



ECONOMIC  
DEVELOPMENT  
COLLABORATIVE

# **ECONOMIC IMPACTS OF COVID-19**

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## **Resources, Recovery & Renewal**

# Overview

- **General observations and sources of our intel, what we're seeing**
- **Profile of impacts**
  - **By industry sector**
  - **By workers**
- **Resources**
  - **Relief & re-opening**
  - **Recovery & renewal**
- **What's next, resilience & reimagining**

# Observations

- **Economically, this is a crisis in consumer spending, not fundamentals**
- **Disproportionate impacts to low-income workers, vulnerable populations**
- **Recovery will be more a function of health indicators than of economic policy**
- **Economic policy & economic development practice remain essential to mitigate impacts & drive recovery**

# Sources of Intel

## ➤ National data

- Nearly half of all low-income workers have lost jobs or suffered reduced wages
- Most workers & small businesses have less than 3 months in reserve

## ➤ EDC Small Business Development Center

- Resources & dashboards at <https://edcollaborative.com/covid19/>  
<https://edcollaborative.com/economic-strategy/economic-impact-data/>
- Over 1,400 intakes, another 2,400 businesses engaged

## ➤ Survey Responses by 2,000 business clients

- Distributed throughout Santa Barbara, Ventura, Los Angeles, San Diego & Imperial Counties
- Focus on baseline condition, impacts, resources, adjustments,

# Profile of Impacted Industry Sectors

<b>Vulnerable sectors</b>	<b>Number of jobs by sector</b>	<b>Percent share of county total jobs</b>	<b>Average earnings converted to hourly</b>	<b>Average earnings, as a percent average all sectors</b>
Retail	38,940	10.7%	\$18.72	70.8%
Food & Accommodation	38,502	10.6%	\$10.88	41.1%
Arts & Entertainment	7,743	2.1%	\$13.72	51.9%
Other Services	10,068	2.8%	\$16.40	62.1%
<b>TOTALS</b>	95,253	26.2%		
<b>County of Ventura, All</b>	363,968	100%	\$26.43	100%

# Projected Unemployment

Highly Impacted Sectors	Jobs, February 2020	Estimated, COVID-19 Unemployment Factor	Estimated, COVID-19 Unemployed	Baseline, Total February 2020 Unemployed
Construction	17,200	15%	2,580	
Retail Trade	37,300	60%	22,380	
Real Estate, Rental, Leasing	4,700	15%	705	
Arts & Entertainment	5,500	70%	3,850	
Accommodation	6,400	70%	4,480	
Food Services	26,000	66%	17,160	
Other Services	9,600	35%	3,360	
All Other Sectors	229,900		16,000	
Various, Self Employed*	50,000	15%	7,500	
<b>Total Industry + Self Emp</b>	<b>386,600</b>		<b>78,015</b>	<b>15,700</b>
	<b>410,000</b>			424,100
<b>Estimated Peak Unemployment:</b>	<b>Labor Force</b>		<b>19.0%</b>	<b>3.7%</b>

### Number of Weekly New Unemployment Insurance (UI) Claims for Ventura County

Week Ending	Local Workforce Development Area (LWDA)	Number of Weekly New UI Claims	New PUA Claims	Total New Initial + PUA Claims
1/4/2020	Ventura County	342		
1/11/2020	Ventura County	690		
1/18/2020	Ventura County	814		
1/25/2020	Ventura County	539		
2/1/2020	Ventura County	476		
2/8/2020	Ventura County	430		
2/15/2020	Ventura County	507		
2/22/2020	Ventura County	369		
2/29/2020	Ventura County	473		
3/7/2020	Ventura County	470		
3/14/2020	Ventura County	673		
3/21/2020	Ventura County	2,636		
3/28/2020	Ventura County	22,725		
4/4/2020	Ventura County	18,644		
4/11/2020	Ventura County	12,317		
4/18/2020	Ventura County	8,542		
4/25/2020	Ventura County	4,709		
5/2/2020	Ventura County	4,709	6,516	11,225
5/9/2020	Ventura County	3,127	2,613	5,740
5/16/2020	Ventura County	3,671	2,048	5,719
5/23/2020	Ventura County	2,423	1,719	4,142
5/30/2020	Ventura County	2,181	1,256	3,437
6/6/2020	Ventura County	2,474	1,242	3,716
6/13/2020	Ventura County	1,945	1,100	3,045

90,103

16,494

Totals, 3-21 to 6-13

106,597

# Resources: “Relief & Re-opening”

- **Resources:** <https://edcollaborative.com/covid19/>
  - Business, Self-Employed, Employees, Nonprofits
  - Hotline, Info & Referral, Webinars, Technical Assistance
- **Crisis Management:**
  - SBA Loan programs, PPP & EIDL
  - Tenant/Landlord, Insurance navigation
  - HR Management, Unemployment Insurance/Assistance
- **Re-Opening: California in 4 stages**
  - CA Resilience Roadmap, <https://covid19.ca.gov/roadmap/>
  - Ventura County, <https://www.vcemergency.com/vc-reopens>
- **Continuing Investment**
  - CARES Act, County business & rent assistance grants,
  - CARES Act CDBG, EDA
  - Extended PPP, maybe new resources if HEROES Act



# What Does Successful Recovery Look Like?

- **Pivoting from Recovery to Renewal**
- **Frame our intentions *not* on “how do we get back the region we had” *rather* to “creating the region we want”**
- **Shifting from reaction to innovation, regionally & by each business**
  - Re-engineering and resilient supply chains
  - New models of customer engagement & service
  - New dependence on automation, social media, e-commerce
  - Creativity in designing interactions that preserve or re-establish the personal experience

# What Does Successful Recovery Look Like? (cont'd)

## ➤ **Proactive attention to land use & public policy**

- ✓ Transportation behavior changes, decentralization
- ✓ Broadband infrastructure, fiber to the home
- ✓ Strategic re-thinking of our relationship to the built environment
- ✓ Opportunity to invest in a variety of sustainable energy resources to accelerate economic recovery
- ✓ **Progressive policy attention to social equity, upward mobility**
- ✓ Pressure for better protection & pay for front line workers, particularly in groceries, food service, education & health care
- ✓ Investing in re-training especially for low-income workers in occupations that are being eliminated
- ✓ For data, [www.policylink.org/our-work/economy/national-equity-atlas/COVID-workforce](http://www.policylink.org/our-work/economy/national-equity-atlas/COVID-workforce)

## ➤ **Concentrate on what distinguishes the region**

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