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10. Economic Vitality Element

Economic vitality in Ventura County incorporates both economic advancement and quality of life, addressing both local and regional market demand, and planning for a future that reflects the needs and vision of Ventura County while enhancing social equity and economic opportunity. This includes channeling economic activity in such a way that it meets market needs while focusing urbanized development into the cities and preserving the open space and agricultural resources of the unincorporated area.

Ventura County's economy is diverse, offering specific strengths in agriculture, manufacturing, health care, retail trade, hospitality, and public administration. These industries are where Ventura County has large concentrations of employment. However, economic growth and the distribution of economic benefits have not kept pace with other areas in the Southern California region or state. County economic activity totaled over \$51.4 billion in 2017, which represents a compounded annual growth rate (CAGR) of 1.3 percent since 2007. This is considerably slower than the state economy, which had a CAGR of 2.1 percent during this period. In part, this is because some of Ventura County's larger economic sectors, such as financial services and construction, were particularly hard hit in the most recent recession (2007 – 2009). In addition, other large county economic sectors have experienced slower long-term growth, such as agriculture and manufacturing.

The economic development challenge is to ensure that traditional employment sectors such as agriculture, manufacturing, retail, and construction can remain vibrant in the face of substantial cost pressures, changing consumer demands, and global competition. At the same time, it is important to encourage new types of businesses that reflect current technological and market opportunities and that are also aligned with the skills and creative abilities of the workforce. The Economic Vitality Element includes goals, policies, and programs intended to help retain and expand existing economic sectors, to help diversify the economy by developing new kinds of businesses, and to help improve economic resiliency.

While job opportunities will derive from the local and regional economy, economic vitality also depends on ensuring that the economic foundations that support prosperity remain robust. Water is essential to maintaining the viability of agriculture in the county and the transportation system is critical to move both goods and workers. Moreover, with aggressive renewable energy mandates in California and expanded public and private investments, Ventura County will need to ensure that its land use policies accommodate those investments and requirements. In addition, business today depends on ever increasing broadband capacities and speeds. The need for broadband is pervasive and is as critical to modern health care, one of the County's largest job growth sectors, as it is to conventional technology sectors and emerging areas such as "Smart City" initiatives. These types of facilities and investments are critical foundations for economic prosperity.

The availability of affordable workforce housing is also an important foundation for economic vitality. The General Plan Housing Element addresses this need in detail, but from an economic development perspective, affordably priced workforce housing allows a full range of workers at all skill and experience levels to live and work in the community. The proximity of housing to job centers is an important consideration in reducing the costs and quality of life impacts associated with long commute times.

One of the county's greatest assets is its workforce. Supportive housing and transportation policies help workers connect with employment opportunities. Workforce training is also a vital component for successful economic development. As technologies and skill requirements continue to evolve, both new and existing workers need access to education and training resources that can help the County remain a competitive location for business and job opportunities. In addition, investments in early childhood education can play a vital role in positioning our future workforce for success.

This Element includes references to the Economic Vitality Strategic Plan, which the County adopted in 2017. The Economic Vitality Strategic Plan provides a strategic framework for the County to achieve its long-term economic vitality goals. While the Economic Vitality Strategic Plan is likely to evolve during the lifetime of this General Plan, it is nonetheless the County's primary implementation tool for this Element and for the County's economic initiatives overall.

Goals, policies, and implementation programs in this element are organized under the following headings:

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10.1 Business and Employment

Ventura County is projected to have modest overall long-term job growth, consistent with long-term population growth. Projected growth will occur in most major industry groups, with the largest growth in health care, professional services, education, and hospitality. Economic opportunities will come from both locally generated growth and trade generated through national and global markets.

Ventura County's economy has traditionally had high concentrations of jobs and economic activity in agriculture and manufacturing, while recent trends have shown more rapid growth occurring in other sectors. The manufacturing and agriculture sectors are projected to continue growing slowly over the long-term, but as discussed above, these industries have many issues to resolve in order to retain their strength within the local economy. Policies to support retention and expansion of manufacturing industries are addressed below in Section 10.2, Goal EV-4, which supports expansion and retention of industry clusters. Other existing sectors that could be expanded include tourism and defense technologies.

