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Report: Bradenton hit hard by recession

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The Bradenton-Sarasota-Venice area has earned the distinction of being on a list that only 19 other metropolitan areas managed to get on.

But in this case, that exclusivity is not a good thing.

The local metro area was ranked as one of the 20 worst in the country in terms of the negative impacts brought on by the recession.

The report by the Metropolitan Policy Program at the Brookings Institution looked at factors such as employment, the unemployment rate, housing prices and wages in 100 metropolitan areas.

Bradenton-Sarasota-Venice saw an 11.2 percent drop in employment from the third quarter of 2006, when employment was at a peak, to the first quarter of 2009.

Its gross metropolitan product — the total value of goods and services produced — fell 4.3 percent during the same period.

The local area ranked 16th out of the 20 worst metro areas in terms of economic impact of the recession. Detroit was at the bottom of the list and Riverside, Calif., was the best of the worst.

The strongest performing metropolitan area in the country was San Antonio, Texas, according to the report.

Bradenton's main weakness, according to the report, was relying too much on tourism and inflated real estate prices to keep its economy going.

Stan Geberer, an associate at Orlando-based economic consultants Fishkind & Associates, said he was not surprised by Bradenton's ranking in the survey.

"I think from a policy standpoint or perspective, reliance on tourism and population growth to drive the economy is not a highly diverse economy," Geberer said. "And I think that's the concern as far as the depth of the economy goes. So when we have a recession which negatively affects housing and tourism, then places like Sarasota-Bradenton are going to be disproportionately affected or more negatively affected."

Alan Berube, senior fellow and research director at Brookings who authored the report, said there was one bright spot in the data collected for the Bradenton area.

Although the Bradenton area's gross metropolitan product ranked 74th out of 100 metropolitan areas, it improved in the first quarter of this year, falling only 0.4 percent and placing it 17th among other areas.

"It's down, but it's not down very much," Berube said. "So that shows things might be stabilizing, and this indicator tends to lead the other indicators in terms of economic recovery. That may signal that you've bottomed out, and it may eventually lead to job increases. I think we need another quarter of data to determine if this is just a blip on the radar or a longer-term trend."

Manatee Economic Development Council Executive Director Eric Basinger said the results of the study emphasize the need for diversification of the area's economy.

"While we'd certainly like to see some good news from these economic reports, I'm not surprised that this economy is suffering," Basinger said. "Our economy has been so heavily focused on the types of industries that have been hit the hardest in this recession. But our goal is to diversify the economy, and we're looking at ways to do that."

Jessica Grace, marketing and public relations director with the Bradenton Area Convention and Visitors Bureau, acknowledged that Manatee County's tourism numbers are down since the recession began.

"The recession has had an effect on our tourism numbers," she said. "Compared from last year to this year, we are down about 7

percent.”

But the local area, being more of a family get-away spot, has not been hit as hard as other Florida counties such as Orlando that are frequent destination for business and industry conferences,” Grace said.

“Some counties are seeing double-digit dips,” she said.

Geberer of Fishkind & Associates suggested that now is the time to be proactive in terms of planning for the eventual recovery.

“This is the deepest recession nationally since World War II, and it’s the deepest recession in Florida since 1975,” Geberer said. “So compared to what we’ve experienced in the recent past, this is more severe in terms of foreclosures, employment loss and the impact on residential home prices. And those are all things that to some degree are out of our control. What is in our control is how we deal with what we have and how we accommodate growth and how we protect the industries that we have and grow new industries.”

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