

August 2011



*The Center for Economic  
Research and Forecasting*

***The Economic Impacts created by Cabrillo  
Economic Development Corporation to the Benefit  
of Ventura County***

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## **Executive Summary**

The Cabrillo Economic Development Corporation (CEDC) provides economic benefits through six different channels.

- 1) Operating expenditures – includes everything but salaries.
- 2) Salaries – represents the salaries paid to CEDC's employees
- 3) Annual capital expenditures – outlays that are capitalized not expensed. Includes items such as exterior and interior improvement, new roofs, landscaping improvements and other capital expenditures
- 4) Mortgage lending – CEDC offers first and second mortgages to low- and moderate- income homebuyers. Without this program these homebuyers would most likely be excluded from purchasing a home.
- 5) Rent subsidies that are passed on to low income renters – represents the difference between Fair Market Rent (FMR) and the actual subsidized payments that tenants make. This difference is money tenants use to pay for other household items.
- 6) New construction – CEDC plans to spend approximately \$100 million on new construction in the coming year.

CEDC's expenditures in these channels generate economic activity in Ventura County. For example, CEDC employees spend their earnings in the community for groceries, gas, household items, and leisure activities. This spending creates economic output. The economic output generated by CEDC then creates jobs throughout the county. The following table summarizes the expenditures for each category, total economic output, and employment generated by the expenditures. All the data contained in this report is for 2010.

<b>2010 Data</b>			
<u>Category</u>	<u>Expenditure</u>	<u>Economic Output</u>	<u>Employment</u>
Operating Budget	6,006,621	8,301,522	18
Salaries	3,242,464	2,300,218	18
Capital Expenditures	113,927	130,912	1
Mortgage Lending	473,482	622,764	4
Rent Subsidies <sup>1</sup>	<u>3,351,696</u>	<u>2,474,903</u>	<u>19</u>
Average Annual Impact	13,188,190	13,830,319	60
2011 New Construction	<u>97,343,414</u>	<u>123,540,072</u>	<u>780</u>
Total	110,531,604	137,370,391	840

We estimate that CEDC generates approximately \$14 million in economic output and supports 60 jobs in Ventura County annually. This impact derives from ongoing operations and will continue as long as CEDC remains in business. An additional \$124 million in economic output and 780 jobs will be created in 2011 due to new construction. As new construction is a short term expenditure the economic activity generated by it will last only one year and cannot be considered recurring.

<sup>1</sup> See rent subsidies section below.