



CHICO ECONOMIC VITALITY STRATEGY

A Sector-Led, Place-Enabled Approach.

Economic Vitality Strategic Approach

1

WHERE ARE WE NOW?
CURRENT ECONOMIC SITUATION



2

WHERE DO WE WANT TO BE?
A HEALTHY ECONOMY



3

HOW DO WE GET THERE?
COMMUNITY ACTION



Strategy Goal

The goal is to create an actionable strategy that grows the economy, improves the quality of that growth and captures the value it creates.



GROW THE ECONOMY

Reach industry's growth potential for more GDP, investment, and transactions.



IMPROVE THE QUALITY OF GROWTH

Not just more activity—but better and more diverse activity



CAPTURE VALUE

Translate growth into greater financial strength for community and public sector.

Understanding Chico's Economic Pressures

Dr. Rob Eyler
May 4, 2026

Understand Pressures

What pressures are shaping Chico's economic future?

► Demographic Pressures

- Aging population
- Population decline
- Enrollment trends

► Labor Force Pressures

- Shrinking workforce
- Talent retention
- Skills alignment

► Market Pressures

- Vacant properties
- Business closures, or
- Hub competitiveness

What we're looking for...

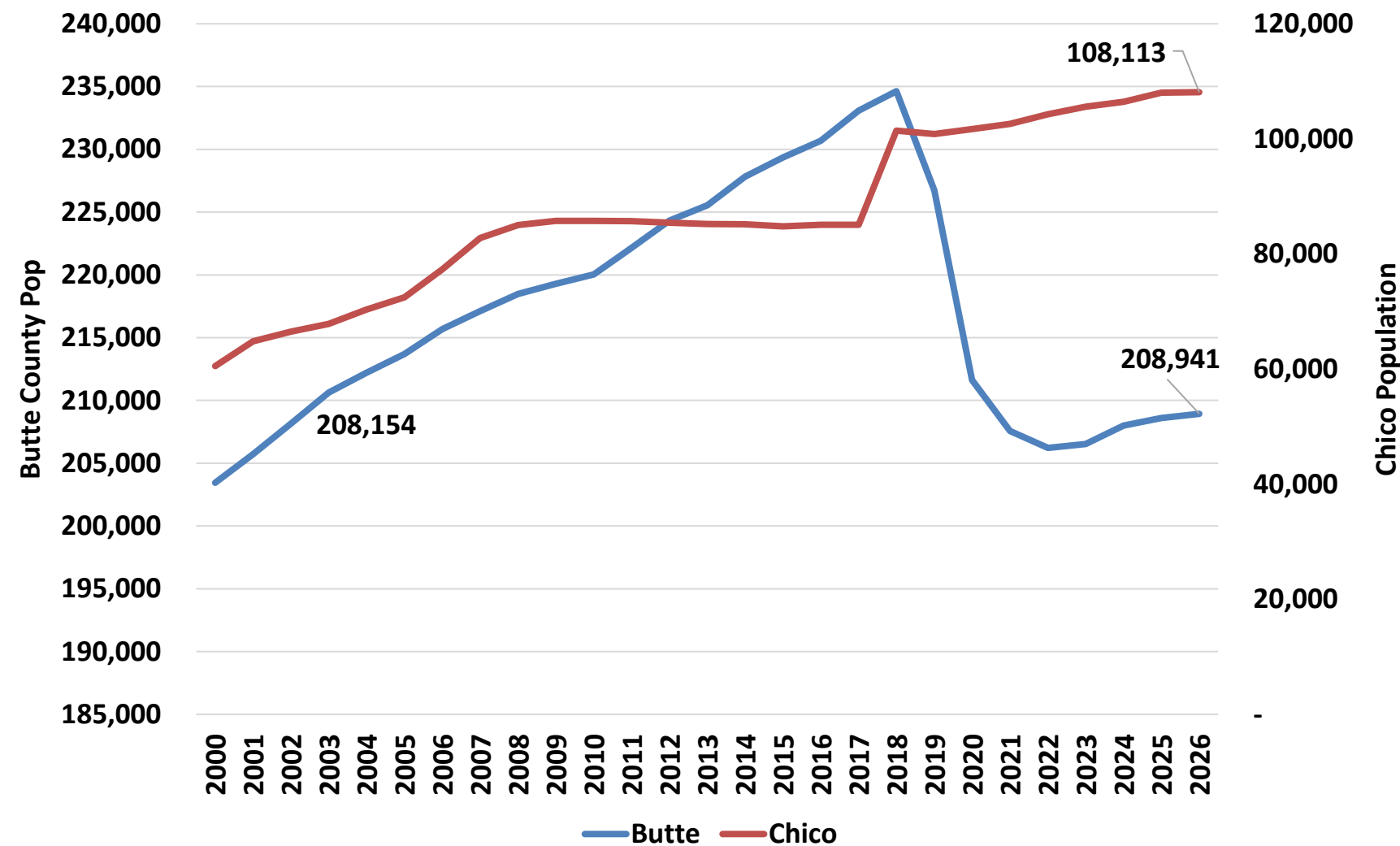
Healthy Economy Metrics

- **GRP Growth:** ~3–4% annually
- **Job Growth:** ~1–2% annually
- **Wage Growth:** Outpacing inflation
- **Median Income:** Rising and becoming more competitive
- **Business Environment:** Competitive, predictable and responsive
- **Local Revenue:** Growing sales and property tax supporting City services.