- **Tourism:** Ventura County has numerous scenic destinations that draw thousands of visitors to the area. Local businesses that serve the tourism market include hospitality (accommodations and food service), agriculture, and recreation. Accommodations in Ventura County represent an underserved market, and potential opportunity for expansion in certain unincorporated areas. In addition, agri-tourism is another area of potential expansion.
- **Military:** Naval Base Ventura County (NBVC) supports over 20,000 direct, indirect, and induced jobs, including active duty and reserve military, civilians, and contractors. These jobs include scientists, engineers, acquisition professionals, police and fire protection, tradespeople, airfield and port operations, and a wide variety of other fields. The base's high-level operations, technological focus, and unique geography (including the 36,000 square mile Point Mugu Sea Range) are anticipated to keep the base in the Navy's long-term plans, recognizing, however, that defense priorities can change. NBVC projects significant growth in coming years as an emerging hub for unmanned systems. Overall, NBVC generates about \$2 billion in total economic benefit to Ventura County each year.

At a local level, population growth and increasing household income levels will support additional demand for local-serving businesses. The challenge in Ventura County will center on how new businesses and commercial developments address existing and future consumer needs.

EV-1

To foster a robust and diversified local economy that provides quality employment and attracts stable businesses in Existing Communities and unincorporated Urban Areas.

EV-1.1

Economic Vitality Strategic Plan

The County shall use the Ventura County Economic Vitality Strategic Plan, as updated, as an operational guide to implement the economic development goals, policies, and programs of the General Plan. (FB, SO, MPSP)

EV-1.2

EJ

County Investment Priorities

The County shall prioritize investment in infrastructure, services, safety net programs and other assets that are critical to future economic vitality, including public safety, healthcare, library services, water supply and quality, transportation, energy, and environmental resources. This investment shall consider equity in investment opportunities to designated disadvantaged communities, including designated Opportunity Zones under the federal Tax Cuts and Jobs Act

of 2017. The focus of these efforts shall be to improve social equity and opportunity for all. (FB, SO)

EV-1.3

HC

Housing Affordability

The County shall continue to work with cities and community organizations to implement best practices, pursue funding, and implement programs that reduce the cost of housing to retain and attract employers and employees. (MPSP, IGC)

EV-1.4

Regulatory Environment

The County shall promote business-friendliness in the regulatory and permitting environment throughout Ventura County through collaboration, exchange of ideas and best practices, improvement in clarity and efficiency in the permitting process, taking advantage of opportunities for streamlining in the development process, and promoting consistency in policy and practice among cities and the County. (RDR, IGC)

EV-1.5

Supporting Tourism

The County shall encourage the development of sustainable and innovative visitor-serving attractions that expand on the tourism market in Ventura County and add to the quality of life for residents. This would include identifying viable locations for new or expanded accommodations in the unincorporated areas of Ventura County and support for ecotourism associated with the Santa Monica Mountains, Los Padres Forest, the Channel Islands, and other natural areas. (MPSP, JP)

EV-1.6

Economic Expansion

The County shall work with local chambers of commerce, countywide economic development organizations, and businesses to support the appropriate expansion of the local economy and job creation, particularly in Existing Communities and unincorporated Urban Areas where zoning allows. (MPSP, JP)

EV-1.7

EJ

Supporting Industries Fitting County Needs

The County shall strive to attract industries based on existing and projected workforce demographics, educational attainment, skills, and commute patterns, and which provide opportunities to residents living in designated disadvantaged communities. (MPSP, JP)

EV-1.8

Encourage Development Efficiency

The County shall coordinate and work with cities in the county to enhance the efficiency of development of remaining vacant commercial and industrial sites and encourage infill and revitalization of underutilized sites. (MPSP, IGC)

EV-1.9

Range of Commercial Services

The County shall encourage the development of a range of commercial uses in urban areas and Existing Communities, where zoning allows, that fulfill the daily needs of residents and visitors. (MPSP, JP)

EV-1.10

EJ HC

Grocery Stores in Underserved Communities

The County shall strive to attract and retain high-quality, full-service grocery stores and other healthy food purveyors in Existing Communities and adjacent urban areas, particularly in underserved areas. (MPSP, JP)

EV-2

To improve the economic viability of agriculture through policies that support agriculture as an integral business to the County.

EV-2.1

Agricultural Diversification

The County should encourage the growth and expansion of new, innovative agricultural-related business opportunities, including technological advancements in irrigation, crop production and pest control, new crop types, and agritourism, and “farm-to-table” programs and events. (RDR, PI)

EV-2.2

Value-Added Agriculture

The County shall encourage the expansion of value-added agricultural products (e.g., processing, packaging, product development) within Existing Communities, where zoning allows, and on agricultural land consistent with SOAR policies. (RDR, MPSP, JP)

EV-2.3

Processing of Locally Grown Food

In accordance with Section 2, subsection I(m) of the County’s 2050 Save Open-Space and Agricultural Resources (SOAR) Ordinance, facilities for the processing of locally grown food are authorized for approval on up to a cumulative total of 12 acres in the unincorporated area on land designated Agricultural Exclusive, Open Space, and Rural, provided that:

