	2.0
2035	796,608	295.5	-1,148	891	851	\$97.7	\$22.4	\$31.8	\$12.0	\$91,228	4.4	\$1.9	2.1
2036	794,532	296.4	-1,161	894	851	\$100.3	\$23.0	\$32.7	\$12.2	\$91,579	4.4	\$1.9	2.5
2037	792,331	297.2	-1,169	850	848	\$103.0	\$23.6	\$33.5	\$12.0	\$91,907	4.5	\$1.9	2.6
2038	790,063	298.0	-1,103	770	843	\$105.8	\$24.2	\$34.3	\$12.1	\$92,456	4.5	\$1.9	2.4
2039	787,726	298.7	-1,102	753	839	\$108.5	\$24.7	\$35.1	\$11.9	\$92,652	4.5	\$1.8	2.6
2040	785,165	299.5	-1,195	788	836	\$111.4	\$25.4	\$36.0	\$12.1	\$93,136	4.6	\$1.8	2.5
2041	782,416	300.2	-1,262	770	832	\$114.3	\$25.9	\$36.7	\$12.1	\$93,920	4.6	\$1.8	2.1
2042	779,416	300.9	-1,415	818	829	\$117.2	\$26.6	\$37.7	\$12.2	\$94,792	4.5	\$1.8	2.0
2043	776,305	301.7	-1,475	774	826	\$120.2	\$27.3	\$38.7	\$12.1	\$95,721	4.5	\$1.8	1.9
2044	773,095	302.4	-1,533	759	823	\$123.1	\$28.0	\$39.7	\$12.3	\$96,777	4.5	\$1.8	1.7
2045	769,726	303.2	-1,617	761	820	\$126.0	\$28.8	\$40.8	\$12.2	\$97,744	4.6	\$1.8	1.8
2046	766,235	303.9	-1,733	767	816	\$128.9	\$29.5	\$41.9	\$12.3	\$98,596	4.6	\$1.8	1.9
2047	762,581	304.6	-1,887	786	812	\$131.9	\$30.3	\$43.0	\$12.3	\$99,269	4.6	\$1.8	2.1
2048	758,839	305.3	-1,984	757	808	\$135.1	\$31.1	\$44.2	\$12.4	\$99,903	4.6	\$1.8	2.2
2049	755,023	306.1	-2,032	740	803	\$138.1	\$32.0	\$45.4	\$12.7	\$100,742	4.6	\$1.8	1.9
2050	751,159	306.8	-2,068	710	798	\$141.3	\$32.9	\$46.7	\$13.1	\$101,543	4.7	\$1.8	2.0

Employment Sectors

2015-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	322.3	26.3	14.2	25.9	6.0	51.7	17.7	40.5	5.3	42.9	35.7	45.4
2016	325.2	25.2	14.6	25.7	6.0	52.2	17.4	40.9	5.3	44.4	36.4	46.6
2017	328.7	23.8	15.7	25.6	6.1	52.5	16.9	42.2	5.3	45.9	37.2	46.9
2018	332.9	24.3	16.8	26.2	6.3	51.8	16.4	42.9	5.4	47.7	37.8	46.9
2019	336.8	24.7	17.1	26.6	6.3	50.8	15.9	44.4	5.2	49.6	38.5	47.1
2020	315.3	25.0	16.8	25.8	6.1	46.9	15.7	42.6	4.0	48.3	30.2	44.7
2021	322.6	23.5	17.1	26.5	7.0	48.7	15.6	43.6	3.9	49.6	32.8	44.5
2022	336.7	25.2	17.7	27.2	8.3	49.2	15.2	44.4	4.0	51.8	37.1	46.1
2023	344.8	27.7	17.6	27.6	8.3	49.3	15.1	44.0	4.0	53.7	39.2	47.4
2024	347.9	27.0	17.8	27.6	8.4	49.5	15.0	45.3	4.0	54.2	40.7	47.0
2025	350.7	26.8	18.2	27.8	8.4	50.3	14.8	46.6	4.0	54.6	40.9	46.8
2026	352.6	26.6	18.3	27.8	8.4	50.9	14.7	47.6	4.0	55.1	41.2	46.5
2027	354.8	26.4	18.5	27.9	8.5	51.6	14.5	48.2	4.0	55.9	41.5	46.4
2028	354.6	25.8	18.0	27.8	8.5	52.2	14.4	48.5	4.0	56.3	41.4	46.4
2029	356.6	26.2	18.0	27.9	8.5	52.6	14.3	48.6	4.0	57.2	41.6	46.3
2030	357.7	26.2	17.8	27.8	8.5	53.1	14.3	48.7	4.0	58.0	41.7	46.3
2031	359.0	26.2	17.8	27.8	8.5	53.4	14.2	48.8	4.0	58.8	41.8	46.2
2032	360.0	26.2	17.7	27.8	8.6	53.8	14.1	48.9	4.0	59.6	41.8	46.2
2033	361.2	26.2	17.7	27.8	8.6	54.1	14.1	49.0	4.0	60.3	42.0	46.1
2034	362.1	26.2	17.6	27.8	8.6	54.3	14.0	49.1	4.0	61.1	42.1	46.0
2035	363.1	26.1	17.6	27.8	8.6	54.5	13.9	49.2	4.0	61.7	42.2	46.1
2036	364.0	26.1	17.6	27.8	8.6	54.6	13.8	49.3	4.0	62.4	42.3	46.1
2037	364.9	26.0	17.7	27.9	8.7	54.7	13.7	49.3	4.0	63.0	42.5	46.1
2038	365.7	26.0	17.6	27.9	8.7	54.8	13.6	49.4	4.0	63.7	42.6	46.1
2039	366.5	26.0	17.5	27.9	8.7	54.9	13.6	49.5	4.0	64.3	42.7	46.1
2040	367.2	25.9	17.5	27.9	8.7	55.0	13.5	49.6	4.0	64.9	42.9	46.2
2041	368.0	25.9	17.5	27.9	8.7	55.0	13.4	49.6	4.0	65.4	43.0	46.2
2042	368.9	25.8	17.6	27.9	8.7	55.2	13.2	49.7	4.0	66.0	43.2	46.2
2043	369.7	25.8	17.5	27.9	8.7	55.5	13.1	49.8	3.9	66.6	43.3	46.2
2044	370.6	25.8	17.5	27.9	8.7	55.7	13.0	49.8	3.9	67.1	43.5	46.2
2045	371.3	25.7	17.4	27.9	8.8	56.0	12.9	49.9	3.9	67.6	43.5	46.2
2046	371.8	25.7	17.3	27.9	8.8	56.2	12.8	49.9	3.9	68.1	43.6	46.2
2047	372.4	25.6	17.1	28.0	8.8	56.4	12.6	50.0	3.9	68.6	43.7	46.2
2048	373.2	25.6	17.3	28.0	8.8	56.6	12.5	50.1	3.9	69.1	43.8	46.2
2049	373.7	25.5	17.1	28.0	8.8	56.9	12.3	50.1	3.9	69.6	43.8	46.2
2050	374.3	25.5	17.1	28.0	8.8	57.1	12.2	50.2	3.9	70.0	43.9	46.2

Ventura County Economic Forecast

Socioeconomic Indicators