Economic Pressure 1: Population Shifts

Butte County and Chico: A Tale of Two Trends



Chico is now 52% of the county population

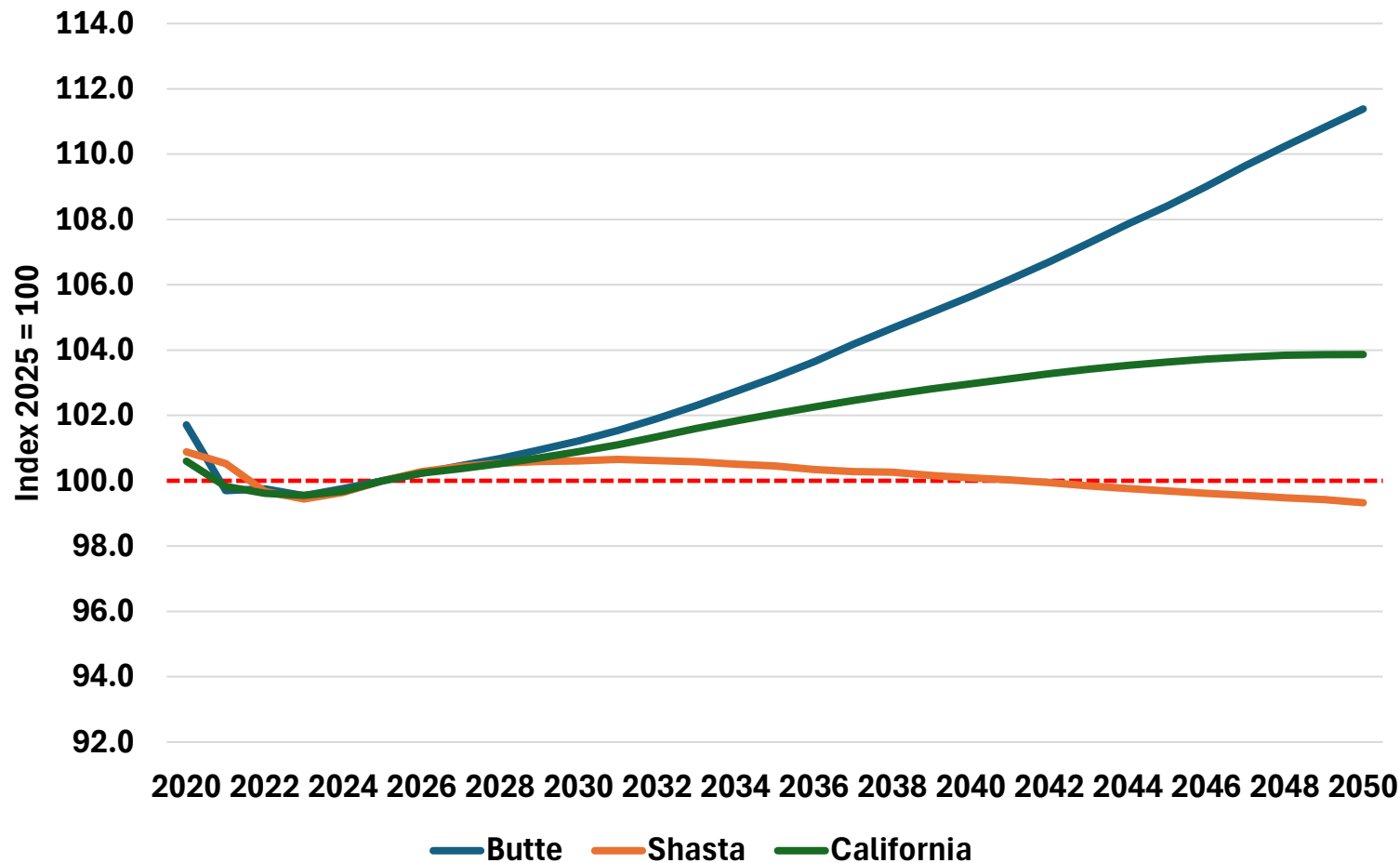
Was 32% in 2003

Housing and services pinch since Camp Fire

Like other parts of rural California, Chico “benefited” from pandemic migration slightly

Economic Pressure 1: Population Shifts

Regional Population Comparisons to CA 2020 to 2050, Number of Residents



Butte and Shasta counties the regional population drivers north of Yuba and Sutter counties

Butte County population growth looks good, but....

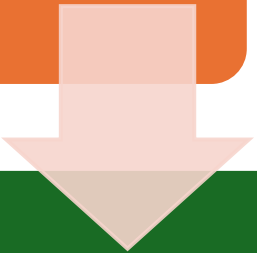
In 2050:

Butte County = 230,200 in 2050, equal to 98% of **pre-fire population**

Shasta County = 5% below pre-fire pop by 2050, at 179,500 (180,200 today)

Economic Pressure 2: Shadow Affects

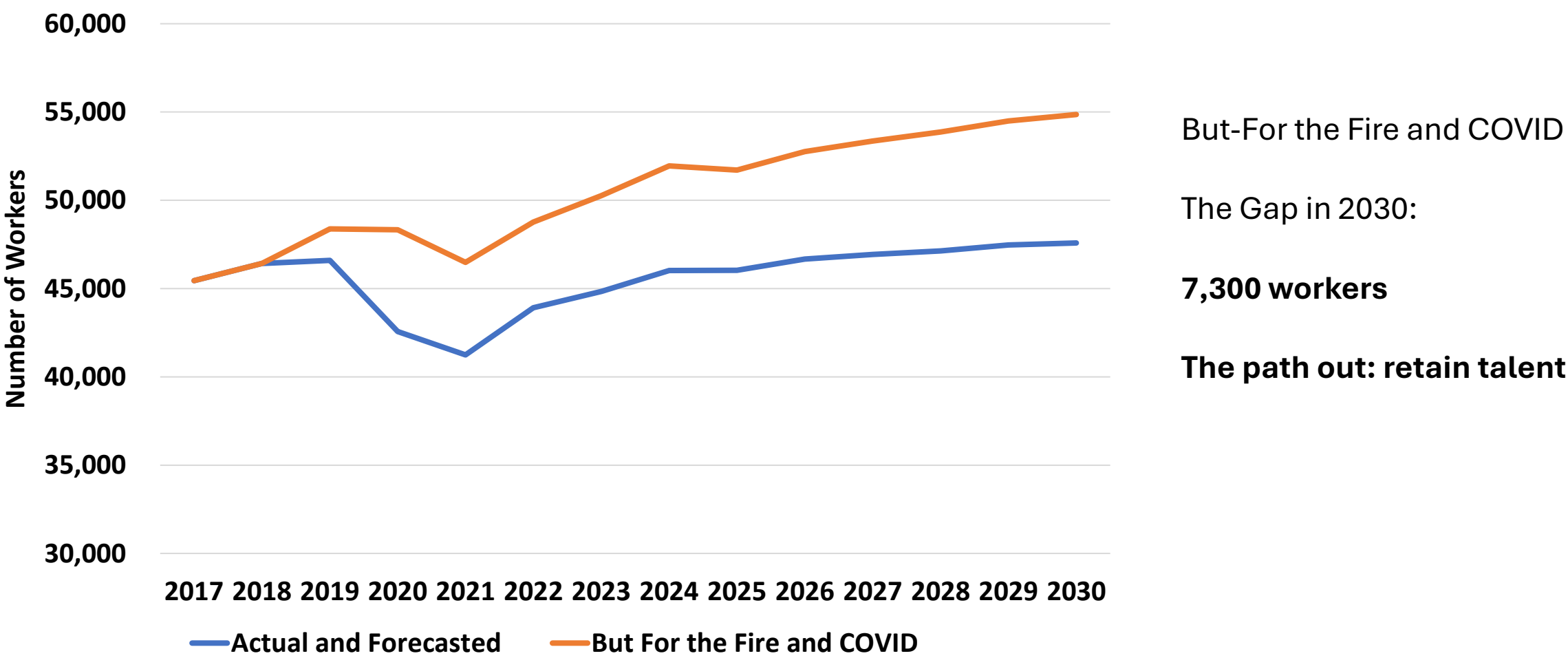
Camp Fire – loss, impact of people moving to Chico, Paradise's slow recovery puts a strain on Chico.....this might be a regional discussion with Butte County