- a) the locally grown food processing facility is approved on or before January 1, 2030;
- b) no more than 3 acres per legal lot is devoted to the locally grown food processing facility use;
- c) the locally grown food processing facility does not require the expansion or extension of new sewer lines;
- d) the locally grown food that is processed at a facility would otherwise likely be transported out of Ventura County for processing as determined by the Agricultural Commissioner; and
- e) the locally grown food processing facility use will not result in a direct or indirect loss of soils on land classified as “Prime” or “Statewide Importance”, and/or “Unique” by the California Department of Conservation Important Farmland Inventory, unless the Planning Director, in consultation with the Agricultural Commissioner, determines that the land is developed or otherwise unsuitable for agricultural activities.



Additional policies on the agricultural economy are located in Chapter 8, Agriculture Element.

10.2 Diversified Economy

Economic diversity can help create long-term stability and economic resilience. This resilience (the ability to recover from adverse changes in the economy or environment) is particularly important as the effects of climate change create economic disruptions through wildfire, drought, increasingly variable storm events, and sea level rise.

The market outlook for different industries with the potential to grow and thrive in Ventura County depends on local, national, and global factors. Projected long-term growth in sectors such as professional services, health care, arts, entertainment, and education will help to further diversify Ventura County's economy. An important asset for the county is its education cluster, including higher education institutions. There are two universities in the county's unincorporated areas, California State University, Channel Islands (CSUCI), and Thomas Aquinas College. CSUCI expects to expand its 2016 enrollment level by over 70 percent by 2025, which will generate growth in faculty and staff as well as supportive goods and services in the local economy. University-driven innovation can also be an important source of business diversification. In addition to education institutions, another unique asset to the county are Federally- and State-managed areas which are available for public use. The county is home to large portions of the Los Padres National Forest and the Channel Islands National Park, which bring parkland management, research, and tourism to the county.

Areas of economic diversification within Ventura County could focus on industry clusters. Industry clusters represent aggregations of interrelated industry sectors within a region. For Ventura County, the largest industry clusters (by employment) include business services, distribution, education, agriculture, information technology, biopharmaceuticals, financial services, health care services, and hospitality. According to the Ventura County Economic Vitality Strategic Plan, industry clusters in the county with the highest concentration of employment, relative to national trends, would also include agriculture and metal working technology. Projected industry cluster growth shows the highest percentages occurring with business services, construction, financial services, oil and gas production, video production and distribution, and education.¹

Other opportunities for diversification include environmental technologies ("green economy") and the creative sector. The green economy includes business activities that benefit the environment or conserve natural resources. Ventura ranks 7th among California metro areas with green technology patents. For the foreseeable future, California laws and policies will continue to drive demand for these types of goods, services, and technologies. Demand will further increase as other states adopt similar standards that conserve natural resources, reduce greenhouse gas emissions, and mitigate environmental impacts.

The types of industries built around creativity encompass a diverse range of categories, such as architecture, design, entertainment, fashion, communications, digital media, publishing, and the arts. This includes film and recording industries. Creative enterprises are highly concentrated in Southern California. Ventura County has distinct elements of the creative economy but has significant room for growth in this area.

EV-3

To facilitate the retention, expansion, and attraction of key industries and business clusters in the county.

EV-3.1

Existing Business Retention

The County shall proactively focus on retention of existing businesses in key industry clusters. In the unincorporated areas, this would include prioritizing Naval Base Ventura County and agricultural activities. (MPSP, JP)

EV-3.2

Small Business Promotion

The County should promote and expand existing small business development programs by identifying partnerships between industry and educational organizations, and identifying

¹ Natelson-Dale Group. Task 3C Industry Cluster Report, Economic Vitality Plan, prepared for Ventura County. January 10, 2017. p. 5

potential mentoring, job training, networking, and professional development opportunities between these organizations and supporting and promoting efforts of the Small Business Administration to provide technical assistance to small business owners and employees through classes and assistance in the areas of business management, marketing, and legal assistance. The County should consider allowing entrepreneurs to use government property or facilities to test new products and services that are beneficial to the public good for micro enterprises of five employees or fewer to encourage economic opportunities in low-income areas. (IGC, JP)

EV-3.3 Facilitate Expansion of Key Economic Clusters

The County shall work proactively to retain and facilitate the expansion of firms in key industries, particularly those at risk of downsizing or relocation. (IGC, JP)

EV-3.4 Expansion of Naval Base Ventura County and Port of Hueneme Support Businesses

The County shall encourage expansion and attraction of businesses that can further support existing activities at Naval Base Ventura County and the Port of Hueneme including the strengthening of existing business relationships and establishing spin-off businesses that can transfer technologies used for military applications into other markets. (IGC, JP)

EV-3.5 Entrepreneurial Development and Key Industry Attraction

The County shall support local efforts to attract firms in key industries from outside the county or support the entrepreneurial development of new firms within the county, as well as training to develop entrepreneurship and innovation in the local workforce. (IGC, JP)

EV-4

To diversify the economic base of Ventura County through the development and expansion of environmental, creative, and technology industries, including the non-profit sector.

