

The Economic Significance of the Channel Islands Harbor Ventura County

Prepared for
the Channel Islands Harbor,
County of Ventura

by
the California Economic Forecast
5385 Hollister Avenue, Box 207
Santa Barbara, California 93111
(805) 692-2498
www.californiaforecast.com

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FINAL REPORT

The Economic Significance of Channel Islands Harbor In Ventura County

Summary of Principal Findings

- In 2016, business activity at Channel Islands Harbor had a direct economic impact of \$74 million and a total economic impact of \$159 million. The total impact is estimated at \$196 million by 2021.
- The direct impact of Harbor businesses which provide goods and services to residents and visitors includes an employment base of 920 workers.
- Growth in Harbor business and the attendant Harbor-related business activities is conservatively expected at \$78 million in 2017 and \$81 million in 2018. This will result in total economic impacts of \$166 million and \$173 million in output respectively, in 2017 and 2018, in Ventura County.
- Employment directly related to marine activities and all tenants of the Harbor including retail shops, amusement services, and restaurants directly serving visitors and Harbor residents was 920 in 2016 and is estimated at 963 in 2017 and 1,004 in 2018.
- Including indirect and induced effects, total jobs created by the Harbor and Harbor-related business activity is 1,519.
- These jobs generated \$38 million in labor income; \$32.5 million to wage/salary workers, and \$5.5 million to proprietors or contractors, during 2016.
- Since 2012, Channel Islands Harbor business activity has out-performed general overall business growth in Ventura County. The average annual rate of growth over the last 4 years is 6.3 percent.
- The economic impacts produced by the food service industry produce the largest output impacts among all sectors represented at the Harbor. Restaurants and the recreation industries at the Harbor—sportfishing, excursions, boat rentals, etc. — produce the largest job impacts.

- Real estate or the households residing at Channel Islands Harbor account for nearly as much output value and economic stimulus to the Ventura County economy as the food service industry.
- Two large new development projects are projected to be underway at the Harbor later this year and by 2020. The Casa Sirena replacement project--the Hyatt House and restaurant, and Fisherman's Wharf. The direct effects of these projects are substantial and will increase direct Harbor economic activity by over 60 percent.
- During the construction phase of these projects, a total of 824 direct construction and construction related jobs will be created, accounting for \$43.6 million in direct labor income. The indirect and induced effects of construction activity account for another 473 jobs. The total economic impact during construction produces 1,297 jobs and \$66.3 million in labor income.
- By 2021, total output (or sales) is estimated at \$265 million. Fisherman's Wharf and the Hyatt House account for a total output impact of \$68.7 million, or approximately 26 percent of the total Harbor impact.
- By 2021, it is estimated that direct employment at the Harbor will rise to 1,540 workers for all business activities including Fisherman's Wharf and the Hyatt House. The total employment impact due to the Harbor is estimated at 2,532 workers.
- Economic activity at the Harbor today accounts for \$14.0 million in direct taxes to Federal, State, County, Cities and special districts. Including the indirect and induced effects, total taxes are estimated at \$25.5 million.
- Property taxes account for \$3 million in direct taxes, and \$3.4 million including the indirect and induced effects. Transient occupancy taxes from the hotels contribute nearly \$400,000 to the County, City of Oxnard, and special districts.
- By 2021 and with the operation of Fisherman's Wharf and the Hyatt House at the Harbor, direct taxes are projected to increase by \$8.5 million, and total taxes due to the indirect and induced effects of the two new developments are estimated at \$13.7 million.

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1. The Channel Islands Harbor Economy Introduction and Summary of Impacts

The Channel Islands Harbor is a small craft harbor for recreation and sportfishing vessels.

The 2,150-slip Harbor is the home to yachts, commercial fishing boats, and pleasure craft, a wide variety of services and recreational activities including restaurants, retail shops, fuel dock, whale watching, harbor cruises and marine supplies.

The Harbor is also the location of apartments and condominiums that house a population of approximately 1,300 persons plus another 74 liveaboard households in the marinas.

Consequently, the Harbor is akin to a small city of businesses and residents. Businesses provide goods and services that can accommodate both residents and visitors to the Harbor. But to what extent does the Harbor economy impact the broader Ventura County economy? How important is the Harbor as an economic engine for Ventura County?

Knowledge of the types of business operations at the Harbor and the relative size of their sales or the number of people they hire is necessary to estimate the impact of the Harbor on the regional economy.

The principal commerce at the Harbor is shown in the adjacent map. The restaurants, hotels, boating services and retail operations all are part of or surround the nine full-service marinas comprising the Harbor.



The residential neighborhoods are located along Peninsula Drive and Harbor Blvd. There

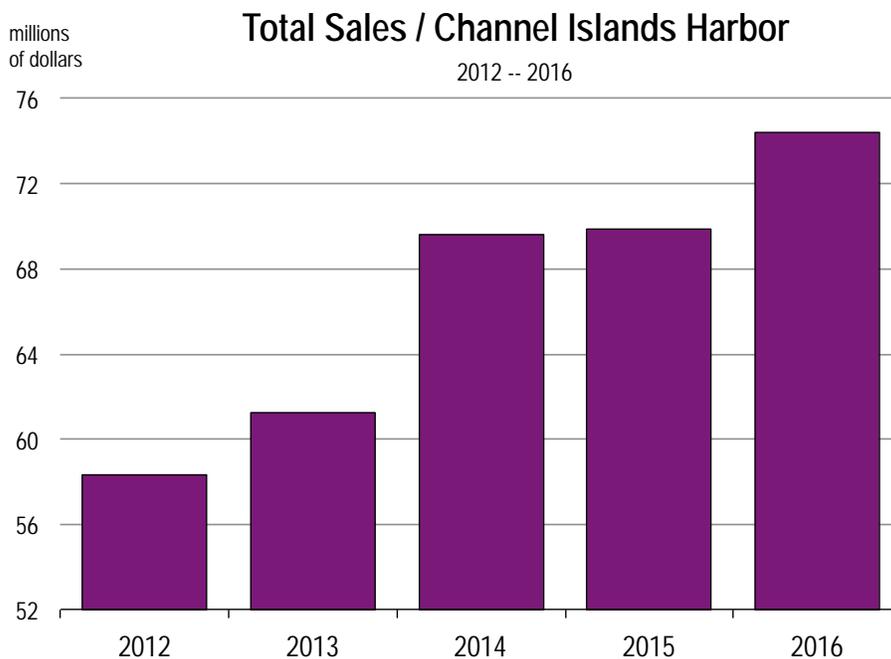
are a total of 605 residential units including 120 condo owners and 485 apartment renters. Housing accommodates a total resident population of approximately 1,300.¹ These households earn incomes and direct some of their expenditures within the Harbor community. Much of the rest of their expenditure occurs within Ventura County.

Economic Significance of Channel Islands Harbor

Direct Effect

The Channel Islands Harbor is the location of many visitor and resident serving businesses which generate a substantial amount of economic activity in the region.

In 2016, Harbor businesses reported \$74.4 million in direct sales of goods and services to visitors and residents of Ventura County. Furthermore, annual sales have been growing steadily over the last 5 years.

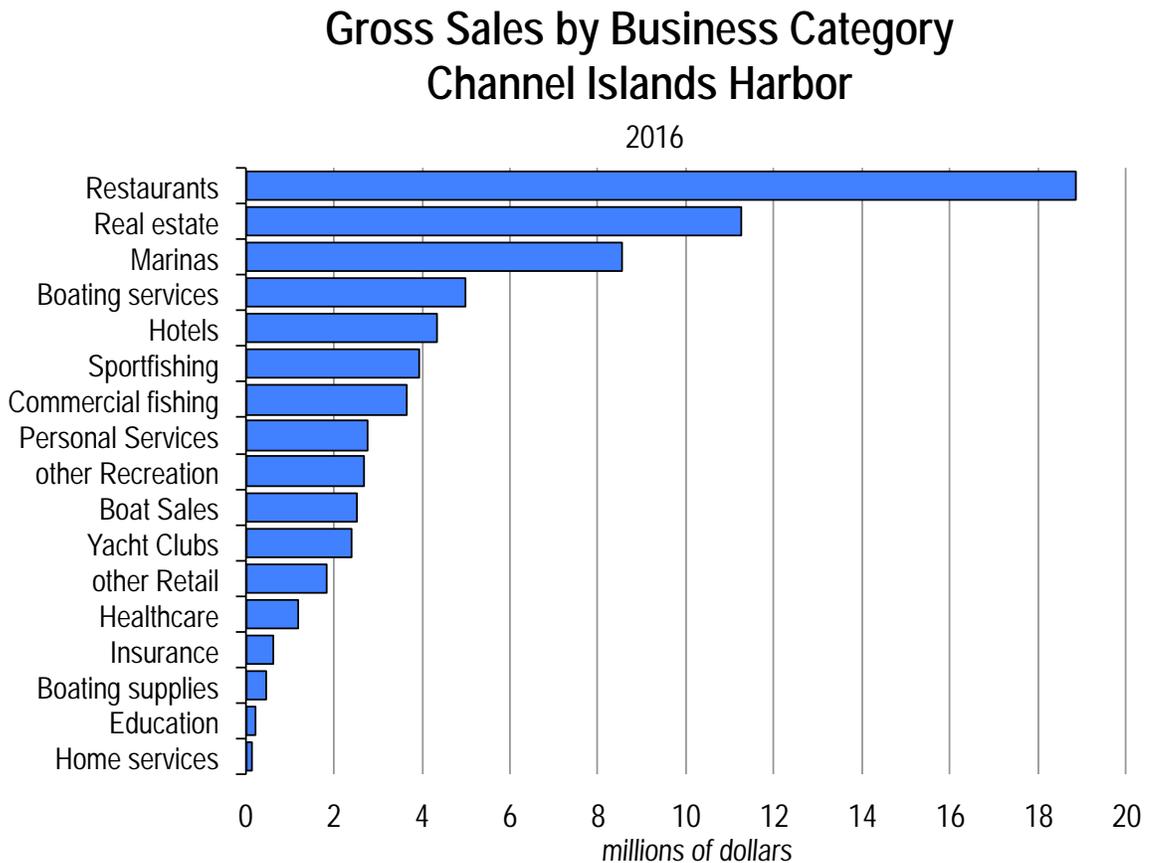


The most visual and apparent activity of the Harbor are the marinas, with more than 2,100 slips for the berthing of small boats and yachts. In 2016, the marinas were 70 percent full. Furthermore, the business activities which support the principal marine recreation activity for boat owners and visitors include **restaurants, shops, the yacht**

¹ In 2017, the occupancy rate for condos was 98% and for apartments, 94 percent. The average occupied household size in Oxnard is 3.5 persons. This puts the total estimated resident population of Channel Islands Harbor at 1,316 people.

clubs, the Maritime Museum, boating services, excursions and supplies, and the other visitor amenities.²

These businesses comprise a wide variety of establishments which help to create a rich, consumer-oriented experience that materially adds to the vitality of the principal beach and waterfront area for the City of Oxnard. In 2016, the \$74.4 million in direct sales by Harbor based businesses was facilitated with an employment base of 920 full-time equivalent jobs. This includes the full and part time employees at the Ventura County Harbor Department.



Harbor businesses were classified into 17 categories to evaluate where the key expenditure sectors are. The principal categories of business are:

Boat sales

² The business directory for the Harbor is presented at their website here:
<http://www.channelislandsharbor.org/visitorinformation/Harbor%20Business%20Directory%208.16.pdf>
 A list of Harbor businesses is also contained in Appendix A

Boating services
Boating supplies
Commercial fishing
Education
Home services
Hotels
Healthcare
Insurance
Marinas
Membership organizations (yacht clubs)
Personal services
Real estate services
other Recreation
Restaurants
other Retail
Sportfishing

Restaurants and food services account for the largest category of sales at the Harbor. Real estate services, principally the leasing and management of the apartments is the next largest economic activity. Marinas and boating services including the boatyards rank third and fourth.

Understanding the specific economic engines by industry enable a more meaningful estimation of the Harbor's impacts contributing to the greater Ventura County economy.

The real estate services, that is, the management of apartments and condominiums turns out to be a principal activity at the Harbor. Our analysis isolates this activity in order to evaluate the unique impact that housing located at the Harbor contributes to the broader County economy.

Taxes / Channel Islands Harbor Businesses and Housing

Economic activity at the Harbor including the owned and rental housing generate taxes collected by Federal, State, and Local (County, City, and Special District) organizations. Clearly, personal, corporate, and proprietor income produce taxes that principally are received by the U.S. Treasury. The State of California is also a recipient of taxes based on income.

The State of California is the principal beneficiary of sales and use taxes, and motor vehicle license fees.

The county and cities receive fines and fees (licenses, parking, traffic), a portion of the state sales tax, and they are the exclusive beneficiary of local property taxes.

Economic activity at the Harbor is estimated to produce the following **direct tax (and fee) receipts** by beneficiary:

<u>Tax</u>	<u>Federal</u>	<u>State</u>	<u>County/City</u>
	----- dollars -----		
Sales	0	1,436,744	214,439
Property	0	59,693	2,950,295
Income	3,597,691	1,089,781	0
Social Insurance	3,183,818	67,584	12,445
Motor Vehicle	0	73,263	0
Excise, Customs	602,104	0	0
Lodging & other fees	0	244,908	448,589
Total	7,383,613	2,972,003	3,625,767

Total direct taxes of Harbor operations including resident households at the Harbor sum to \$14.0 million. The lion's share of these taxes are for income taxes including payments towards the social insurance funds that includes Social Security and Medicare. Next is property tax with nearly \$3 million in tax receipts from both secured and unsecured assessed valuation. The City of Oxnard receives approximately 16.9 percent of total secured property tax receipts and a varying percentage of the unsecured tax receipts. The total for the 2016 year was \$279,150. The County general fund received \$609,055. Special districts, notably the schools, were recipients of the balance. In 2016, the direct transient occupancy tax (TOT) collections transferred to the City of Oxnard totaled \$372,725.