Pandemic – Chico has not recovered pre-pandemic levels but almost all other communities have....

Economic Pressure 2: Shadow Affects

Number of Workers, Chico Hiring at Local Employers 2017 to 2030 (Forecasted)



Economic Pressure 3: Tight Talent Pipeline

Big Picture Implications for Chico

Short-Term (0–5 years):

- Workforce remains relatively stable due to growth in 40–59 group
- Rising demand in healthcare and services
- Employers have started feeling the tightening hiring conditions

Medium-Term (5–10 years):

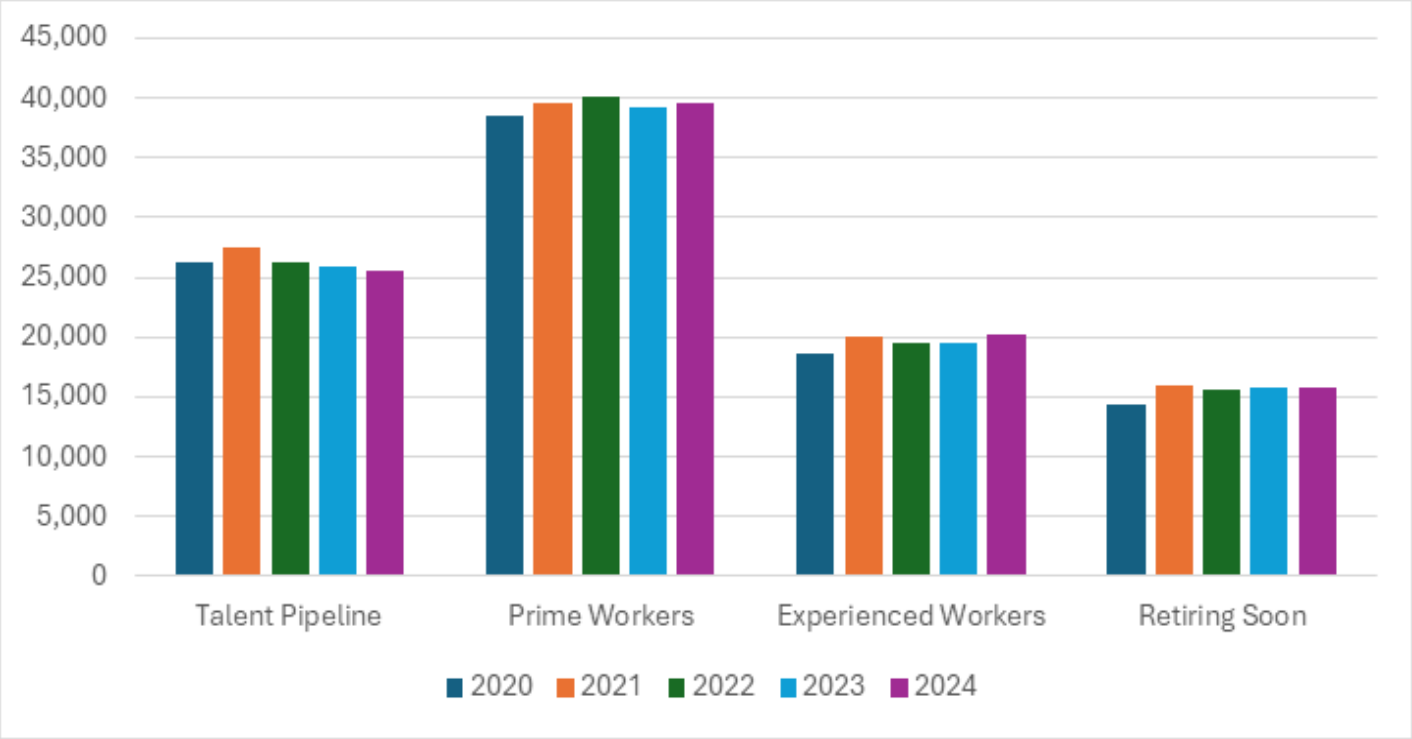
- Retirement wave accelerates
- Labor shortages become more visible, especially in skilled roles
- Increased pressure on wages and recruitment

Long-Term (10+ years):

- Structural imbalance: more retirees than entrants
- Risk of slower economic growth unless offset by in-migration or student retention
- Potential shift toward a service-heavy, older-skewing economy