EV-4.1 Creative Economy

The County shall encourage the expansion of the local creative economy, including arts businesses, creative and performing arts, and non-profit organizations, as well as professional service sectors built around the creative arts. (MPSP, JP)

EV-4.2 Green Economy

HC

The County shall support the development of industries and businesses that promote and enhance environmental sustainability, greenhouse gas reductions, decarbonization, climate change adaptation, resiliency, and renewable energy generation, storage, and transmission, including solar power, wind power, wave energy and other appropriate renewable sources. The County shall promote the efforts of existing businesses that meet green business criteria; job training in green building techniques and regenerative farming; and strive to build green technologies into and decarbonize existing government buildings and facilities. (MPSP, JP)

EV-4.3 Sustainable Business Development

HC

The County shall encourage the development and expansion of businesses that advance social equity, environmental quality, and economic sustainability, as well as capitalize on key industry strengths. Economic sustainability includes planning and preparation for disaster response and long-term resiliency of businesses and economic assets in the county. (JP)

EV-4.4



Renewable Energy Facilities

The County shall identify appropriate locations to allow for development of renewable energy generation and storage facilities and encourage the development of innovative approaches to renewable energy deployment, including solar power, wind power, wave energy, distributed power systems and micro-grids, and other appropriate renewable sources and storage and distribution systems. (MPSP, JP)

10.3 Economic Foundations

Economic prosperity is dependent on critical infrastructure systems that provide adequate capacity, reliable service, and flexible functionality. Water is a critical resource for the agricultural industry, as is the freight distribution system through the county. The Port of Hueneme provides essential services not only for agricultural products and supplies but other high value industries including automobile imports. In addition, new technologies, particularly broadband capacity, need to be widely deployed through both public and private investments. Finally, adequate housing is a major foundation for economic vitality, helping to support a diverse labor force that is vital to business prosperity.

EV-5

To promote a strong local economy by improving critical infrastructure, including water, transportation, broadband, and renewable energy.

EV-5.1

Transportation Infrastructure

The County shall monitor and seek improvements to transportation infrastructure involving roads within County jurisdiction, particularly routes used for goods movement, to minimize the cost and inconvenience of traffic congestion. (FB, SO)

EV-5.2



Energy Infrastructure

The County shall work to improve energy infrastructure to increase availability, reliability, sustainability, and use of renewable energy sources, with a focus on Existing Communities and equity in service to disadvantaged communities. (IGC, SO)

EV-5.3



Broadband

The County should encourage efforts to equitably extend broadband capacity throughout the county, including to designated disadvantaged communities, and to encourage private sector investments in state-of-the-art high speed fiberoptic infrastructure for both commercial and residential use. The County should use its franchise agreement powers, among others, whenever possible to secure improved services. (IGC, SO, JP)

EV-5.4

Port of Hueneme

The County shall support the creation and enhancement of shipping, warehousing facilities at the Port of Hueneme as well as improvements to surface transportation connections to the supportive industries and businesses that are located outside of the Port. (IGC, SO)

EV-5.5

Water Availability and Cost

The County shall support efforts to ensure that adequate water supplies are available for business use at reasonable cost recognizing that water is a vital resource not only for agricultural businesses but many other types of businesses in the county.



*Housing is addressed in Chapter 3, Housing Element.
Water infrastructure is addresses in Chapter 9, Water Resources Element.*

10.4 Labor Force Development

The local labor force represents one of the most crucial competitive factors for economic vitality. Businesses depend on having a sufficient quantity of workers suited to the functions that their operations require. From a planning perspective, the skills, education levels, and other qualifications needed for local jobs should be matched to the characteristics of the local labor force. In addition, local institutions should be ready to prepare the labor force to work in the growing industries within the region.

The highest proportion of the county labor force works in retail, health care, and manufacturing industries. In addition, Ventura County has more resident workers in services industries, such as information, finance and insurance, real estate, and professional/scientific services, than it has jobs in these sectors. This would indicate that many residents commute out of Ventura County for those types of jobs. Compared to the cities, the unincorporated county area had a higher labor force representation in professional services, and saw the greatest growth in agriculture, professional services, educational services, and hospitality between 2006 and 2014.