Indirect and Induced Effects

The direct effects are the stimulus to the economy from the demand by residents and visitors for good and services provided by all of the economic activities located at the Harbor. However, the indirect and induced effects occur as a result of these direct activities. Businesses need to purchase inputs from vendors in order to produce or provide the goods and services that residents and visitors directly purchase from them.

Therefore, vendors who provide goods and service inputs to Harbor businesses must hire workers to produce these inputs which are sold to Harbor businesses. Those sales are part of the indirect effect. And these hired workers at vendor firms as well as those directly employed by Harbor businesses earn wages and salaries that they use to purchase goods and services. These expenditures result in sales that are the induced effects.

Accounting for all rounds of indirect and induced impacts that occur as a result of the economic multiplier, an additional \$83.4 million of sales are generated as a result of the direct output effect (\$75.5 million in 2016). The two effects sum to \$158.9 million

The total employment impact as a result of the Harbor is estimated at 1,519 jobs created. For every 10 direct jobs at the Harbor, an additional 6 jobs are created elsewhere in the Ventura County economy.

Employment Impacts / Channel Islands Harbor

	<u>jobs</u>
Total Direct Jobs, Harbor Business	852
Total Direct Jobs, Apartments and Condos	68

Total Direct Employment	920
Indirect Impact	142
Induced Impact	456

Total Direct, Indirect, and Induced Employment	1,519

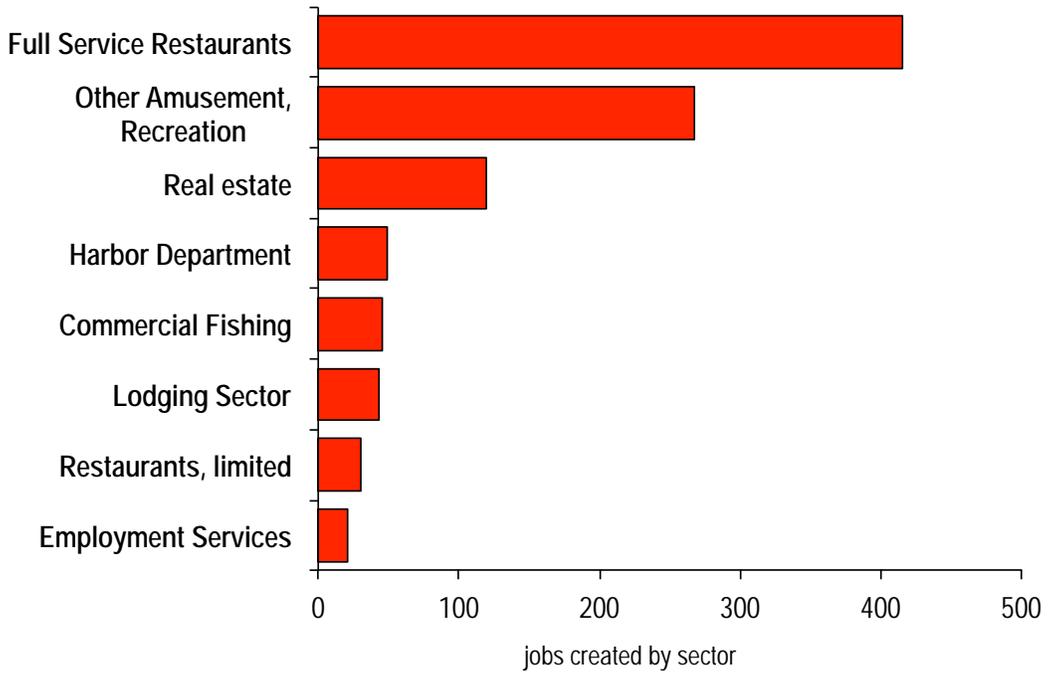
Output (\$ Sales) Impacts / Channel Islands Harbor

	<u>millions of dollars</u>
Total Direct Sales, Harbor Business	\$74.4
Adjustments for public sector	+ \$ 1.1

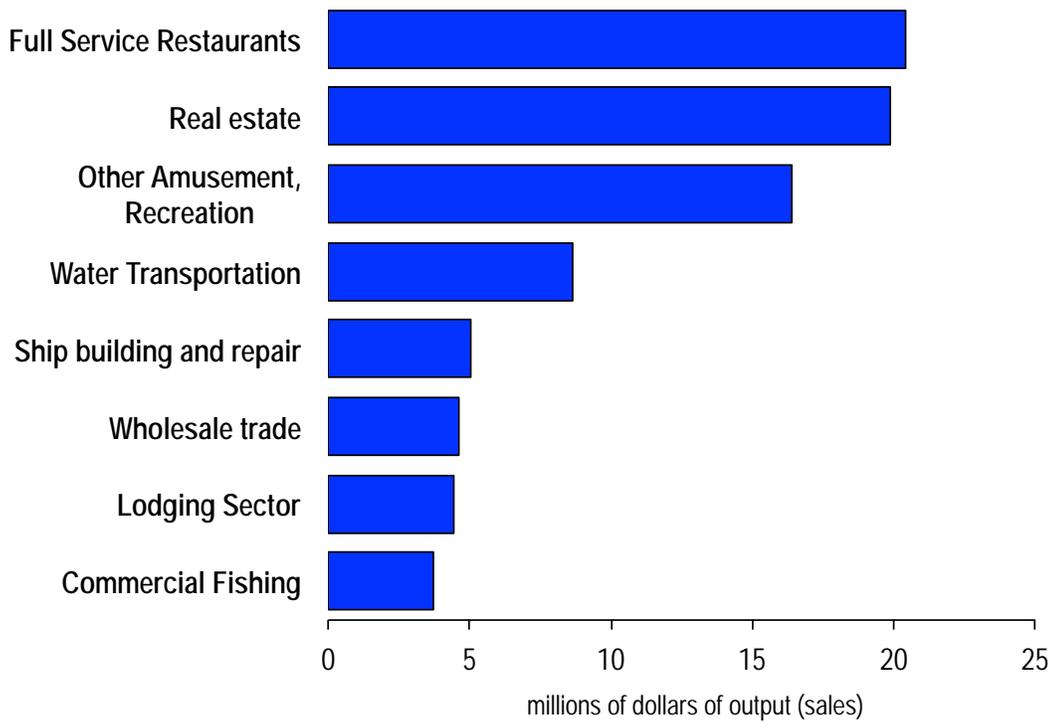
Total Direct Output	\$ 75.5
Indirect Impact	\$ 21.0
Induced Impact	\$ 62.4

Total Direct, Indirect, and Induced Employment	\$158.9

Employment Impacts / Top 8 Sectors Channel Islands Harbor



Output Impacts / Top 8 Sectors / Channel Islands Harbor



Short Summary of the Total Economic Impact of Channel Islands Harbor Operations on the Ventura County Economy

The Impact analysis was conducted so that the business side of the Harbor could be evaluated separately from the spending effects by Harbor households. Household spending does not account for any new direct jobs and therefore, no additional labor income. But housing does generate substantial additional spending by resident families which produces a substantial induced effect.

Harbor household spending is responsible for creating nearly 300 additional jobs in the Ventura County economy, \$12 million more in labor income, \$39 million more in sales, and about \$7 million more in total taxes.

	<u>Channel Islands Businesses</u>	<u>Channel Islands Harbor Businesses plus Households</u>
Total Direct Sales	\$ 76 million	\$ 76 million
Total Direct Employment	920 workers	920 workers
----- Impacts -----		
Total Jobs Created:	1,245	1,519
Total Labor Income:	\$ 45 million	\$ 57 million
Total Output (sales):	\$ 120 million	\$ 159 million
Total Federal Taxes:	\$ 11.4 million	\$ 14.8 million
Total State Taxes:	\$ 4.7 million	\$ 6.4 million
Total County/City Taxes:	\$ 1.9 million	\$ 3.9 million

The total output impact of the Channel Islands Harbor is \$159 million, with \$57 million going to worker payrolls and \$25.5 million going to Federal, State, and Local taxes. The composition of taxes by beneficiary is presented below.

Tax Impacts / Channel Islands Harbor Businesses and Housing

Harbor operations and households are estimated to produce \$25.5 million in taxes to Federal, State, County and City governments. The largest tax generated to Ventura County is clearly the property tax impact. There is the direct taxes paid by Harbor

businesses and households, and the indirect property taxes from household and business spending. Below is a summary of the total tax impacts.

<u>Tax</u>	<u>Federal</u>	<u>State</u>	<u>County/City</u>
	----- dollars -----		
Sales	0	3,286,160	490,460
Property	0	136,529	3,236,715
Income	7,491,318	2,182,556	0
Social Insurance	6,296,239	126,641	23,319
Motor Vehicle	0	155,768	0
Excise, Customs	1,046,601	0	0
Lodging & other fees	0	530,711	532,587
Total	14,834,158	6,418,363	4,283,081

Federal income taxes from households and corporations are the largest category of tax receipts, followed by Social Security taxes.

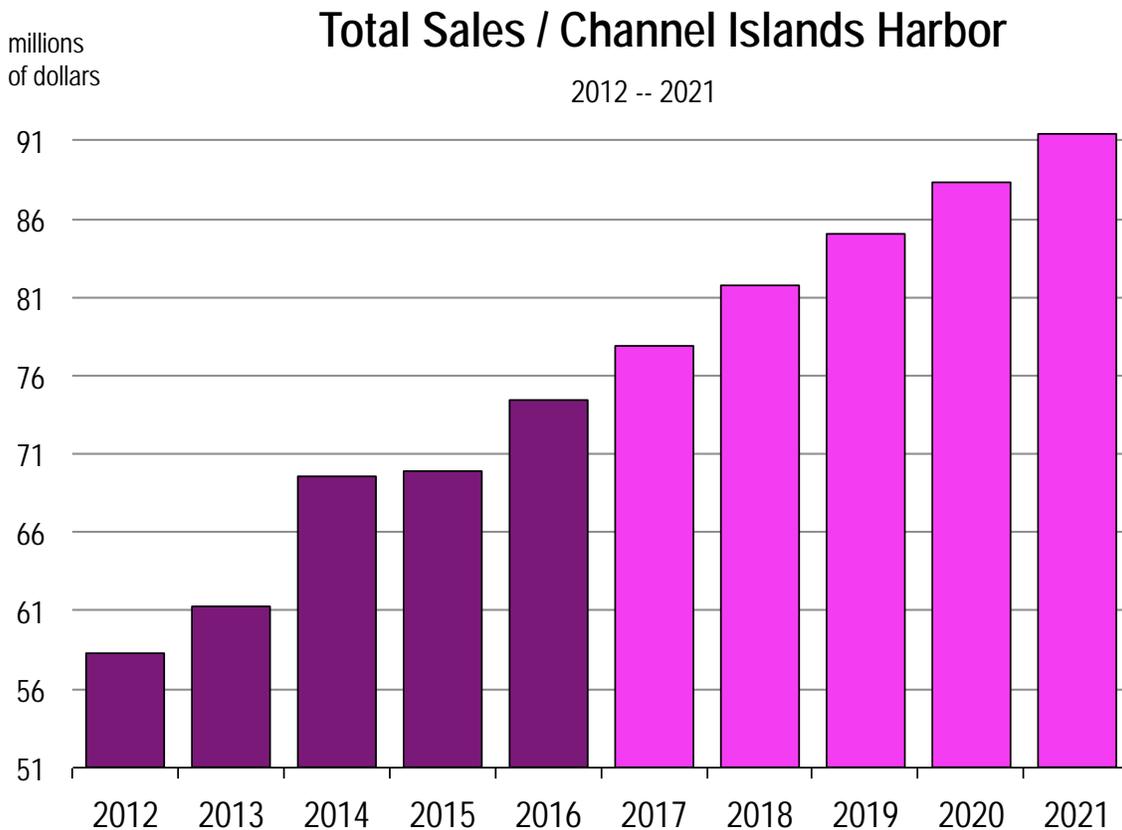
Taxable sales at the Harbor and as a result of its impacts generate nearly \$4 million annually, of which nearly a half million goes to Ventura County and the City of Oxnard.

Total direct, indirect, and induced taxes of Harbor operations including resident households at the Harbor sum to \$25.5 million.

Economic Potential of the Harbor: 2017 to 2021

The total value of goods and services (total output or sales) produced by Harbor businesses is expected to grow at a moderate pace over the next four years.

The annual compound rate of growth in sales from Harbor businesses was 6.3 percent between 2012 and 2016. Assuming a more conservative rate of growth that averages 4.2 percent per year over the next 5 years, the total market value of Harbor sales activity is on pace to reach \$92 million by 2021.



Forecast of total direct sales from all business activities at the Channel Islands Harbor; 2017 to 2021. Data for 2012 to 2016 are actual.

This forecast does not include the new development projects that will likely be operating at the Harbor by 2021 or 2022. Those projects are discussed and their effects are summarized below.

Impacts from New Development at the Harbor by 2021

The two large developments proposed for Channel Islands Harbor are the Casa Sirena replacement project, the construction of a new Hyatt Hotel and restaurant, and the Fisherman's Wharf project. Total construction dollars to finance these developments has been estimated at \$125 million.

The Hyatt House project will commence development in the third quarter of 2018. Fisherman's Wharf will tentatively commence in 2019 or 2020. For evaluating the extent of the impacts, we assume both projects are operational by 2021.

During construction, the projects employ an estimated 824 full time construction and construction-related workers at the Harbor. There is a one year construction period for the Hyatt House, and a presumed two year construction period for Fisherman’s Wharf. The 824 jobs create \$43.6 million in new labor income. The average salary per worker in constant 2017 dollars is \$52,900.

Counting the indirect and induced impacts of construction on the Ventura County economy, a total of 1,297 jobs and \$66.3 million in total labor income are attributed to the aggregate construction effort to development Fisherman’s Wharf and the Hyatt House. These are meaningful temporary economic impacts of new development for Ventura County.