Talent Pipeline: Chico, 2020 to 2024

Number of Chico Residents by Category



Growth mainly in older population since 2020

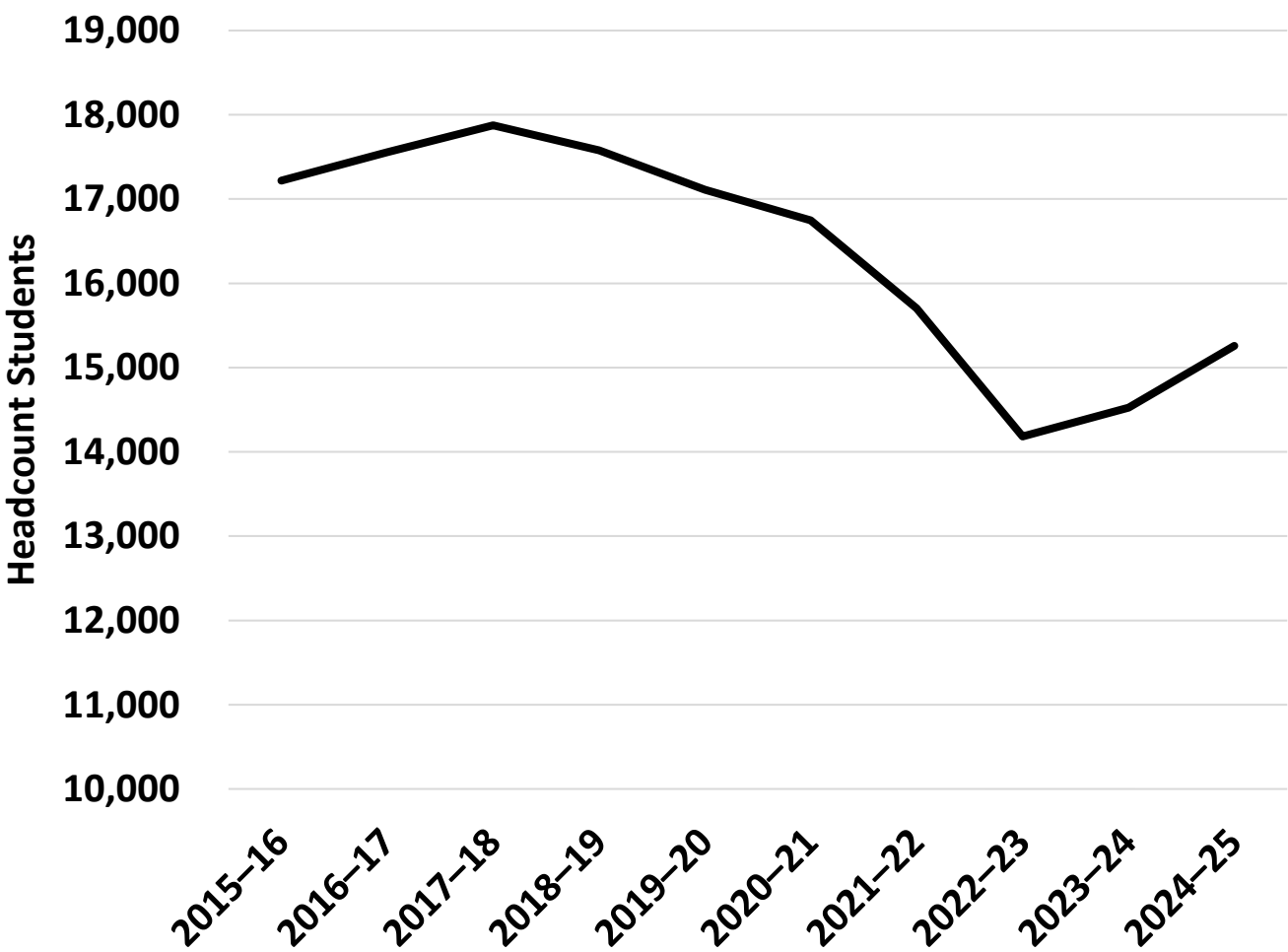
Retaining talent is a huge competition in rural California

How can Chico compete with urban areas?

Category	Age Range	2020	2021	2022	2023	2024	2020-24
Pipeline	0-19	26,182	27,464	26,289	25,963	25,480	-2.7%
Prime Workers	20-39	38,530	39,521	40,159	39,280	39,534	2.6%
Experienced	40-54	18,559	19,957	19,456	19,557	20,199	8.8%
Retiring soon	55 and older	14,405	15,955	15,579	15,764	15,777	9.5%

Economic Pressure 3a:

