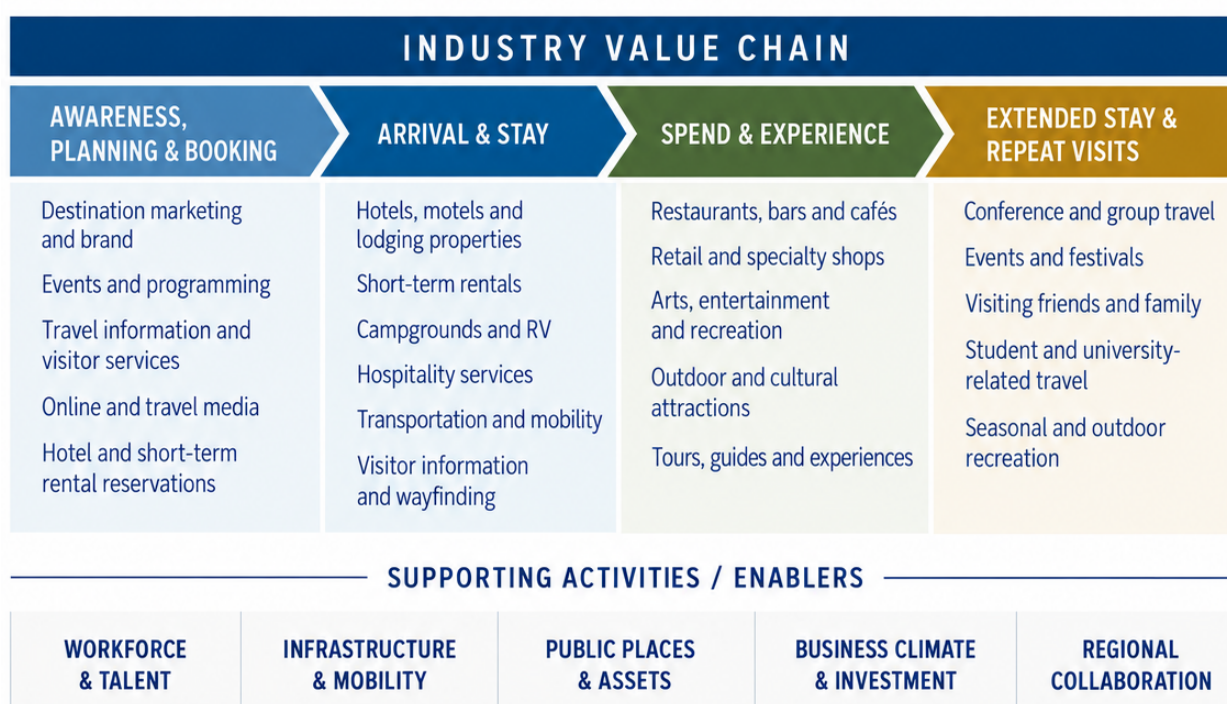


INDUSTRY REPORT:

Visitor Economy

FOUNDATIONAL ECONOMY

Can Chico Grow its Visitor Economy and Capture More Visitor Spending?



The visitor economy includes a broad range of industries and occupations that work together to attract visitors, provide services and experiences, and encourage repeat visits. This value chain highlights the key stages of the visitor experience and the supporting activities and enablers that help Chico's visitor economy function and grow.

1. INDUSTRY OVERVIEW

Chico's visitor economy extends beyond traditional tourism. As a regional hub, with two large higher education institutions, Chico draws students and families, patients and healthcare visitors, business travelers, vendors and contractors, conference and event attendees, outdoor recreation users, alumni, and traditional leisure visitors. These visitors support hotels, restaurants, retail, arts and entertainment, recreation, and other local businesses.

Visitor spending adds new dollars to Chico's economy. Visitors support many of the same businesses and amenities used by residents—including *restaurants, retail, entertainment, and recreation*—expanding the consumer market for these businesses. Overnight stays increase that opportunity by adding lodging expenditures and giving visitors more time to spend in Chico.

Visitor Economy at a Glance

- Approximately 1,490 hotel rooms in Chico as of July 2025; 2024–2025 weighted-average hotel occupancy 56.7%, average daily rate of about \$118.
- Visitor-related activity is estimated to support 2,660 indirect tourism workers, \$166.2 million in value added and \$32.3 million in state and local tax revenues.
- The forecast for California, as a context for Chico travel demand, is positive to 2030 as of February 2026, the latest data available.
- From a workforce development standpoint, needs exist across occupations, from front desk clerks to maintenance to chefs and managers.