When operational, these two new developments will account for 409 direct new jobs at the Harbor, and \$32.7 million in new output. The principal economic activity of the Fisherman’s Wharf project is the accommodation of 400 new families in apartments and their spending at the Harbor and in the greater Ventura County economy.

Taxes

The total tax implications of economic activity at the Harbor with new development projects completely operational are as follows:

Tax Receipts per Year (\$ millions)

<u>Beneficiary</u>	<u>Direct</u>	<u>Total</u>
Federal	\$10.5	\$21.2
State	\$ 4.5	\$ 9.4
County and Cities	\$ 7.5	\$ 8.7
Total	\$22.5	\$39.3

note: totals are slightly different from the sum of
beneficiaries due to rounding

2. The Economic Analysis of Harbors

At the Channel Islands Harbor the principal economic activities are clearly the marinas, the visitor and resident business services, fishing, and housing.

The **marina activity** includes recreational boats that are moored as well as transient recreational boating activity at the Harbor-owned marinas.

Real estate activity includes the apartment tenants and the condominium residents.

There are business offices, industrial-related operations and **visitor servicing businesses**, principally the restaurants and retail stores and services. There is a **farmer's market** and a **Maritime Museum**.

There is **commercial fishing** and **sportfishing**, but no fish processing or packaging for domestic or international distribution.

There is no **marine cargo** activity at this Harbor. That occurs at immediately adjacent Port of Hueneme.

There is no **cruise ship activity** at this Harbor. This occurs 31 miles to the north at the Santa Barbara Harbor.

Methodology for Determining Total Economic Impacts

This analysis uses the Impacts for Planning and Analysis (IMPLAN) v3.1 model (MIG, Inc, 2016) with Ventura County-level 2016 dataset as the baseline year for the analysis.

Implan is an economic input-output analysis which estimates the effects of exogenous changes in final demand within a specified geographic region (Ventura County). The model leverages a robust data set of national and regional economic accounts that document purchasing relationships between industries through multiple rounds of spending. The software also incorporates institutional demand and inter-institutional transfers which reflect purchases made by households and government agencies.

Economic impact studies attempt to measure the total economic impacts that an organization, or group of organizations, has on the local, state, and national economies. These include the direct, indirect, and induced effects that are generated.

For the Channel Islands Harbor, the direct effects are defined as the sales that are generated by the businesses at the Harbor, as well as the number of workers that these businesses employ. For example, the direct effects of a fishing company are the total

revenues it receives for selling its harvest, as well as the jobs it creates for fisherman, boat operators, and other types of workers needed to run its operation.

The indirect effects, on the other hand, are the result of *business* spending in organizations that are influenced by activity at the Harbor. For example, the seafood products that are created by a commercial fishery must be shipped to stores and restaurants, which creates jobs for trucking companies. These stores and restaurants must prepare and sell the fish, which generates jobs for butchers, chefs, waiters, and cashiers. These jobs, plus the revenue that these businesses receive, are known as the indirect effects.

The induced effects are the result of spending by *individuals* that are influenced by activity at the Harbor. The fishermen, boat operators, and other employees at the Harbor receive salaries, as do the truck drivers, butchers, and waiters of the outside businesses. When they spend these salaries in local establishments, they help to create additional economic activity. This results in still more sales and more jobs for the region, which are collectively known as the induced effects.

For this study, the economic impact analysis was performed by using an input-output model of the U.S. economy. These models are able to analyze industries with very precise levels of detail, and can track the flow of economic activity within the county, as well as across the nation. They use data that were compiled, prepared, and disseminated by the U.S. Bureau of Economic Analysis. The effects were measured with IMPLAN 3.0, an input-output software package.³

This report discusses the results of this analysis, and presents them by type of effect – direct, indirect, and induced – as well as by type of business.

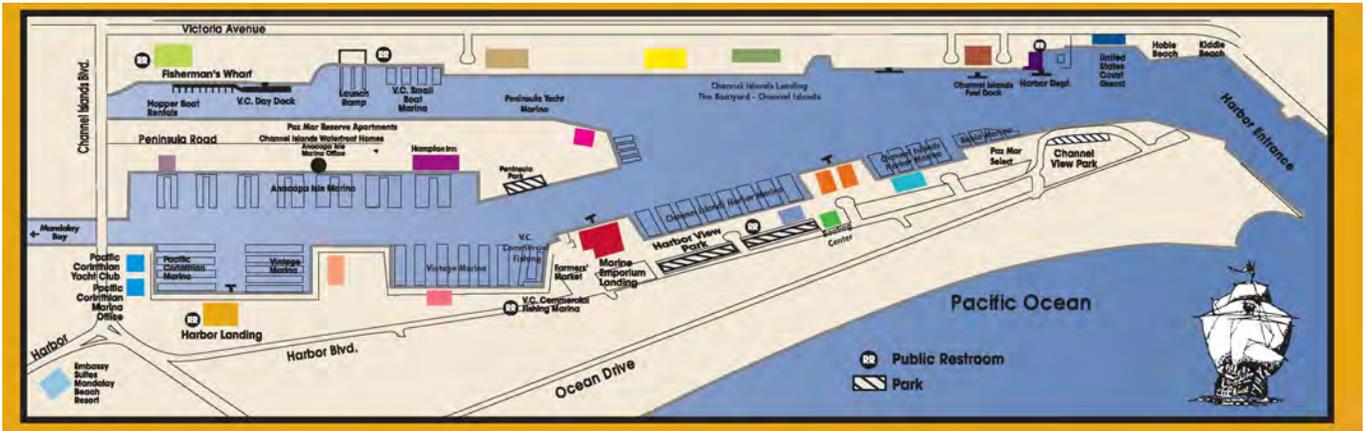
³ IMPLAN, LLC. The software (which models input-output economic methodology) used to evaluate the economic impacts of a firm, an industry, a project, or a composite of these events, is the leading version for this type of input-output methodology, and has been used ubiquitously over the last 35 years. Please see their experience list over here:

http://implan.com/index.php?option=com_content&view=article&id=871&Itemid=171

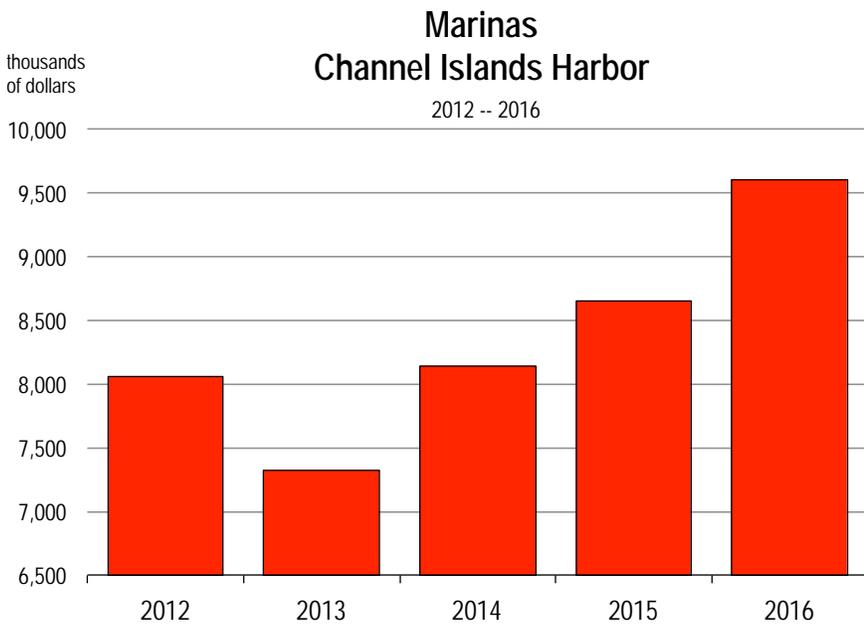
3. Main Activities at Channel Islands Harbor: Direct Effects

Marine Services

The marine services of the Harbor provide the foundation for all of the economic activities that are evaluated in this study. The Harbor brings boating enthusiasts together, creating recreation opportunities for both residents and visitors to Oxnard. This generates a customer base for the retail and dining organizations that operate within the Harbor.



There are nine full-service marinas at the Channel Islands Harbor, shown in the above map. (see enlargement at <http://www.channelislandsharbor.org/images/icons/CIH%20Map%207.2016.jpg>)

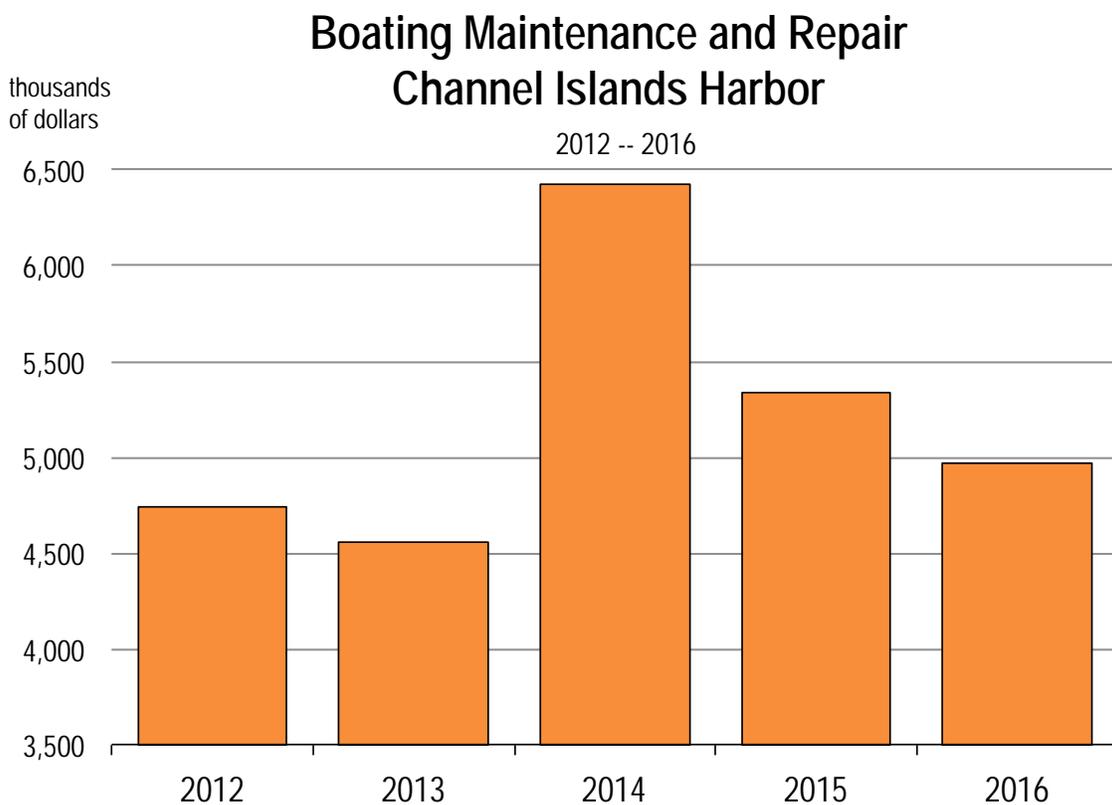


As the principal recreation Harbor in Ventura County, the marine business activities create economic opportunities that are the direct result of continued operation of all Harbor facilities and functions.

Marina slip rentals plus other fees for services and concessions exceeded \$9 million in 2016

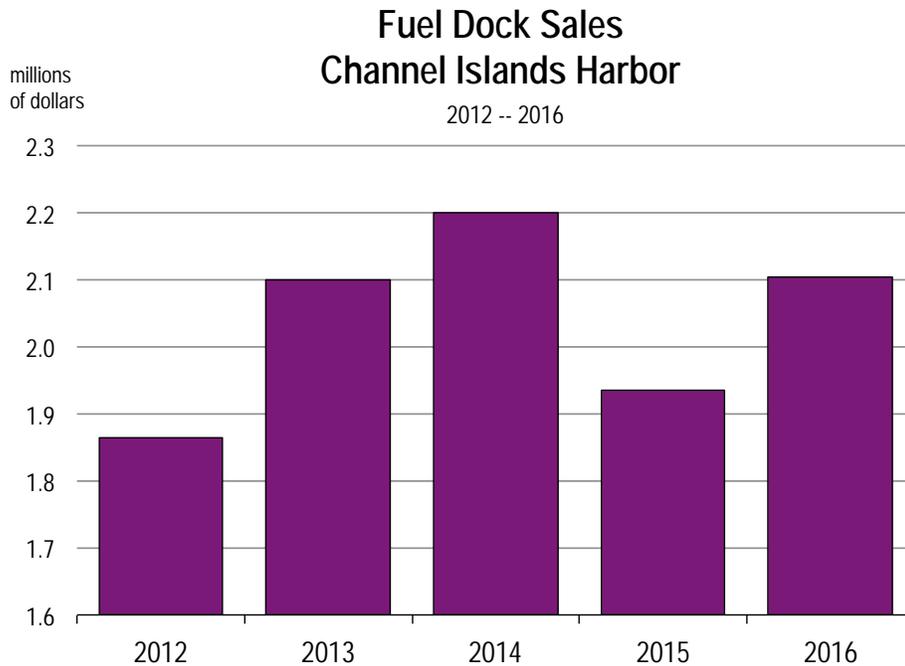
The marinas are the most visible activity at the Harbor. There are nine full-service marinas and 2,150 slips for permanent mooring of private watercraft and commercial boats. Boats docked at the marinas are principally used for recreation – primarily for leisure trips in the Santa Barbara Channel, to the Channel Islands, for recreational fishing activities, and for participation at the Yacht Clubs. Some, however, are used for commercial purposes, such as fishing and guided tours. Still others serve as the primary residences of families and individuals. In 2017, there were 74 individuals or households that lived aboard vessels within these marinas.

Boating maintenance and repair is provided by three companies which also berth vessels. The total estimated revenue in 2016 was \$5.0 million.