CSU Chico Enrollment and the Turnaround



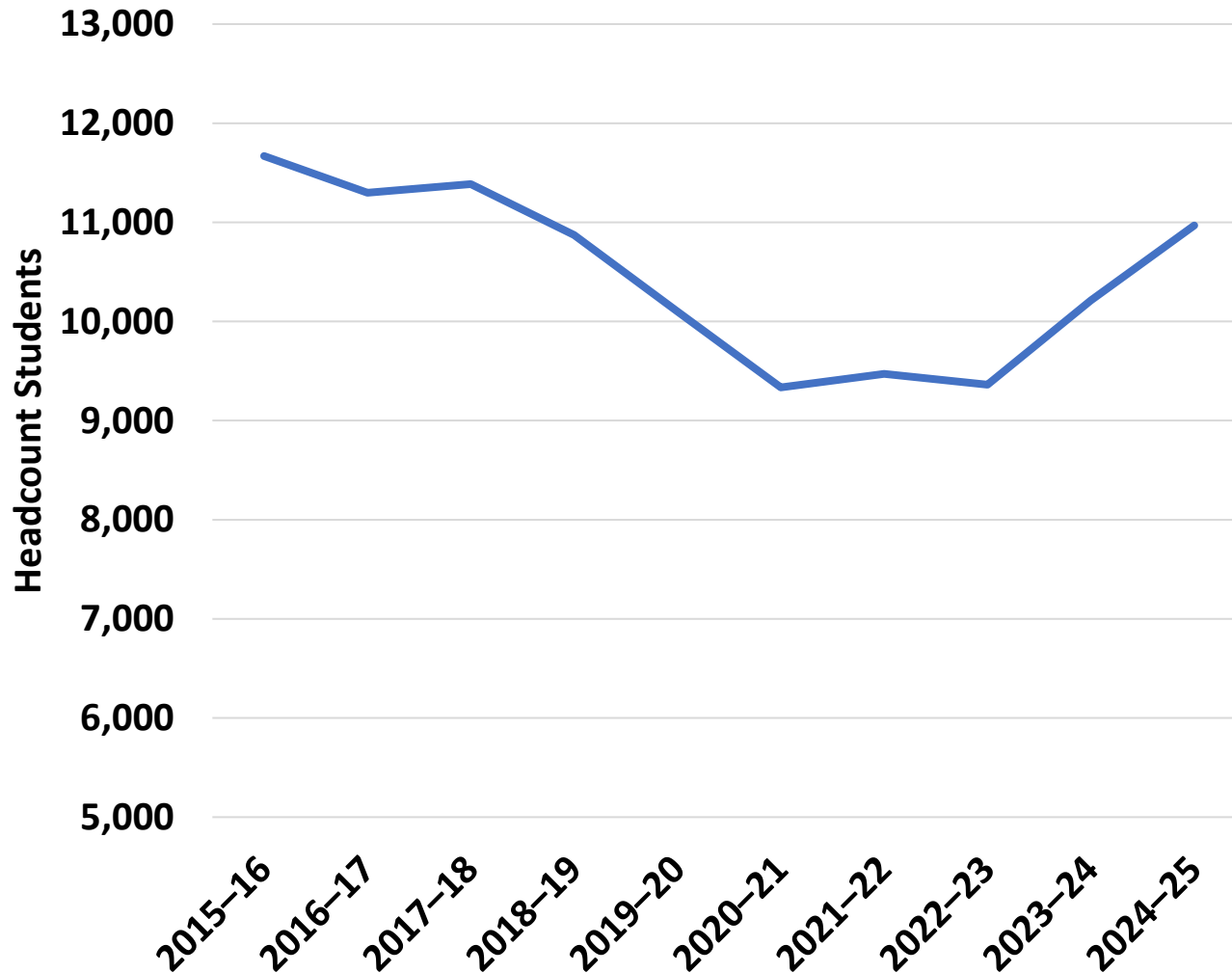
Impacts of enhanced enrollments

- More local labor force
- More taxable sales, long-term
- More economic vibrancy

Every 1,000 students generates another \$28,000 per student annually that comes from outside Butte County - \$28,000,000

Economic Pressure 3b:

