



Official predicts slow economic recovery in Oxnard

By Scott Hadly
Thursday, October 8, 2009

The good news for the economy in Oxnard is that most of the bad news has already come and gone, according to speakers at the sixth annual Oxnard Economic Outlook.

But if you're holding off for any sign of a robust recovery you're going to have to wait, and wait and wait.

"Clearly we're at the bottom," said Chris Thornberg, of Beacon Economics, who made the presentation as part of UC Santa Barbara's Economic Forecast Project which did the research for the economic outlook.

A complete financial meltdown was averted, job losses have slowed and there are some other hopeful signs, Thornberg said Thursday at the event hosted by the Oxnard Chamber of Commerce at the Residence Inn by Marriott.

Thornberg, who was one of the early predictors of the recession, interpreted the data commissioned by the chamber and the Economic Development Corporation of Oxnard.

"The big question is how strong a recovery are we going to have and how fast are we going to get out of here," he said.

The biggest driver right now for the local economy — both Oxnard's and Ventura County as a whole — is what is happening nationally, Thornberg said.

Although some forecasts predict the economy to quickly roar back to life and others predict doom, Thornberg sees a long and very slow recovery.

On that front, however, Thornberg said California and Ventura County, in particular, would likely recover quicker than the nation as a whole. Part of that is because the state, despite the grim predictions about California's future, continues to post the highest growth rates in the nation and has for more than 15 years.

In addition, as the dollar's value declines, it is possible that it will be a boon for California's exports of agricultural goods and technology, he said.

“We are succeeding despite ourselves,” he said.

As for Oxnard, Thornberg said his data show the city has fared much better than the county or the state as a whole.

The data he used, from 2008, showed that employment fell by just .03 percent in the city while countywide employment dropped by 2 percent. More recent numbers, however, show that while the nation as a whole is seeing unemployment rates of 9.8 percent as of September, California’s rate was 12.2 percent. Ventura County’s unemployment rate was 11.2 percent. Oxnard’s rate was 15.1 percent in August.

Oxnard city officials said recently that preliminary data on sales tax revenue has shown continued declines, but that the city did see a bump up during the Cars for Clunkers program. More complete data on tax revenues won’t be available until November, according the Jim Cameron, Oxnard’s finance director.

While Thornberg was optimistic that we’ve seen the worst of the economic downturn, Thornberg said there continues to be a lot of uncertainty about the future.

The biggest issues are that the systemic problems with the economy, particularly consumer spending, have not yet been corrected, he said.

There has yet to be a big correction in commercial real estate, which Thornberg said will come. And while the country was able to pull itself back from a complete meltdown of financial institutions, some of the fundamental problems have not yet been fixed.

Officials from the chamber said they are working with the Economic Development Corporation of Oxnard to set up an enterprise zone in Oxnard, which they say over 15 years could create as many as 10,000 jobs, said Nancy Lindholm, the Chamber’s CEO and president. Enterprise zones offer tax breaks and some breaks from regulation in blighted areas and sometimes offer economic incentives for locating in those zones.

Lindholm said she took Thornberg’s forecast in a positive light.

“If we’re not going down, it’s good news,” Lindholm said. “The key word is patience.”



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