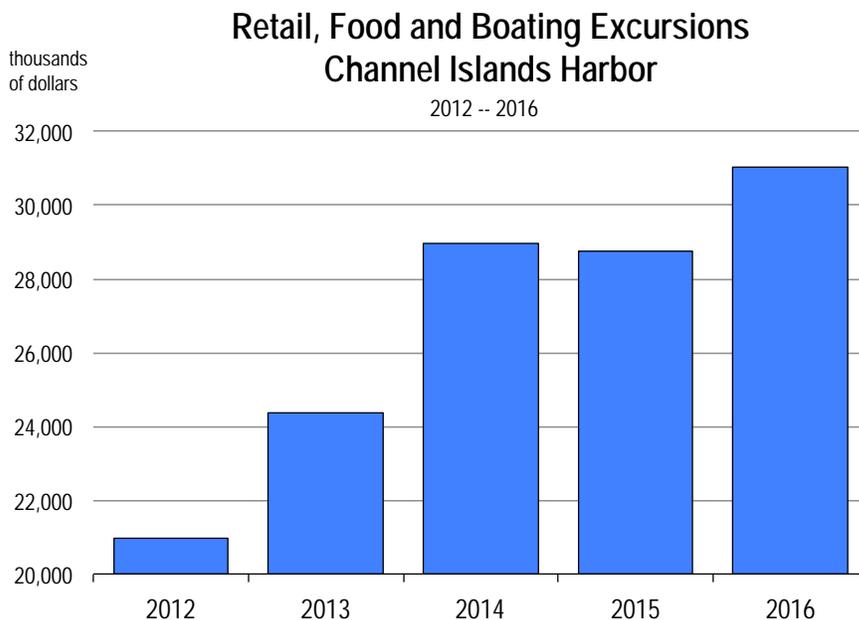
[Boat maintenance and repair revenues have declined in recent years but remain at \\$5 million annually](#)

Sea vessels typically run on marine diesel fuel. The Channel Islands Harbor Fuel Dock facility provides fuel to vessels that are docked at the Harbor, and to those traveling along the California coast. Sales of diesel fuel totaled \$2.1 million in 2016.



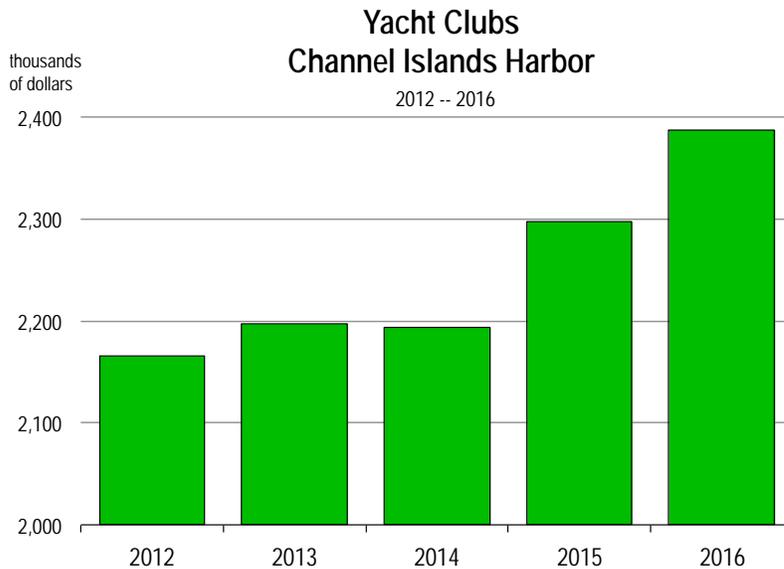
Other Principal Harbor Economic Activity

In addition to the marinas which lease slips and provide concessions to boaters, the Harbor is home to many retail businesses, visitor recreation services, and restaurants. This aggregate category of business activity is the largest in terms of revenue at the Harbor. In 2016, the retail and food operations, and the boating excursions and sports fishing accounted for \$31 million in sales.

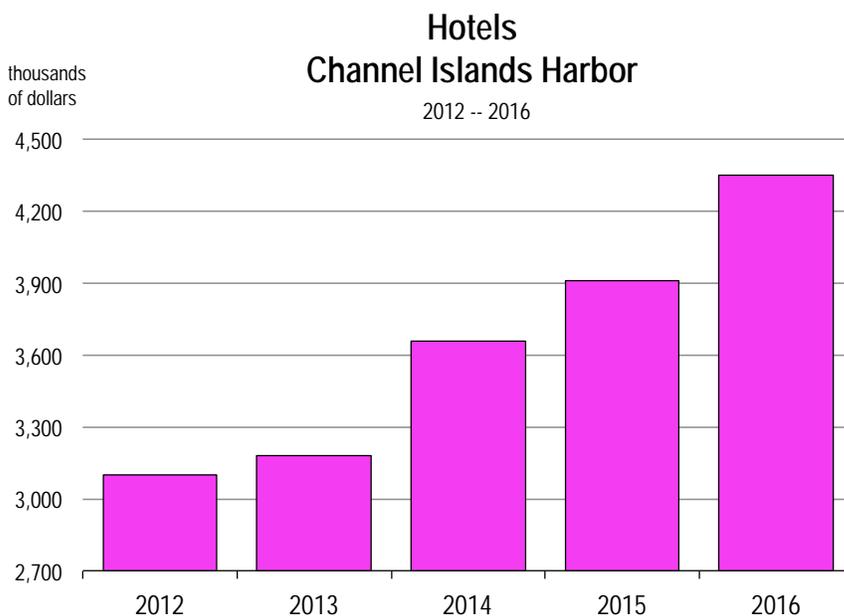


In 2016, there were 17 retail shops including boating supplies and sales, 16 restaurants, one food store, 14 shops offering personal services, and 13 companies providing entertainment or recreation. More than half of the tenants at the Harbor are in this broad economic category.

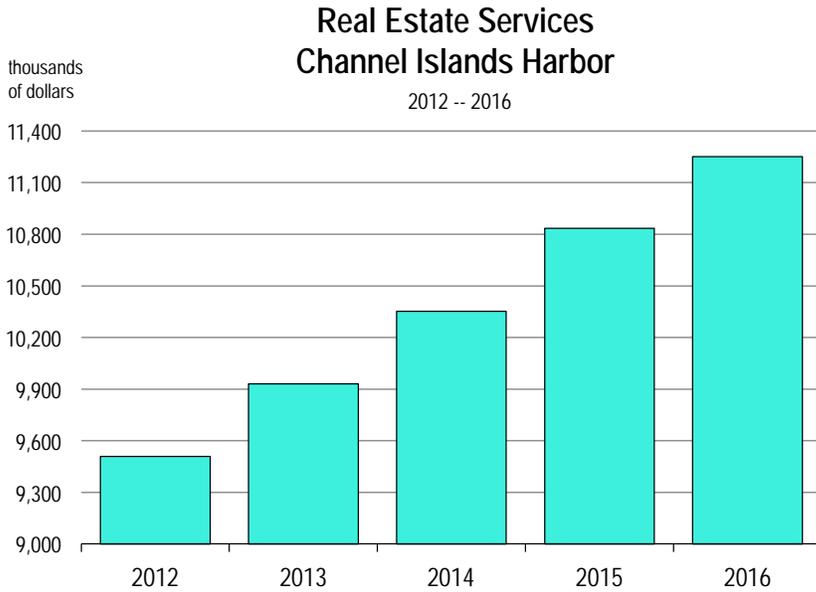
There are three yacht clubs that serve as a meeting place for boating enthusiasts, with an estimated 350 members.



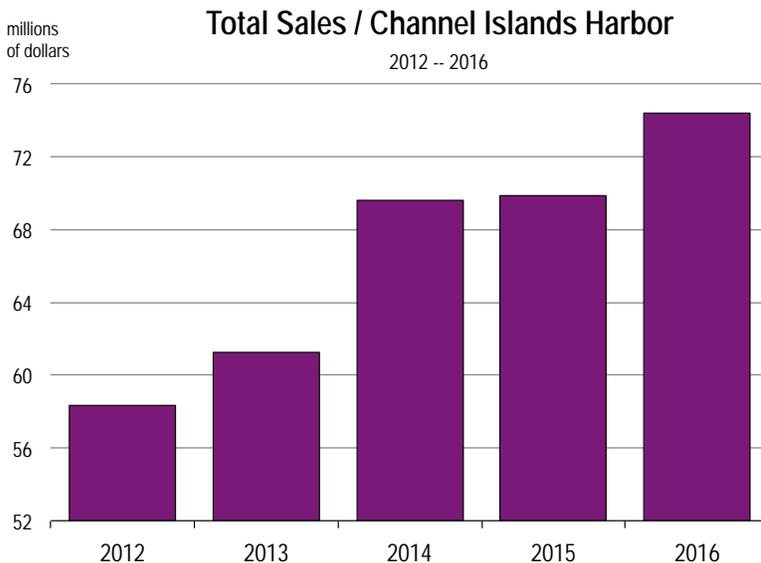
Hotels within the Harbor are responsible for over \$4 million in total room revenues annually.



Finally, there are the companies that provide housing maintenance, management, leasing and other services to the 120 condominiums and 485 apartment units located at Channel Islands Harbor. Total revenues generated by these companies for services exceeded \$11 million in 2016.



The total direct effect of the Channel Islands Harbor is estimated at \$74.4 million in sales. There is also the economic contribution of the Ventura County Harbor Department that employs 59 workers and \$4.2 million in total employee compensation per year.



Channel Islands Harbor Economic Activity: 2016				
NAICs	Sector	Industry Sales (\$)	FTE Employment	Employee Compensation (\$)
17	Commercial fishing	3,660,378	45	1,157,722
363	Ship building and repairing	4,973,374	21	1,173,322
396	Retail - Boating supplies / parts	582,185	3	48,048
402	Retail - Gasoline stores	2,103,627	3	83,162
404	Retail - Sporting goods	152,172	1	23,477
407	Retail - Nonstore retailers	1,011,880	9	117,701
410	Water transportation	8,526,749	10	1,009,641
440	Real estate	11,250,432	68	551,437
493	Museums	75,400	1	38,897
496	Other recreation industries	12,163,034	200	5,067,976
496	Sportsfishing & concessions	3,948,083	65	1,655,348
499	Hotels and motels	4,350,606	43	1,376,968
501	Full-service restaurants	18,875,770	387	9,076,142
502	Limited-service restaurants	348,201	4	81,528
515	Business and professional	2,387,662	12	639,981
533	Jobs, payroll Harbor Department *	2,898,384	49	4,175,149
Totals		77,307,937	920	26,276,499
Total without Harbor employees, payroll		74,409,553	871	22,101,350

* NAICs sector 533: Payroll of Harbor Department was converted into a private sector equivalent output for the purpose of estimating the indirect effects from the direct output effect presented here. The 59 full and part time employees were converted to 49 FTE employees.

In 2016, all business activities of the Channel Islands Harbor have directly created the equivalent of 920 full-time jobs. Direct sales have been growing at a healthy pace over time. A sharp increase in sales was recorded between 2013 and 2014 when total direct sales rose 13.7 percent. Since 2012, the average annual compound rate of growth in sales has been 6.3 percent.

The direct effects of the Harbor are derived from the direct activity of the Harbor.⁴

⁴ The only difference between direct sales activity and the direct effect occurs within the retail industries. The direct effects only consider the retail margins, or the portion of retail sales that remain in the County. The cost of inputs acquired for resale (from out of the County) are leakages and do not create downstream economic impacts within the jurisdiction of our analysis: Ventura County.

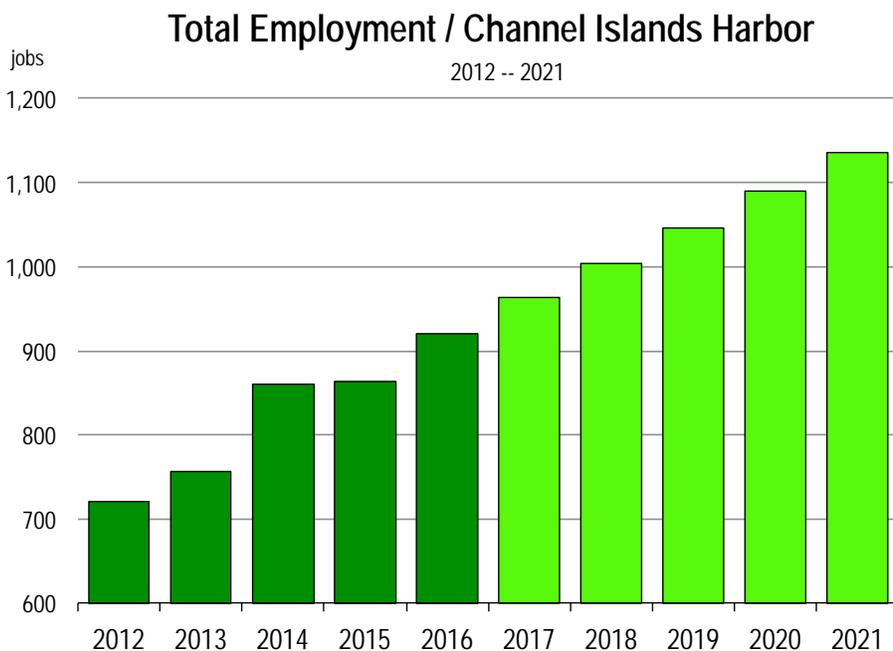
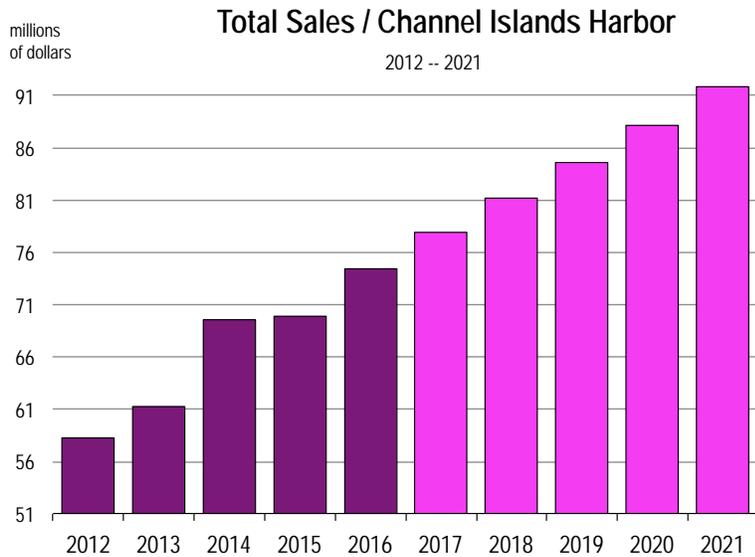
The accuracy of the direct effects are critical in the determination of the total economic impact, which is presented in the next chapter.