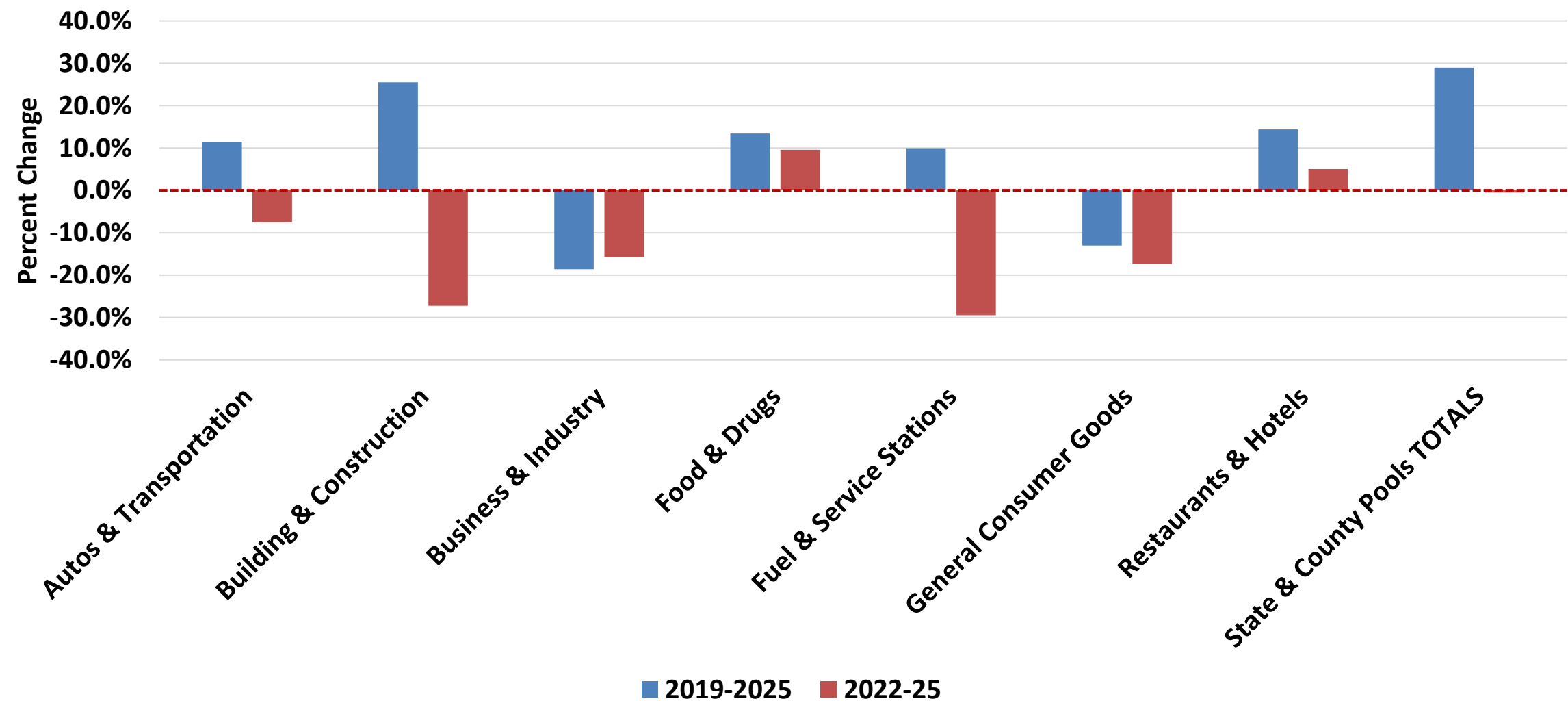
Butte College Enrollment



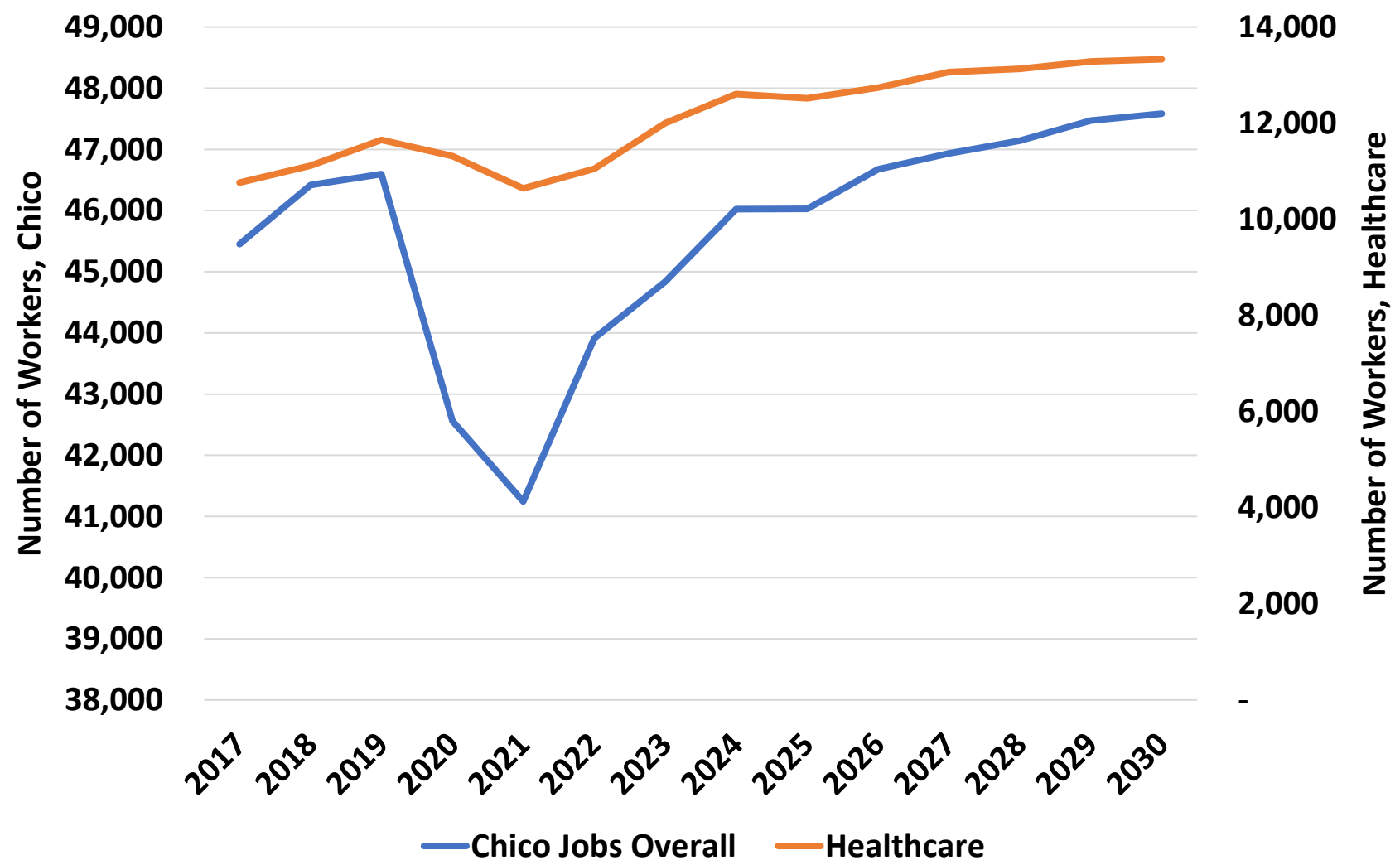
- Every 1,000 students generates another \$22,000 per student annually that comes from outside Butte County
- Recovered pre-pandemic
- Is there room for more?