Labor force development will remain a challenge and priority and will need to evolve alongside changes to the local and regional economies.

EV-6

To improve labor force preparedness by providing the local workforce with the skills needed to meet the requirements of evolving business needs.

EV-6.1

Workforce Readiness



The County shall collaborate with the Workforce Development Board, the P-20 Council, job and career centers, and other organizations to maximize workforce readiness by promoting job opportunity readiness among unemployed or underemployed residents and students and coordinating with local employers to identify workforce readiness issues and education and training program needs. (IGC, JP)

EV-6.2

Workforce Development

The County shall work with public and private universities, colleges, and technical schools in the county to support innovation and the development, retraining, and retention of a skilled workforce. (IGC, JP, PI)

EV-6.3

Job Training in Green Construction

The County shall work with public, private, and non-profit entities to prepare workers for jobs in green construction, including solar panel installation, decarbonizing buildings and infrastructure, and green building retrofits. (MPSP, FB, JP)

EV-6.4

Local Graduate Retention

The County shall actively support efforts to keep local high school and university graduates in the local workforce. (IGC, JP)

EV-6.5

EJ

County Hiring Practices

The County shall leverage its status as the second-largest employer in the county to pursue best practices aimed at maximizing local hiring, with a focus on designated disadvantaged communities, in coordination with education and training providers. (SO, IGC)

EV-6.6

EJ

Early Childhood Education

The County shall support efforts to enhance early childhood education opportunities in Ventura County, by coordinating with the Local Planning Council of Ventura County and other educational and economic development partners to secure additional funding to ensure that all children have access to available programs. (IGC)

EV-6.7

Future Job Opportunities

The County shall collaborate with the Workforce Development Board to assess employment changes expected over the next 20 years and evaluate opportunities for job training and education to meet new economic opportunities, particularly in green energy and in designated disadvantaged communities within the county. (IGC)

10.5 Implementation Programs

Programs	Implements Which Policy(ies)	Responsible	2020 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
A Economic Vitality Strategic Plan The County shall review and update the Economic Vitality Strategic Plan every five years.	EV-1.1	CEO	■	■	■		■
		RMA AG C IT PWA REA					
B Investment in Opportunity Zones The County shall work with the Economic Vitality Strategic Plan Steering Committee to explore designated Opportunity Zones identified pursuant to the Federal Tax Cuts and Job Act (December 22, 2017) to promote investments that benefits the residents living within them and minimizes potential displacement.	EV-1.2	RMA	■				
		CEO					

EJ

Programs	Implements Which Policy(ies)	Responsible	2020 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
C Promote Infill and Revitalization The County shall prepare development standards, including those that provide for adequate infrastructure, for development on remaining vacant commercial and industrial sites to encourage infill and revitalization of underutilized sites.	EV-1.8	RMA n/a	■				■
D Ventura County Office of Economic Development The County shall consider the development of an Office of Economic Development to promote Ventura County as budgets allow.	EV-1.1 EV-1.5 EV-1.6 EV-3.1 EV-3.2 EV-3.3 EV-3.5	CEO n/a					■
E Business Retention and Expansion The County shall coordinate with the Economic Development Collaborative - Ventura County to focus on retention and expansion of existing businesses in key industry clusters, including Naval Base Ventura County and Port of Hueneme support businesses.	EV-3.1 EV-3.2 EV-3.3 EV-3.4	CEO n/a	■	■	■		■
F Broadband Capacity Development The County shall identify the necessary policies, regulations, and development standards for critical broadband infrastructure, such as fiber optics, shadow conduit, vertical assets and dig once policies. Based on this work, the County shall develop a Broadband Master Plan in cooperation with service providers to identify how high-speed broadband infrastructure and services will be funded, developed and deployed.	EV-5.3	CEO/ITSD RMA GSA PWA	■				■

EJ

Programs	Implements Which Policy(ies)	Responsible	2020 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
G Workforce Development The County shall provide data and staff resources to support the Ventura County Workforce Development Board in the implementation of the Ventura County Regional Workforce Development Plan to address workforce readiness and development, and local graduate retention. EJ	EV-6.1	CEO					■
	EV-6.2	_____					
	EV-6.3	n/a					
	EV-6.4						
H Evaluate County Hiring Practices The County shall conduct an evaluation of its hiring practices, in coordination with education and training providers, to determine how the County can maximize local hiring. EJ	EV-6.5	HR	■				
		CEO					■