The direct effects are based on the information received from the Ventura County Harbor Department and our

own verification and validation of Harbor businesses, output per worker, and real estate values.

Based on the average rate of growth in Channel Islands Harbor business sales over the last 5 years, a forecast over the next 5 years can be produced. A lower rate of growth in output (or sales) is assumed, which in this case is 4.2 percent.

Total direct output of the Channel Islands Harbor will increase from \$74.4 million in 2016 to \$91.8 million in 2021. It is estimated that total direct employment will increase from 920 workers in 2016 to 1,136 by 2021.



4. Economic Impacts

How Impacts are Measured

Defining Direct, Induced and Indirect jobs

Direct jobs are those that would not exist if activity at the Harbor (boating, fishing, marinas, restaurants, shops, museum, and Yacht Clubs) were to cease.

Direct jobs created by marine services activity located at the Harbor are those jobs associated with firms that directly transport cargo to the Harbor, provide cargo handling services, provide vessel services, and provide goods and services to Harbor visitors and workers and adjacent residents.

Direct employees created by the Harbor operations include the jobs with the firms providing the direct vessel services – tugs, excursion boats, security firms, waste disposal firms, parking, local transportation--as well as the firms providing services to visitors--hotels, restaurants and shops. Also included are direct impacts generated by the marinas located at the Channel Islands Harbor as well as all other non-maritime related Harbor tenants.

Induced jobs are jobs created in the local area by the purchases of goods and services by those *individuals* directly employed by business activities located at the Harbor. These jobs are based on the local purchase patterns of local area residents.

The induced jobs are jobs at grocery stores, restaurants, health care providers, retail stores, local housing/construction industry, and transportation services, as well as with wholesalers providing the goods to the retailers.

Indirect jobs are created throughout the local area as the result of purchases for goods and services by the *firms* directly impacted by Harbor activity, including the firms providing services to commercial fishing and passenger boating operations, as well as the Harbor's non-cargo real estate tenants, the marinas, boat maintenance, and the non-profit tenants. The indirect jobs are measured based on actual local purchase patterns of the directly dependent firms, and occur with such industries as utilities, office supplies, contract service providers, maintenance and repair, insurance and construction.

Personal income

This impact consists of wages and salaries received by those directly employed by the Harbor's business activities, and includes a re-spending impact which measures the personal consumption activity in the local area of those directly employed as the result of the Harbor. Indirect personal income measures the wages and salaries received by those indirectly employed.

Business revenues

This impact consists of total business receipts by firms providing services in support of the Harbor activities, boating operations, marina tenants, fish processing tenants and miscellaneous real estate tenants. Purchases for goods and services made by the directly impacted firms are also measured. These local purchases by the dependent firms create the indirect impacts.

State and local taxes

This category includes taxes paid by individuals as well as firms dependent upon the Harbor's operations, the marina, fishing and all other onshore business activity.

Housing and Income in the Channel Islands Harbor

For assessing the impacts of the households located within the Channel Islands Harbor, it was necessary to determine average rent and average housing payments by renters and home-owners respectively. Knowledge of housing payments would enable us to estimate the distribution of income levels for renters and home owners in order to estimate approximate expenditure levels for each household. Expenditure levels are needed to estimate the impacts to the Ventura County economy associated with annual household spending.

The Channel Islands Harbor includes 574 on-land housing units, consisting of 456 occupied apartments and 118 occupied condos. Housing prices are relatively high, with a median apartment rent of \$1,761 per month, and a median condo price of \$365,000.⁵

Because of these high housing costs, residents of the Channel Islands Harbor tend to have high incomes. As of October 2017, a studio apartment could be rented for as low as \$1,290 per month. Assuming that rental costs account for no more than 35 percent of household income, the minimum qualifying income for such an apartment would be

⁵ Apartment rents and condo prices were determined with data from Zillow during October 2017.

\$44,229. The most expensive apartments were available for \$2,400 per month, and households living in these units would need an income of at least \$82,286.

Also as of October 2017, Channel Islands Harbor condos were listed for prices between \$298,700 and \$505,000, with a median price of \$365,000. The typical monthly payment for such units ranges from \$1,951 to \$2,936, requiring incomes between \$66,894 and \$100,663.⁶

The Channel Islands condos were constructed in 1974, and some of the current occupants have been living in these units for many years. Because long-term owners may have purchased their condos when housing prices were lower than they are today, these households could have incomes below today's minimum qualifying levels. Accounting for this, it is estimated that household incomes for all condo owners range from \$40,867 to \$100,663.⁷

There are also 74 households that live on boats that are docked at the Harbor. As of October 2017, liveaboard boats at the Channel Islands Harbor were listed for a median price of \$64,000, with a range of \$24,900 to \$1.8 million. For these vessels, monthly housing costs range from \$665 to \$9,862, requiring incomes that range from \$22,784 per year to \$338,121 per year.⁸

Across the Channel Islands Harbor, approximately 24 percent of households earn less than \$50,000, and 76 percent earn \$50,000 or more. By comparison, in neighboring Oxnard, only 61 percent of households earn more than \$50,000, while 39 percent earn less than \$50,000.

The 574 active households plus the 74 liveaboard households of the Channel Islands Harbor earn a combined total of \$42.2 million, with the majority coming from high-income households.

⁶ Monthly payments for condos include HOA fees of \$525 per month and property taxes of 1.1 percent, and assume a mortgage rate of 4.16 percent (the average mortgage rate for the first 10 months of 2017).

⁷ For details, see Appendix C.

⁸ Boat listings were obtained from <http://vintage-marina.com/channel-islands/#slip-rates>. Loan terms were obtained from <http://www.boatus.com/boat-loans/>.

Households in the Channel Islands Harbor		
Income Range	Number of Households	Total Income
Less than \$15,000	0	\$0
\$15,000 - \$29,999	26	\$576,346
\$30,000 - \$39,999	23	\$796,923
\$40,000 - \$49,999	106	\$4,750,525
\$50,000 - \$69,999	280	\$17,515,997
\$70,000 - \$99,999	209	\$17,809,453
\$100,000 - \$149,999	2	\$177,885
\$150,000 - \$199,999	1	\$249,038
\$200,000 or More	1	\$355,769
Total	648	\$42,231,937

Note: 648 represents 574 condos/apartments plus 74 liveboards

Total Impact Analysis

Estimating the Direct Impacts

This was the subject of the previous chapter.

Estimating the Indirect and Induced Impacts

The 920 directly employed individuals associated with business activities at the Channel Islands Harbor in 2016 received wages and salaries, a part of which was used to purchase local goods and services such as food, housing, clothing, transportation services, etc. As a result of these local purchases, **induced** jobs in the regional economy were supported.

The businesses in Oxnard and Ventura County that are impacted by spending from residents and businesses at the Harbor must hire 142 additional workers to accommodate this specific expenditure. These workers also produce induced effects in the regional economy, in the same way that directly employed workers at the Harbor produce induced impacts.

The 920 direct employees and the Harbor plus the 142 indirect workers at vendor businesses produce a total induced employment impact of 456 jobs.

The majority of the induced jobs created are with local and regional private sector social services, business services, educational services and state and local government agencies, followed by jobs in the food and restaurant sector, and then jobs in the construction and home furnishings sector.

The firms providing the direct goods and services and employing the 920 direct jobs make purchases for goods and services from their vendors that are used to produce their direct goods and services. These purchases by the firms' dependent upon the Channel Islands Harbor generate additional local jobs, called indirect jobs.

As a result of these indirect and induced purchases, 1,519 jobs in the economy are supported along with labor income or employee compensation plus income going to self-employed proprietors. Value added which is a composite of employment compensation, proprietor income, other property type income, and taxes on production for the intermediate inputs use to produce the final outputs (goods and services at the Harbor).

Economic Impact Summary			Channel Islands Harbor 2016	
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Effect	920	29,853,276	44,769,400	75,509,560
Indirect Effect	142	7,286,906	12,410,265	20,980,050
Induced Effect	456	20,215,915	37,442,736	62,410,277
Total Effect	1,519	57,356,096	94,622,401	158,899,887
Total Indirect and induced	599	27,502,821	49,853,001	83,390,327
multiplier	1.65	1.92	2.11	2.10

Output represents the value of total industry production. For retail operations, output is equal to gross margins and not gross sales.

With job creation there is the attendant creation of income. Total worker income produced from all effects sums to \$57.4 million. Total sales (or the value of total output from all activities at the Harbor) sums to \$158.9 million.

The amount of new or additional value that is created by Ventura County businesses as a direct result of Channel Islands Harbor operations is \$94.6 million. This is value added, or the additional output generated as a result of the multiplier associated with Channel Islands Harbor economic activity.

Value added is typically the remuneration to workers, to contractors, and payments to landlords. It also includes taxes paid by the firm to State, Federal and Local governments, and it includes company net income or retained earnings.⁹

The resulting multiplier or the ratio of the total effect to the direct effect is 1.65 for jobs, 1.9 for labor compensation, 2.1 for value added, and 2.1 for output. For every dollar in direct sales that Harbor located firms report, an additional \$1.10 in sales is created elsewhere in the Ventura County economy.¹⁰

Based on the study results presented here, in the absence of the Channel Islands Harbor, the County economy would lose \$160 million in sales, 1,519 jobs, and \$ 57.4 million in income to workers holding those jobs.

Employment

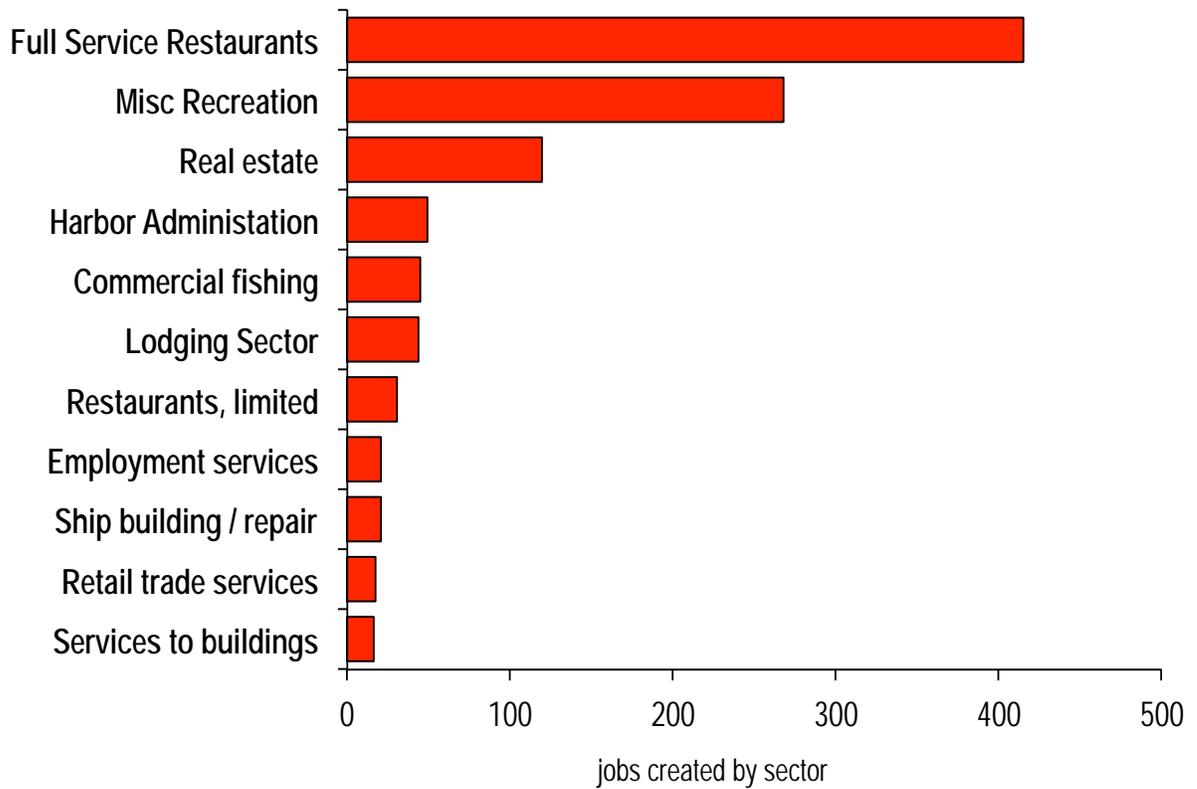
Employment is measured in terms of full time equivalent jobs. A total of 1,519 jobs are created countywide due to business activity at the Harbor. The average salary is \$37,521 per worker for all jobs created as a result of the economic activity at the Harbor.

The principal sectors (the top 50) in which jobs are being created as a result of the Harbor are presented below. The table presents jobs created as a result of the direct effect, the indirect effect, and induced effect. It then presents the sum of these effects, or the total employment impact of the Channel Islands Harbor in Ventura County.

⁹ The sum of all value added in an economy would yield the gross product of that economy. The sum of all value added in the U.S. economy yields gross domestic product.

¹⁰ The impact results derived in this study are very close to the results obtained in the economic impacts analysis of the Ventura Harbor, conducted in 2012. In that study, the employment multiplier was 1.7, and the output multiplier was 2.2. See "The Economic Impact of the Ventura Harbor on the Ventura County and National Economies."