Economic Pressure 4: Sales and Use Tax Revenues

By Major Category-Chico, 2022 and 2025, % Changes 2019-2025



Economic Pressure 5: *Growth of Health Care*



Healthcare a core driver

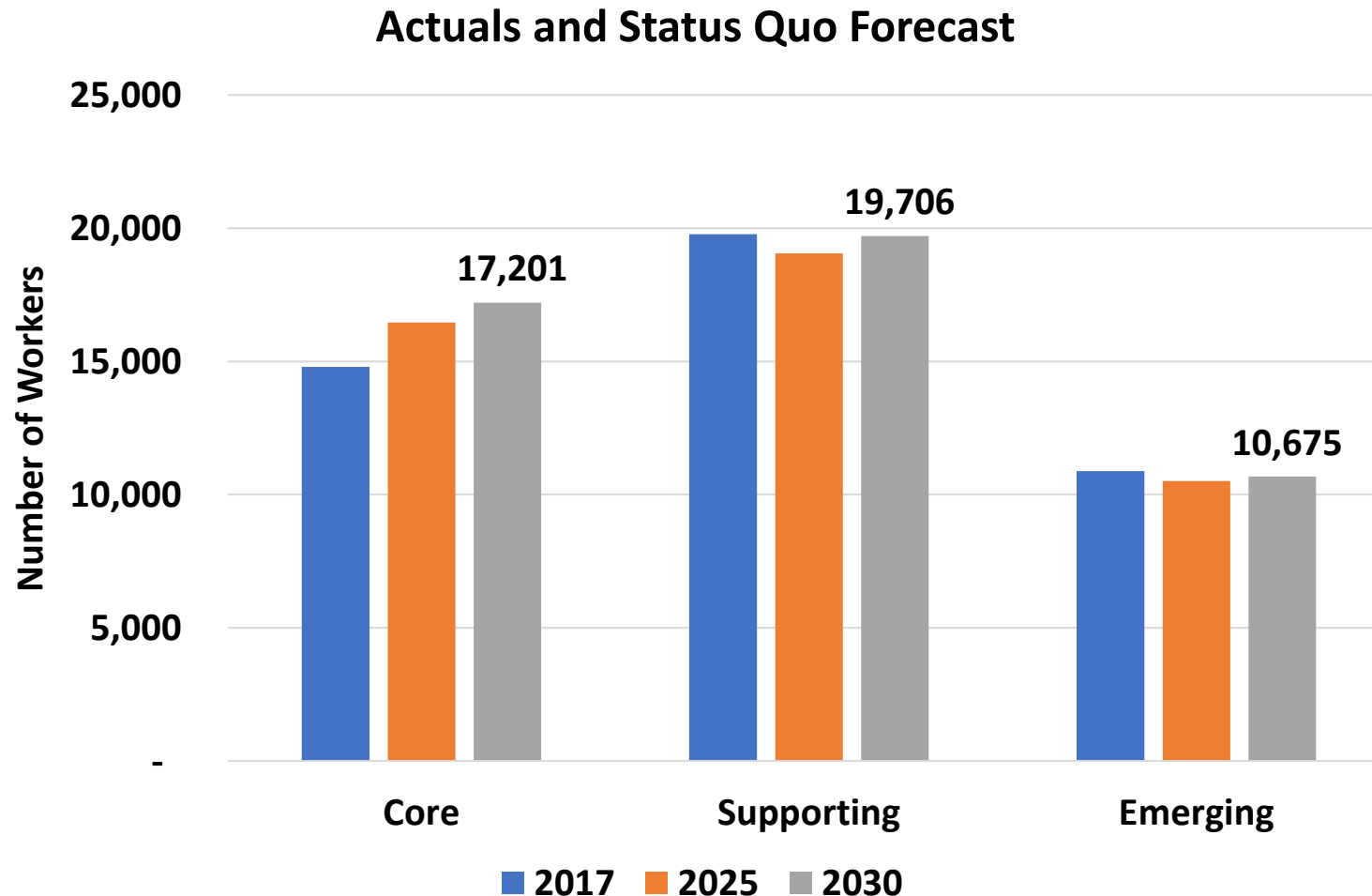
Hiring likely to flatten after recent growth:

- 1. Size and scope of market may remain stable
- 2. Lack of local talent
- 3. These are status quo forecasts
- 4. Can we help them grow to their potential?

Business Mix Overview

Business Size	# of Firms	% of Firms	Employees	% of Jobs	Payroll (\$M)	% of Payroll	Key Insight
Small (0–19)	7,985	93%	23,348	36%	\$262.50	30%	Dominates in number, but lower economic output per firm
Mid-Market (20–99)	565	7%	21,777	34%	\$307.20	35%	Drives a disproportionate share of jobs & payroll
Large (100+)	~56	<1%	~9,000+	~14%	~\$128+	~14%	Small in number, but critical anchor employers

Chico Sectors: Core, Supporting and Emerging 2017, 2025 and 2030 (Forecast), Workers



Core (Anchors): Healthcare, Education, Advanced Manufacturing, AgTech

- Use of higher ed as a business, talent and ideas engine, create pathways, grows population

Emerging: Food Innovation, Entrepreneurship, Creative

- Ideas, future economy, builds identity, attracts younger population

Supporting: Local-serving

- Focus on core and emerging pays off, reinforces “sense of community”

March 2026 Help Wanted (Chico/Butte County)



Recent Job Postings Chico MSA March 2026



Chico MSA

Not Seasonally Adjusted
Date Last Updated: Friday, April 17, 2026

	Total Job Postings	Month-Over Change	Share of Total Job Postings
Registered Nurses	137	-4	6.24%
Retail Salespersons	87	12	3.96%
First-Line Supervisors of Retail Sales Workers	62	16	2.82%
Postsecondary Teachers	52	19	2.37%
Home Health and Personal Care Aides	47	11	2.14%
Health Technologists and Technicians, All Other	46	-1	2.09%
Medical Assistants	38	7	1.73%
Teaching Assistants, Except Postsecondary	33	9	1.50%
Medical and Health Services Managers	31	-5	1.41%
Customer Service Representatives	30	3	1.37%

SUMMARY: Chico's Headwinds & Tailwinds

Headwinds

- Population concerns regionally
- Talent pipeline
- State policy & cost drivers
- Economic concerns for small businesses
- Competition for new businesses versus urban centers in CA

Opportunities to change trajectory, needs deeper dive to real world constraints

**If you do nothing...
economic growth will lag and decline,
regional population declines, pressure
will increase...**

Tailwinds

- Healthcare demand, growth and investment: attractant
- Attendance at Butte College and Chico State on the rise
- New programs, centers, differentiators (forensics lab, e.g.)
- Mid-Market businesses

From an Economy Data Standpoint ...

*To address these
headwinds and grow the
economy– these stand out*

1. Anchor Driver – Higher Education

- Broader city impacts
- Drives population retention/stability
- Pipeline and new business engines: importing new talent annually

2. Core Driver – Healthcare

- A demand driver – needs talent
- Drives high-wage job growth
- Continued investment.