Employment Impacts / Top 10 Sectors Channel Islands Harbor



Employment					
-----Employment Impacts -----					
Sector	Description	Direct	Indirect	Induced	Total
501	Full-service restaurants	387	3	25	415
496	Misc. amusement and recreation	265	0	3	268
440	Real estate	68	24	28	120
533	Employment and Payrolls Harbor Dept	49	-	-	49
17	Commercial fishing	45	0	0	45
499	Hotels and motels	43	0	0	43
502	Limited-service restaurants	4	2	25	31
464	Employment services	-	13	8	21
363	Ship building and repairing	21	0	0	21
407	Retail - Nonstore retailers	9	0	9	18
468	Services to buildings	-	9	8	17
395	Wholesale trade	-	6	11	17
475	Offices of physicians	-	-	16	16
485	Individual and family services	-	-	16	16
482	Hospitals	-	-	15	15
400	Retail - Food and beverage stores	-	0	15	15
405	Retail - General merchandise stores	-	0	14	14
503	All other food and drinking places	-	2	12	13
436	Other financial investment activities	-	2	11	13
515	Business and professional associations	12	0	0	13
410	Water transportation	10	0	0	10
396	Retail - Motor vehicle and parts dealers	3	0	7	9
62	Maintenance and repair construction	-	6	3	9
509	Personal care services	-	-	9	9
403	Retail - Clothing and clothing accessories.	-	1	8	9
504	Automotive repair and maintenance	-	1	8	9
480	Home health care services	-	-	8	8
433	Financial institutions	-	2	6	8
469	Landscape and horticultural services	-	4	4	8
406	Retail - Miscellaneous store retailers	-	1	7	8
438	Insurance agencies, brokerage	-	2	6	8
483	Nursing and community care facilities	-	-	8	8
474	Other educational services	-	1	7	8
448	Accounting, tax preparation, bookkeeping	-	4	3	7
477	Offices of other health practitioners	-	-	7	7
476	Offices of dentists	-	-	7	7
512	Other personal services	-	1	6	7
434	Nondepository credit intermediation	-	2	4	7
517	Private households	-	-	6	6
513	Religious organizations	-	-	6	6
399	Retail - Building materials, garden equip	-	1	5	6
401	Retail - Health and personal care stores	-	1	5	5
447	Legal services	-	2	4	5
454	Management consulting services	-	3	2	5
449	Architectural, engineering, and related	-	3	2	5
404	Retail - Sporting goods	1	0	4	5
402	Retail - Gasoline stores	3	0	2	5
460	Marketing research and all other misc	-	2	2	5
465	Business support services	-	3	2	5
437	Insurance carriers	-	1	3	4

Total Output

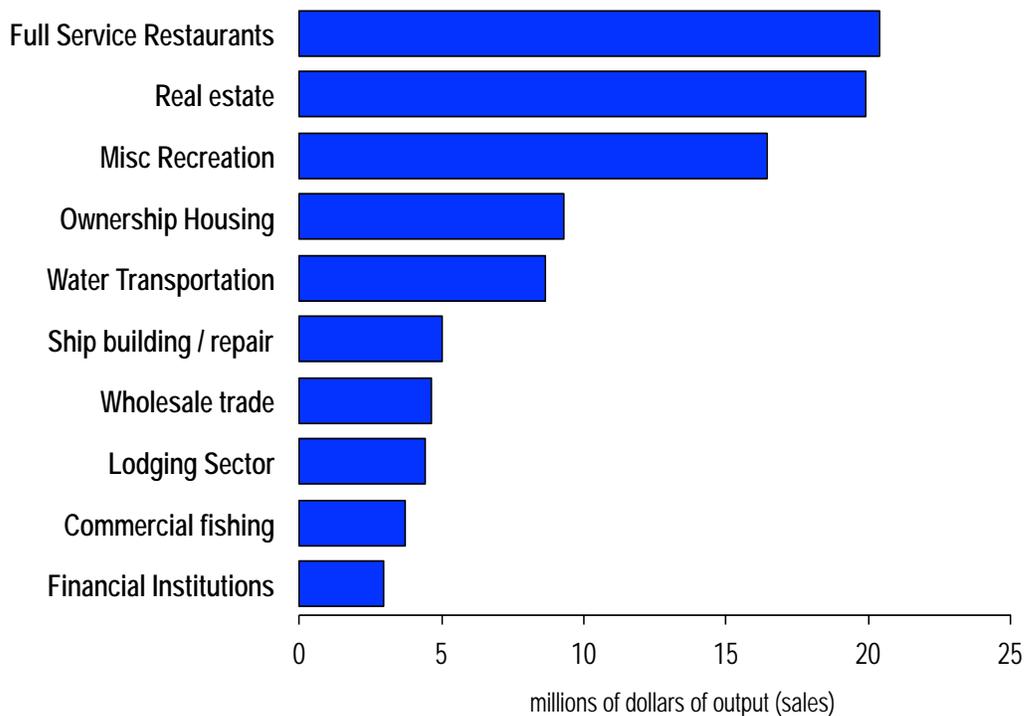
Output represents the value of industry production for the year. For makers of goods this includes the change in the value of inventories. For services, this includes the value of sales. For retailers and wholesalers, this includes the gross margins on sales and not gross sales.

The total value of output, or the sales effect that remains in the local Ventura County economy is \$159 million. The principal sectors for which the value output increases as a result of the Harbor are Restaurants, Real Estate, Recreation, Water Transportation, and owner-occupied housing.

The Real Estate output is the payment of rent by tenants in the apartments, the maintenance services, and the leasing services rendered by real estate management companies.

Owner-occupied housing is entirely an induced impact. Wages, salaries, and self employment income earned from direct Harbor economic activity provides income for families to purchase housing in the Ventura County economy.

Output Impacts / Top 10 Sectors / Channel Islands Harbor



Total Output (local sales)		----- Output Impacts -----			
Sector	Description	Direct (\$)	Indirect (\$)	Induced (\$)	Total (\$)
501	Full-service restaurants	19,015,785	146,856	1,227,345	20,389,986
440	Real estate	11,344,711	3,918,722	4,614,865	19,878,298
496	Other amusement and recreation	16,239,635	12,903	160,427	16,412,965
441	Owner-occupied dwellings	-	-	9,285,764	9,285,764
410	Water transportation	8,612,863	1,368	9,024	8,623,255
363	Ship building and repairing	5,006,801	20,887	24	5,027,712
395	Wholesale trade	-	1,611,592	3,028,736	4,640,328
499	Hotels and motels	4,382,394	15,111	19,483	4,416,987
17	Commercial fishing	3,689,312	10,090	1,395	3,700,797
433	Financial Institutions	-	703,600	2,287,408	2,991,009
533	Employment and Payrolls Harbor Dept	2,898,384	-	-	2,898,384
502	Limited-service restaurants	350,784	157,074	2,183,512	2,691,370
482	Hospitals	-	-	2,657,142	2,657,142
515	Business and professional associations	2,404,906	13,114	48,801	2,466,821
437	Insurance carriers	-	607,196	1,615,547	2,222,743
475	Offices of physicians	-	-	2,083,563	2,083,563
407	Retail - Nonstore retailers	1,014,796	39,516	1,004,615	2,058,927
428	Wireless telecommunications	-	414,098	1,331,752	1,745,850
436	Other financial investment activities	-	194,462	1,466,891	1,661,353
464	Employment services	-	985,508	588,628	1,574,136
62	Maintenance and repair construction	-	998,805	450,039	1,448,844
438	Insurance agencies, brokerages	-	391,189	1,033,030	1,424,219
400	Retail - Food and beverage stores	-	5,468	1,149,860	1,155,329
434	Nondepository credit intermediatio	-	384,637	761,204	1,145,841
49	Electric power transmission and dist	-	606,507	536,861	1,143,368
405	Retail - General merchandise stores	-	25,559	1,081,990	1,107,549
427	Wired telecommunications carriers	-	284,876	820,304	1,105,181
396	Retail - Motor vehicle and parts dealers	146,336	14,695	910,836	1,071,868
513	Religious organizations	-	-	1,019,873	1,019,873
504	Automotive repair and maintenance	-	112,454	845,595	958,049
439	Funds, trusts, and other financial vehicles	-	11,175	880,734	891,909
526	Other local government enterprises	-	276,317	579,271	855,587
461	Mgmt of companies and enterprises	-	579,995	265,398	845,393
447	Legal services	-	236,178	578,206	814,385
449	Architectural, engineering	-	495,382	309,997	805,379
476	Offices of dentists	-	-	795,319	795,319
471	Waste management and remediation	-	613,516	163,449	776,965
403	Retail - Clothing	-	54,694	647,599	702,293
468	Services to buildings	-	366,714	330,092	696,806
399	Retail - Building material garden equip	-	59,559	556,268	615,827
477	Offices of other health practitioners	-	-	603,377	603,377
414	Scenic and sightseeing transportation	-	463,909	123,276	587,185
454	Management consulting services	-	304,318	261,845	566,164
63	Maintenance and repair const	-	109,685	437,262	546,946
503	All other food and drinking places	-	62,583	476,574	539,157
448	Accounting, tax preparation, bookkeeping	-	283,865	250,562	534,427
411	Truck transportation	-	174,217	353,162	527,379
457	Advertising, public relations	-	329,407	197,743	527,150
483	Nursing and community care facilities	-	-	525,480	525,480
401	Retail - Health and personal care stores	-	52,906	453,834	506,740

5. Economic Impact Summary

Direct Impact

The Harbor berths 2,150 vessels, mostly for recreation. It is the home to 93 businesses and 605 housing units which accommodate a resident population of nearly 1,400 persons. The businesses serve both residents of and visitors to Ventura County.

Business activity at the Channel Islands Harbor generated \$74.4 million in direct business activity sales in 2016. Total annual business grows an average of 4 to 6 percent per year.

The total number of workers employed by business activity at the Harbor is 920.

Total direct labor income is \$29.9 million, and the average salary per worker is \$32,449.

Total Economic Impact

Businesses and other organizations located at the Harbor make expenditures on goods, materials, supplies, services, and labor to produce their final goods and services demanded by local residents and visitors to the Harbor. These expenditures generate additional indirect and induced impacts in Ventura County and ultimately, the entire nation.

The total value of output or sales is estimated at \$158.9 million in 2016. This total economic impacts includes the direct impact, plus the indirect and induced impacts. The 2016 level of dollar valued output will rise to an estimated \$196 million by 2021.

The employment multiplier is 1.65. The 920 jobs directly associated with business located at the Harbor or as a result of visitor expenditure are augmented by an additional 599 jobs created in the broader Ventura County economy. The indirect and induced jobs produce an additional \$27.5 million in payroll dollars to workers.

Significant tax impacts are produced by Harbor business activity. Tax payments by businesses, households and workers are estimated at more than \$10.7 million per year to California and Local jurisdictions of Ventura County, and \$14.8 million per year to the Federal government.

6. New Developments for Channel Islands Harbor

Project Descriptions

Fisherman's Wharf

The mixed use project was approved by the Board of Supervisors in June of 2016. It features 400 apartment units, 36,000 square feet of new retail, restaurant, and office space, a 1,000 foot promenade and a one acre park at the eastern side of the Harbor.

When the project begins construction, estimated sometime for the first quarter of 2020, the period of build-out is estimated at 24 months, with a total construction cost of \$100 million.



The apartments are planned to accommodate higher income individuals and families. The average monthly rental rate for the apartments is estimated at \$1,950 (in constant 2018 dollars). It is further assumed, that the units will be 98 percent occupied.¹¹

A total of 19,700 square feet of new restaurant space is planned, along with 13,100 square feet of general visitor serving retail space, and 3,300 square feet of office space.



¹¹ At this writing (May 2018), the average apartment vacancy rate in the Oxnard-Port Hueneme area is 2.47 percent, according to the latest Dyer-Sheehan Rental Market Survey of Ventura County

It is estimated that the retail and restaurant activity will generate \$14 million in additional sales annually. On a per square foot basis, the sales estimate is slightly on the higher side of the average retail sales per square foot nationwide, but not unrealistic for a captive market like the Harbor and with specialty restaurant space accounting for most of the square footage.

The Hyatt House Project

The old Casa Sirena property will be replaced by a new 206 room hotel and 5,400 square foot restaurant. The project is scheduled to begin construction in September of 2018 and be completed in one year, or by the Fall of 2019. Sixty full and part-time employees will operate and maintain the hotel. The expected annual employment payroll is \$2 million.



The hotel pro forma assumes that the property will average a 95 percent occupancy rate during the year, with an average nightly room rate of \$160.¹² Given the lack of transient accommodations in the Harbor area, a higher occupancy rate can be achieved, especially with the Fisherman's Wharf project on the way that will broaden the visitor

¹² According to the California Lodging Report at Visit California, the average nightly room rate for all transient lodging in Ventura County during calendar 2017 was \$137. A new property with a 3 or 4 star rating adjacent to the beach would be able to generate a higher average daily room rate. Source: <https://industry.visitcalifornia.com/en/Research/ResearchTrends>

experience at the Harbor. The new hotel is expected to produce \$11.428 million in annual revenue.

The accompanying restaurant is expected to have annual sales of \$1.75 million, or \$324 per square foot, which is well within the range of industry standards.¹³ A total of 43 full and part-time workers are estimated to operate the restaurant. The employment payroll per year is \$569,600.

The Economic Impact with Harbor Expansion During Construction and During Operation

During Construction

These two projects are projected to move forward at the Harbor and should commence construction and be completed in 2 to 4 years.

The construction cost is estimated at \$25 million for the Casa Sirena replacement project. The construction period is one year. For the Fisherman's Wharf project, the total construction cost for the development of the apartment units, the promenade, an acre park, commercial space, and significant site stabilization infrastructure, are estimated at \$100 million, including demolition.

In 2017, the average cost to build a single apartment in Ventura County was \$158,000.¹⁴ Consequently, the entire apartment project of 400 units is expected to cost approximately \$63.2 million.

The 36,000 square feet of commercial space has been estimated with a development cost of \$5.8 million, based on industry standard costs for developing retail and restaurant space. The public park, the promenade and extensive site stabilization will add another \$31 million.

¹³ See: Restaurant Benchmarks, at the following website:

<http://info.bloomintelligence.com/hubfs/Miscellaneous%20Downloads/Restaurant%20Benchmarks.pdf>

Also: <https://www.rewardsnetwork.com/blog/calculate-much-money-new-restaurant-might-make/>

¹⁴ Based on average construction value for apartment units in structures with at least five units, as reported by the Construction Industry Research Board.

Direct Effects of New Development / Channel Islands Harbor

The direct effects of these two new developments are summarized below.

Fisherman's Wharf	Total Cost (\$ millions)	Employment (jobs)	Payroll (\$ millions)
New Multi-family Structures	63.2	324	13.5
Commercial structures, promenade	27.8	233	11.3
Infrastructure, Stabilization, Parks	9.0	83	3.6
Hyatt House & Restaurant			
Hotel and Restaurant	25.0	184	8.9

Total	125.0	824	37.3

Over the course of the two projects, 824 construction workers will be utilized in the development from demolition to infrastructure and site stabilization to completion of the hotel, the apartments, the commercial area, the promenade and the public park.

In addition to construction payrolls, \$6.3 million in contractor costs will add to the total labor income which rises to \$43.6 million.

Indirect and Induced Effects

The construction activity will produce large economic impacts in Ventura County principally through the employment of hundreds of construction workers and the purchase of construction supplies and materials.

An additional 217 jobs are created during the construction period from the development projects as vendors and other contractors provide labor and goods and services towards the new construction effort. Total output (or sales) that is created from the indirect effect is just less than \$30 million.

Construction workers and contractors in the County earn \$43.6 million in compensation which goes directly to household incomes. Household incomes are spent on local goods and services. This is the induced effect that the construction activity creates. An additional 256 jobs can be attributed to the induced spending by construction worker

households. This spending results in another \$35 million in total output or sales in the local economy.

Together, the indirect and induced effects augment the direct sales impact by \$64.5 million which represents a meaningful boost to the general economic activity from the development of two major projects at the Harbor.

	<u>Employment</u>	<u>Labor Income</u>	<u>Total output</u>
	<i>jobs</i>	<i>----- \$ millions -----</i>	
Direct Effect	824	43.6	123.8
Indirect Effect	217	11.4	29.6
Induced Effect	256	11.3	34.9

Total Effect	1,297	66.3	188.3

The employment multiplier is 1.57 during construction. The output multiplier is 1.52. Consequently, local construction actions at the Harbor are producing total economic activity that is 1.5 to 1.6 times the direct activity.

The Economic Impact of the Harbor with New Development Complete

Now assume both the Fisherman’s Wharf and the Hyatt House projects are completed. How does this augment the general economic impact of the Harbor that was previously estimated and presented in Chapter 4 and summarized in Chapter 5?

Total Harbor economic activity from these two developments will increase because there will be additional retail, restaurant, lodging, and residential spending at the Harbor.

Commercial space increases to 41,400 square feet, featuring a restaurant at the hotel, full and partial service restaurants at Fisherman’s Wharf, and additional retail space at Fisherman’s Wharf.

There are an additional 206 transient lodging rooms which will accommodate an additional 57,232 visitor nights per year, and generate an estimated \$127,000 in sales taxes and \$1.2 million in transient occupancy taxes (TOT) per year.

Finally, the principal activity at Fisherman’s Wharf—400 new apartments—will generate an estimated \$9.2 million per year in rents. 392 new households will also be spending a portion of their income on other goods and services within the Harbor but more

importantly, within Ventura County on food, transportation, healthcare, personal services, education, and general retail goods.¹⁵

The primary activities of new development are:

- Hotel use by recreation visitors and business travelers
- Retail and restaurant goods and services by visitors and residents
- Real estate payments by apartment renters
- Other local expenditures by new apartment households

The Spending Impacts from the new apartment households

For the 400 apartments, the median rent is expected to be \$1,950 per month, with a distribution range of \$1,750 to \$2,450 per month depending on the size and location of the unit.

Rental costs account for no more than 35 percent of household income, based on industry standards for income levels needed to finance rental housing. Therefore, households that occupy these apartments will require a minimum annual income of \$60,000.

With an expected annual average occupancy rate of 98 percent, the apartments accommodate 392 households. Two thirds of these households are expected to have incomes between \$50,000 and \$70,000, and the remaining third is expected to have incomes between \$70,000 and \$100,000.

In total, resident families of the apartment units earn an estimated \$26.8 million in annual income. Expenditure from this income in the Ventura County economy is part of the total economic impact of Fisherman's Wharf. It is estimated that the local expenditure from new apartment residents is \$17.4 million, representing about 65 percent of total household income earned by new apartment residents.

The \$17.4 million in additional expenditure creates the same amount of output in Ventura County. This level of output supports another 125 jobs generating another \$5.6 million in total labor income.

Most of this local household expenditure goes to real estate (rent), healthcare, automobile maintenance, insurance, wholesale and retail trade, full service restaurants, other food, and personal services.

¹⁵ It is assumed that the apartment complex will average 98 percent occupancy during the year; consequently, $0.98 \cdot 400 = 392$ households with annual expenditure potential in Ventura County.

The augmented economic impact of the two new developments represents a substantial boost over the current economic impact of the Harbor.

Impact Type	Employment	Labor Income	Output
	---- jobs -----	----- dollars -----	
Direct Effect	409	11,888,328	32,697,680
Induced Effect	196	8,709,413	26,967,107
Indirect Effect	61	3,179,354	9,041,545
Total Effect	665	23,777,096	68,706,333

Additional Direct and Indirect/Induced Effects

New development at the Harbor creates another 665 jobs in Ventura County, of which 409 are direct new hires at the hotel, at the new retail and restaurant establishments and within the apartment management company. The estimate for the total output or sales increment to the Ventura County economy is \$68.7 million.

Here is the principal distribution of the impact (the top 20 sectors) ranked by the size of the impact on total dollar output in Ventura County:

Sector	Industry	Employment	Labor Income	Average Salary per worker	Output or Sales
		-- jobs --	----- dollars -----		
1	Hotels	112.0	3,867,799	34,524	11,443,377
2	Restaurants	210.5	5,168,948.8	24,561	10,734,492
3	Auto repair, rental, maintenance	39.2	2,301,892.0	58,724	9,773,984
4	Retail Trade (Food, goods, vehi	114.4	2,624,420.3	22,947	5,896,344
5	Real estate	21.5	547,696	25,449	3,570,929
6	Healthcare	22.9	1,731,232.2	75,470	2,861,980
7	Banking and Lending	7.4	637,873.1	86,086	2,034,980
8	Wholesale trade	6.9	673,690	97,418	1,921,187
9	other financial activities	5.5	79,221	14,325	715,720
10	Insurance	3.8	230,342	61,034	662,350
11	Maintenance and repair constru	3.4	175,771	51,816	543,302
12	Employment services	6.5	266,750	40,883	490,399
13	Religious organizations	2.7	121,706	45,289	449,707
14	Services to buildings	6.8	168,142	24,774	282,931
15	Retail - Building materials	2.6	108,397	41,603	272,954
16	Accounting, tax preparation	3.1	131,274	42,402	223,926
17	Individual and family services	6.6	139,416	20,996	206,684
18	Landscaping services	3.3	96,815	28,966	185,062
19	Personal care services	3.9	116,516	30,127	165,009
20	Nursing and community care	2.5	91,843	37,208	163,046

Tax Impacts

With the operation of Fisherman's Wharf and the Hyatt House, the estimates for taxes going to Federal, State and Local beneficiaries are presented below. The tax consequences of the new developments at the Harbor are substantial, generating nearly \$14 million in new tax receipts.

	Direct	Indirect/Induced	Total	
----- thousands of dollars -----				
Federal				
Payroll	1,363	1,282	2,645	
Gas & Import	258	259	518	
Corporate income	444	589	1,034	
Household Income	1,080	1,089	2,169	----

Total	3,146	3,220	6,366	
State				
Sales Taxes	811	814	1,625	
Property taxes	34	34	68	
Motor Vehicle, other	125	126	252	
Corporate Income	86	107	194	
Household Income	422	425	848	

Total	1,480	1,506	2,986	
County & Cities				
Sales Taxes	129	129	258	
Property taxes	2,363	297	2660	
Transient taxes	1,371	37	1408	
Other fees & taxes	22	24	46	

Total	3,885	487	4,372	
Grand Total	8,511	5,213	13,724	

7. Aggregate Summary for the Channel Islands Harbor Existing Economic Impact + New Development Impact

Summary

When the existing Channel Islands Harbor operation is combined with the future new development impact of the Fisherman's Wharf and the Casa Sirena replacement projects, the total economic effect of the Harbor increases by 61 percent.

The direct effect of the Harbor in 2021 or 2022 will range from \$120 to \$130 million in total output, accounting for approximately 1,330 jobs.

The value of today's output and impact, and the future output impact of new development are estimated at \$227.6 million. However, in 5 years, or by 2021 when the projects are completed, the direct base output will have increased to \$92 million and the total base output to \$196 million. With an additional \$68.7 million in output produced as a result of new development, the total economic impact is \$265 million.

Summary of Direct and Total Effects of the Harbor on the Ventura County Economy Output and Employment

	actual <u>2016</u>	estimated <u>2018</u>	forecast <u>2021</u>	2016-2021 percent <u>change</u>
Direct Output (\$ millions)				
Base Case	74.4	81.2	91.8	23.4
With New Development	74.4	81.2	124.5	67.3
Total Output (\$ millions)				
Base Case	158.9	166.3	187.3	17.9
With New Development	158.9	166.3	265.0	61.1
Direct Employment (jobs)				
Base Case	920	1,004	1,136	23.5
With New Development	920	1,004	1,540	67.4
Total Employment (jobs)				
Base Case	1,519	1,657	1,875	23.4
With New Development	1,519	1,657	2,532	66.7

Employment impacts increase from 1,519 jobs in 2016 to 2,532 in 2021 when the new development projects are in full operation.

Total Taxes

The new development projects produce a meaningful and significant economic boost to the overall impact of the Channel Islands Harbor on the Ventura County economy. And when the Channel Islands Harbor is operating with Fisherman's Wharf and the Hyatt Hotel, total direct taxes are expected to be \$22.5 million annually:

DIRECT TAX IMPACTS (\$ thousands)

	<u>Income Related</u>	<u>Sales</u>	<u>Property</u>	<u>Other*</u>	<u>Total</u>
Federal	9,668	0	0	862	10,530
State	1,666	2,248	94	444	4,452
County and City	0	343	5,313	1,866	7,522
Total	11,334	2,591	5,407	3,172	22,504

The tax implications only increase when the indirect and induced effects of Channel Islands Harbor economic activity are included in the analysis. The total tax impact of the Harbor with new development fully operational is expected to be \$39 million annually:

TOTAL TAX IMPACTS (\$ thousands)

	<u>Income Related</u>	<u>Sales</u>	<u>Property</u>	<u>Other*</u>	<u>Total</u>
Federal	19,635	0	0	1,565	21,200
State	3,361	4,911	205	927	9,404
County and City	0	748	5,897	2,010	8,655
Total	22,996	5,659	6,102	4,502	39,259

* transient occupancy taxes are the principal taxes in this 'other' category for the County and City

References

Data provided by Channel Islands Harbor on the population of tenants by sector, annual lease payments, apartments, condos, marinas and occupancy, yacht clubs, fuel dock and concessions, and all recreation and visitor activities.

Economic Impacts of the Port of Los Angeles, Martin Associates, 1 Wheatland Avenue, Suite 203, Lancaster, PA 17603, August 2007

IMPLAN Group LLC. 2017. IMPLAN Pro Version 3.0, user's guide. Huntersville, North Carolina

"The Economic Impact of the Ventura Harbor on the Ventura County and National Economies," a report prepared for The Ventura Port District, by The California Economic Forecast, July 12, 2012.