3. Core Drivers – Focus on Mid-Market

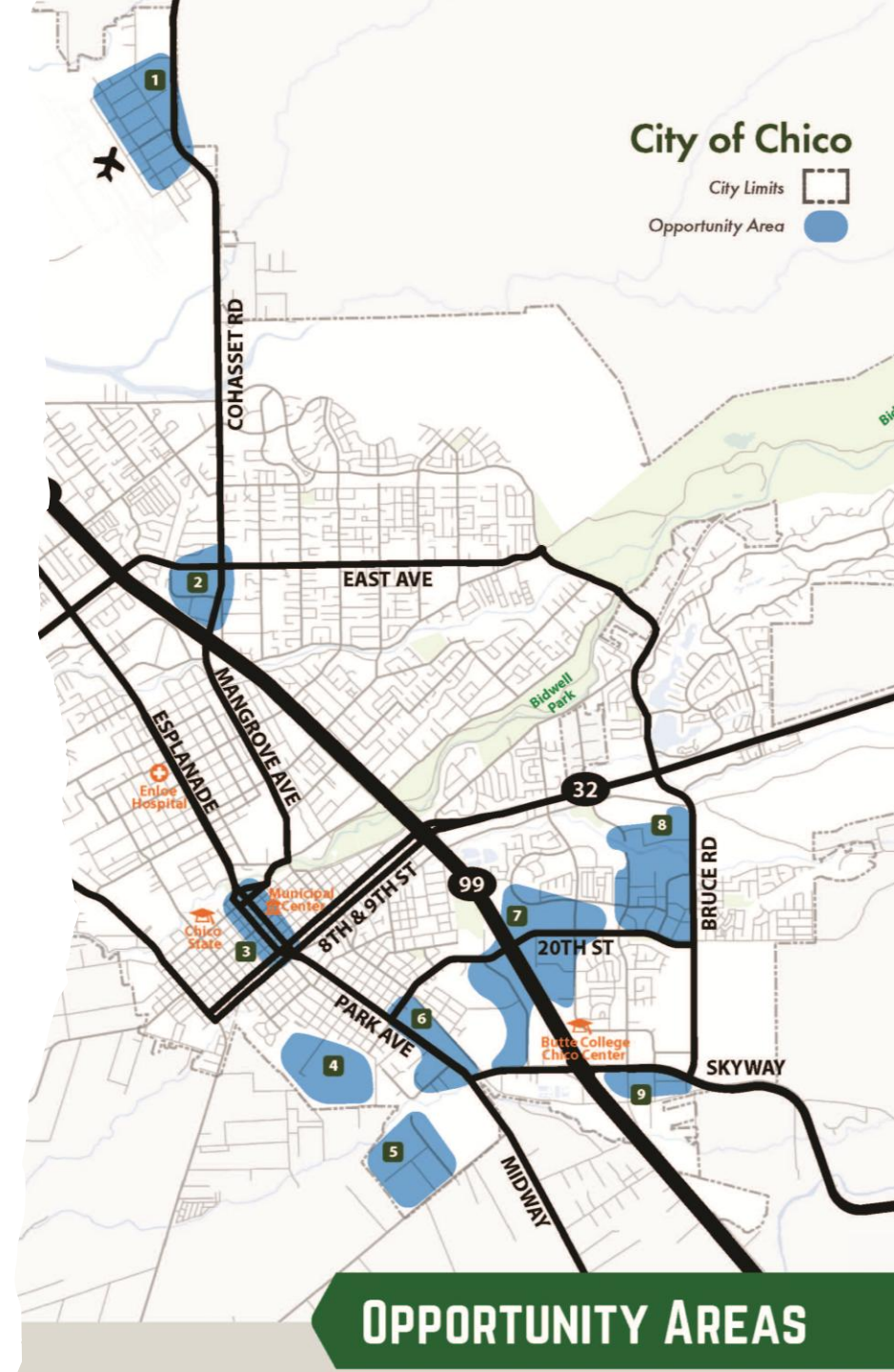
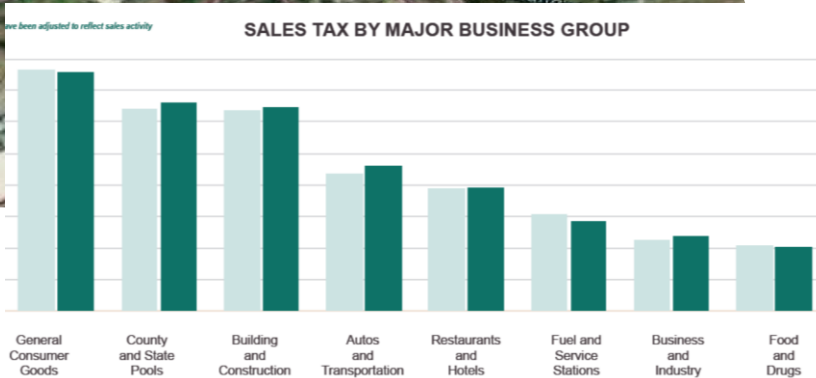
- Economic ripple effect – higher
- Drives scalable job creations
- Strengthens local economy

4. Supporting – Small Business

- Drives experience and sense of community
- Keeps people engaged and staying

Place Lens

- Activity
- Anchors
- Job Center
- Overlay
 - HdL Sales Tax Data
 - Placer AI Data
- Top Sales Tax Generator
- Spaces
- Map
 - Center Profile
 - Capital Improvements
 - Vacancies



Questions & Clarifications?

“Where do we want to be”

The strategy goal is an actionable plan to *Grow, Improve & Capture more value in the economy* i.e. change the trajectory.

Based on this information:

1. Are these the right focus areas?
2. Which would be priorities?
3. Are there specific outcomes you want to see?
4. Other areas of importance?

ARE WE NOW? WHERE DO WE WANT TO BE?

WHERE ARE WE NOW? CURRENT ECONOMIC SITUATION



ECONOMIC SNAPSHOT

- GRP, jobs, and wage trends
- Key industry performance
- Business and population growth



BUSINESS CLIMATE RANKING

How Chico compares on key factors that matter to businesses.



CHALLENGES

- Workforce gaps
- Housing and affordability
- Infrastructure & permitting
- Public safety & perception
- Limited business growth & investment



OPPORTUNITIES

- Growing industry sectors
- Strategic location & assets
- Entrepreneurial spirit
- Community partnerships

2

WHERE DO WE WANT TO BE? A HEALTHY ECONOMY



JOB GROWTH

More quality jobs across key industries.



WAGE GROWTH

Rising incomes that outpace inflation.



BUSINESS ENVIRONMENT

Competitive, predictable, and responsive.



LOCAL REVENUE GROWTH

Stronger sales and property tax to fund essential City services.



A STRONG COMMUNITY IDENTITY

A vibrant, welcoming place where people want to live, work, and invest.

A SHARED VISION. SMART STRATEGIES. BOLD ACTIONS.

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