Appendix A: Channel Islands Harbor Businesses, 2016

Business	Type
Channel Islands Villas, LP	apartment management
Peninsula Yacht Anchorage (Bahia Cabrillo Marina)	marina
Channel Islands Harbor Marina	marina
Channel Islands Yacht Club	membership organization
Peninsula Yacht Anchorage (Lobster Trap & Casa Marinas)	boating services
Casa Sirena Hotel & Restaurant	hotel
Hampton Inn of Channel Islands	hotel
Channel Islands Homeowners Assn	real estate
Topper's Restaurant	restaurant
Anacapa Isle Marina	marina
Marina Sailing Office	recreation
Peninsula Yacht Sailing Office	Boat sales
Marine Emporium Landing	
A&M Boat Charter & Cruises	recreation
Acme Security	security systems
Anacapa Chiropractic	medical
Antoinette Designs	home services
Bella Mar Day Spa and Salon	personal services
Buenger Enterprises/Commercial Wharf	real estate
Buenger Golden Rod Dehumidifiers	boating supplies
CA League of Professional Baseball, Inc.	recreation
Channel Islands Kayak Center	recreation
Corinthian Yacht & Ship Brokerage	boat sales
Dr. Folmsbee	medical
Hollywood Beach Fitness	recreation
Honey Cup Coffee Shop	restaurant
Hook's Landing	recreation-sportfishing
Island Packers Corp	boating services
Marina Sailing	recreation
Mariner's Mail Stop	personal services
Ventura Jet Ski Rentals/Miller Investments (dba California Jet Skis)	recreation

Moqueca Brazilian Cuisine	restaurant
NRCS	government
Owen & Associates (CPAs)	personal services
Rare Earth Real Estate	real estate
REMAX Gold Coast	real estate
Sea Fresh Seafood	restaurant
Six-Pack Dive Charters (Derek Dotson)- Dragon Fly Charters	recreation
Sotheby's Susan O'Brien & Stan Weiner	Real estate
Strata Ent. (Fisherman's Wharf)	
Troy Palmquist Real Estate	real estate
Waterside Restaurant & Wine Bar	restaurant
Whale's Tail Restaurant, Inc - VACANT	restaurant
Ventura County Maritime Museum	recreation
Channel Islands Boating Center	Education
Prime Peninsula, LP Parcel LM-1, LM-2, LM-3 Land	apartment management
Web Service Co., Inc. (Laundromat)	personal services
Peninsula Yacht Anchorage - Oxnard Marinas (Villa Sirena I & II, Anchorage Waterfront Marinas)	marina
TBYCI, LLC	boatyard
Anacapa Marine Services (aka Anacapa Boatyard, LLC)	boating services including repair
Vintage Marina	marina
Central Coast Electric Boats	boat sales
Executive Yacht Sales	boat sales
Pilates Influence	recreation
Seacoast of Channel Islands, LLC	boat sales
Harbor Landing	
Anacapa Yacht Club, Inc.	membership organization
Cryo Wellness	personal services
Edge Fitness Club	recreation
Fang Wang Wedding Dresses	clothing shop
American Estate & Trust	personal services
Fisherman's House	restaurant

Harbor Mart Deli & Wines	food store
Harbor Nails	personal services
Japanese Restaurant	restaurant
Mrs. Olson's Café	restaurant
Nexus Energy Systems, Inc.	home services
Shear View Hair Salon	personal services
St. John the Baptist Coptic Orthodox Church	personal services
Sushi Restaurant	restaurant
The Italian Job Café (aka Just Watch)	restaurant
The Lookout	restaurant
Pacific Corinthian Marina	marina
Manizza, D. - Insurance Agency	insurance
Pacific Corinthian Yacht Club	membership organization
Fisherman's Wharf	
American Tall Ship Institute	education
Channel Islands Psychic	personal services
David Gerber Law Offices	legal services
David Goodman & Associates	personal services
Elite Theater	recreation
Fred Vance Farmers Insurance	insurance
H.C. Seafood & Co.	restaurant
Lisa Kelly Art Studio	art sales
Lonnie Jarvis dba Marine Hardware Store	boating supply sales
Missy's Cupcake Creations	restaurant
Silver Strand Salon LLC	personal services
Spudnuts	restaurant
Studio Gallery	shopping
The WAXX Spot	personal services
VCCCD/Oxnard College Marine Education	education
The Lookout	restaurant

Appendix B: Methodology

Direct effects or impacts are measured at the firm level of detail, and aggregated into larger categories of business to develop the total impacts for each of the principal sectors of business activity located at the Harbor.

Recall that in the Introduction (on page 3), that the measurement of the total impact of an economic activity is the sum of the direct impacts, the indirect impacts, and the induced impacts.

The direct effects were presented in the previous chapter. The indirect impact is the spending on capital, labor, and materials by vendor firms who supply products and services to the firms located at the Harbor. The indirect impacts are estimated based on the local purchases by the firms that are directly dependent on the Harbor, combined with indirect job, income and revenue coefficients for the supplying industries located nationwide as developed by the IMPLAN Regional Input/Output Modeling System.¹⁶

The induced impact is the re-spending of income on goods and services by the workers of Harbor based firms. The induced impact is based on the current expenditure profile of U.S. residents, as estimated by the U.S. Bureau of Labor Statistics, "Consumer Expenditure Survey."

The survey indicates the distribution of consumer expenditures over key consumption categories for residents and visitors. The consumption categories are:

- Housing;
- Food at Restaurants;
- Food at Home;
- Entertainment;
- Health Care;
- Home Furnishings; and
- Transportation Equipment and Services.

The estimated consumption expenditure generated as a result of the re-spending impact is distributed across these consumption categories. Associated with each consumption

¹⁶ IMPLAN Group LLC 2014. Huntersville, NC, (651) 439-4421. The creators of IMPLAN provide a complete economic assessment model system including data and software. IMPLAN Pro Version 3.0 is the most recent software version used to evaluate economic impacts. The software simplifies the economic input/output methodology providing economic resolution from the National level down to the ZIP Code level. For details, please see their website: www.implan.com.

category is the relevant retail and wholesale industry. Jobs to sales ratios in each industry are then computed for Ventura County, and induced jobs are estimated for the relevant consumption categories. Induced jobs are estimated for all industries.

Economic Impact Models

The impacts are measured for calendar year 2017. A computer model for the aggregate of business activity at Channel Islands Harbor was developed to test the sensitivity of the impacts. It should be noted that this study is designed to provide a framework which Channel Islands Harbor can use in formulating and guiding the future development of Harbor facilities.

Appendix C: Determination of House Payments and Rents

The Channel Islands Harbor condos were built in 1974. This analysis assumes that all were occupied by the end of 1974, and units were re-sold at an average interval of 9 years.

This can be visualized matrix format, with the horizontal axis signifying the year that a condo was purchased, and the vertical axis signifying the number of owners that remain in units that were purchased in each year.

It was then necessary to determine median prices for Channel Islands Harbor condos for each year between 1974 to 2016. To do so, prices were indexed to the median price for homes across Ventura County. Using average mortgage rates, and adjusting current HOA fees for inflation, the estimated home prices were used to calculate typical monthly payments. Assuming housing costs are equal to 35 percent of household income, the minimum qualifying income was determined to be \$7,735 in 1974. Adjusted for inflation, this value would be equal to \$40,986 today.

Combining the ownership matrix with estimates for minimum qualifying incomes, a distribution of incomes can be determined for current condo owners in the Channel Islands Harbor. As stated in the report, this range spans the values between \$40,867 and \$100,663.

It is estimated that 11.4 percent of owners have incomes between \$40,000 and \$49,999, that 41.1 percent of owners have incomes between \$50,000 and \$69,999, and that 47.5 percent of owners have incomes between \$70,000 and \$100,000.

Because this analysis uses only minimum qualifying incomes, it is likely that some households earn even more than the figures identified in this study. Therefore, these figures should be considered to be conservative.

Condo Ownership Matrix

Owners Remaining in Year	Year Condo was Purchased																							
	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
1974	118	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1975	107	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1976	98	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1977	89	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1978	81	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1979	74	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1980	67	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1981	61	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1982	55	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1983	50	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1984	46	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-
1985	42	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-
1986	38	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-
1987	35	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-
1988	32	3	4	4	4	5	5	6	7	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-
1989	29	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-
1990	26	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-
1991	24	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-
1992	22	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-
1993	20	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-
1994	18	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-
1995	16	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-
1996	15	2	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-
1997	13	1	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-
1998	12	1	1	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11
1999	11	1	1	1	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10
2000	10	1	1	1	1	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2001	9	1	1	1	1	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2002	8	1	1	1	1	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2003	8	1	1	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2004	7	1	1	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2005	6	1	1	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2006	6	1	1	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2007	5	1	1	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2008	5	0	1	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2009	4	0	0	1	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2010	4	0	0	0	1	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2011	4	0	0	0	0	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2012	3	0	0	0	0	1	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2013	3	0	0	0	0	0	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2014	3	0	0	0	0	0	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2015	2	0	0	0	0	0	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2016	2	0	0	0	0	0	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10
2017	2	0	0	0	0	0	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	9	10

Condo Ownership Matrix, continued

Owners Remaining 1 Year	Year Condo was Purchased																				
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
974	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
975	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
977	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
978	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
979	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
981	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
983	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
984	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
985	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
986	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
987	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
988	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
989	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
990	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
991	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
992	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
993	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
994	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
996	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
997	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
998	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
999	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1000	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1001	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1002	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1003	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1004	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-	-
1005	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-	-
1006	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-	-
1007	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-	-
1008	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-	-
1009	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-	-
1010	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-	-
1011	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-	-
1012	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-	-
1013	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-	-
1014	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-	-
1015	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-	-
1016	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11	-
1017	2	2	2	2	2	3	3	3	4	4	4	5	5	6	6	7	8	8	9	10	11

Home Prices and Household Income

Year	Ventura County Median Home Price	Channel Islands Harbor Median Condo Price	Average Mortgage Rate	Monthly Mortgage Payment	Monthly Property Taxes	Monthly HOA Fees	Total Monthly Payments	Minimum Annual Qualifying Income	Minimum Annual Qualifying Income, Adjusted for Inflation
1974	\$58,910	\$17,444	9.19%	\$111	\$16	\$99	\$226	\$7,735	\$40,986
1975	\$65,456	\$19,383	9.05%	\$121	\$18	\$110	\$249	\$8,526	\$40,867
1976	\$72,729	\$21,536	8.87%	\$133	\$20	\$117	\$269	\$9,232	\$41,533
1977	\$80,810	\$23,929	8.85%	\$147	\$22	\$125	\$294	\$10,084	\$42,405
1978	\$89,789	\$26,588	9.64%	\$175	\$24	\$134	\$333	\$11,423	\$44,756
1979	\$99,765	\$29,542	11.20%	\$219	\$27	\$149	\$395	\$13,531	\$47,835
1980	\$114,542	\$34,679	13.74%	\$306	\$32	\$172	\$509	\$17,464	\$53,337
1981	\$134,450	\$41,974	16.64%	\$438	\$38	\$189	\$665	\$22,796	\$63,461
1982	\$128,918	\$40,315	16.04%	\$407	\$37	\$200	\$644	\$22,075	\$57,982
1983	\$131,744	\$41,219	13.24%	\$352	\$38	\$203	\$593	\$20,335	\$52,481
1984	\$123,332	\$38,745	13.88%	\$345	\$36	\$213	\$593	\$20,324	\$50,158
1985	\$130,746	\$41,223	12.43%	\$333	\$38	\$223	\$594	\$20,359	\$48,031
1986	\$144,767	\$46,175	10.19%	\$317	\$42	\$230	\$589	\$20,206	\$46,155
1987	\$159,651	\$51,466	10.21%	\$354	\$47	\$240	\$641	\$21,971	\$48,150
1988	\$206,162	\$72,623	10.34%	\$505	\$67	\$251	\$822	\$28,180	\$59,029
1989	\$248,160	\$91,202	10.32%	\$633	\$84	\$263	\$980	\$33,594	\$66,968
1990	\$237,123	\$87,319	10.13%	\$597	\$80	\$279	\$956	\$32,777	\$61,682
1991	\$231,057	\$85,141	9.25%	\$542	\$78	\$290	\$911	\$31,221	\$56,441
1992	\$222,918	\$82,244	8.39%	\$487	\$75	\$301	\$863	\$29,586	\$51,620
1993	\$211,705	\$78,305	7.31%	\$420	\$72	\$309	\$800	\$27,438	\$46,691
1994	\$206,484	\$76,420	8.38%	\$452	\$70	\$313	\$835	\$28,614	\$48,034
1995	\$199,747	\$74,006	7.93%	\$420	\$68	\$318	\$806	\$27,623	\$45,671
1996	\$205,235	\$76,096	7.81%	\$427	\$70	\$323	\$821	\$28,134	\$45,680
1997	\$219,302	\$81,696	7.60%	\$450	\$75	\$328	\$854	\$29,264	\$46,773
1998	\$233,312	\$87,271	6.94%	\$452	\$80	\$333	\$865	\$29,658	\$46,731
1999	\$257,251	\$97,249	7.44%	\$528	\$89	\$341	\$958	\$32,850	\$50,574
2000	\$296,027	\$114,510	8.05%	\$657	\$105	\$352	\$1,115	\$38,215	\$56,956
2001	\$321,934	\$125,492	6.97%	\$652	\$115	\$364	\$1,131	\$38,768	\$55,901
2002	\$370,742	\$147,918	6.54%	\$736	\$136	\$374	\$1,246	\$42,728	\$59,949
2003	\$460,691	\$195,302	5.83%	\$905	\$179	\$384	\$1,468	\$50,323	\$68,820
2004	\$595,365	\$275,979	5.84%	\$1,280	\$253	\$397	\$1,930	\$66,158	\$87,553
2005	\$667,193	\$313,842	5.87%	\$1,460	\$288	\$414	\$2,162	\$74,132	\$93,909
2006	\$686,679	\$323,284	6.41%	\$1,589	\$296	\$432	\$2,317	\$79,452	\$96,531
2007	\$672,939	\$316,942	6.34%	\$1,547	\$291	\$446	\$2,284	\$78,296	\$92,109
2008	\$459,164	\$240,532	6.03%	\$1,138	\$220	\$462	\$1,820	\$62,403	\$70,910
2009	\$420,253	\$221,741	5.04%	\$944	\$203	\$458	\$1,606	\$55,063	\$63,071
2010	\$442,660	\$234,229	4.69%	\$960	\$215	\$464	\$1,638	\$56,169	\$63,576
2011	\$419,873	\$222,762	4.45%	\$888	\$204	\$476	\$1,569	\$53,788	\$59,296
2012	\$426,689	\$226,438	3.66%	\$824	\$208	\$486	\$1,517	\$52,014	\$56,197
2013	\$520,880	\$290,584	3.98%	\$1,098	\$266	\$491	\$1,855	\$63,608	\$67,989
2014	\$572,850	\$322,790	4.17%	\$1,247	\$296	\$498	\$2,040	\$69,954	\$73,776
2015	\$608,794	\$344,400	3.85%	\$1,281	\$316	\$502	\$2,099	\$71,975	\$75,225
2016	\$624,413	\$353,468	3.65%	\$1,284	\$324	\$512	\$2,120	\$72,682	\$74,558
2017	\$644,141	\$365,000	4.00%	\$1,382	\$335	\$525	\$2,242	\$76,856	\$76,856

Preparers

This draft report was prepared by the California Economic Forecast between September and mid December 2017.

The final report was prepared by addressing comments from the review of the draft report, acquiring additional and clarifying data for Harbor activities, and adding the chapter on future Harbor construction impacts and the future impacts of new development.

The principal investigators were:

Mark Schniepp, Director
mark@californiaforecast.com

Ben Wright, Senior Economist
ben@californiaforecast.com

The final report was completed and submitted to the Harbor Dept. on June 18, 2018.

For questions or comments pertaining to this report, please contact us at our email address or by telephone: (805) 692-2498.

Our website is located at www.californiaforecast.com