Visitor activity expands the customer base beyond Chico's resident population.

2. STRATEGIC QUESTION : Industry Discussion/Perspectives

How can Chico grow the visitor economy, year-round overnight stays, and what could constrain that growth?

1) Visitor Demand Generators

- Chico State is one of Chico's strongest recurring visitor generators—orientation, move-in, family/parent weekends, graduation, alumni, athletics, performances, conferences and other campus activities. Enrollment growth organically expands this market.
- Butte College also contributes to student, family, and institutional visitations.
- Healthcare, including the new Cancer Center, creates patient, family, vendor, and professional visitation.
- Visitors discover assets once they are here—such as Bidwell Park, trails, shopping.
- Travel Chico—a partnership between Explore Butte County and the City of Chico—showcases the best of the city to travelers. Through dynamic online and social media marketing, Travel Chico inspires visitors to explore everything Chico has to offer.
- Arts are contributing to the experience and there is a desire to have more to enhance the arts and culture vibe.
- Downtown will need to recover and rebuild over the next few years, post-Warren.

2) Building More Overnight Demand

- **Explore Butte County** is expanding its efforts to develop visitor markets that can generate more overnight stays, including:
 - 1) Small meetings and conferences – adding a new staff position, Business Development Specialist, focused on sports tourism development, small meetings and conferences.
 - ❖ *Business events are a large and recovering travel market. Globally, business events generated \$1.3 trillion in direct spending in 2025, 12.2% above 2019.*
 - 2) Traditional conference center – Chico lacks conference center space similar to other areas of similar size. The new Silver Dollar Fairgrounds facility may provide additional capacity for larger meetings and events—a 41,806-square-foot event center available for community/event use. ([Silver Dollar Fair](#))
 - 3) Sports tourism - CARD's new aquatic center and the research conducted by EBC for a regional sports campus could bring more tournaments, competition and training activities and events to Chico.
 - ❖ *U.S. visitor market: 339 million sports travelers generated \$111.2 billion in direct spending in 2025, including \$60.1 billion from participatory sports such as youth and amateur events.*
- **Biking** is receiving increased attention as a distinct Chico visitor opportunity. Chico's established cycling culture is being strengthened by new investments, including the Colby Mountain Recreation Project and the Chico Bike Park. Interest in these new spaces creates other possibilities for recreational riding, races and cycling events that can draw visitors specifically to Chico.
 - ❖ *Cycling tourism is a fast-growing visitor niche. Industry estimates the U.S. cycle-tourism market at approximately \$31 billion in 2025, with growth projected at roughly 10% annually over the longer term.*
- **Outdoor recreation** is a broader and expanding Butte County opportunity. Trails, hiking, biking, and access to the region's diverse natural landscapes provide a much larger collection of experiences that can be marketed with Chico as a base for exploring the county and North State.
 - ❖ Outdoor recreation is also supported by a California-community initiative to expand sustainable outdoor recreation, recognizing its role in supporting local economies alongside Wildfire Management & Resilience.
 - ❖ *California's outdoor recreation economy generated \$87.9 billion in value added in 2024, the largest of any state, while U.S. outdoor-recreation real GDP grew another 2.7% in 2024.*

3) Workforce — An Asset and a Constraint

- **Constraint:** Workforce availability is already a constraint for the visitor economy. Increasing year-round visitor activity is a goal; as this is achieved, there will be increased demand for an already tight market. Bartending, culinary, and other hospitality skills were identified as key needs. Summer can be especially challenging for retaining and recruiting workers as the student population declines in the city. This situation may change in the future with CSU planning to return to summer school in 2026-27.
- **Asset-Opportunity to Leverage:** Chico State's Recreation, Hospitality and Parks management (RHPM) program got high reviews. It provides an existing pipeline of students

and graduates, and future workers – *questions asked were whether the program could be expanded*. While Chico State and Butte College students are an important source of hospitality workers, Pleasant Valley High School's culinary pathway provides another local training asset as well as True North's Hospitality Program and ServeSafe certification.

- **Discussions raised several possibilities worth further exploration:** stronger connections between hospitality employers and Chico State students and graduates; greater use of the existing culinary pathway with Pleasant Valley High School ([Pleasant Valley High School](#)).
- **Bartenders and other hospitality skills** were also identified as needs, raising a related question about whether shorter-term training or certification programs could help fill specific industry gaps.
- **A broader question** asked: *Is there enough market demand in Chico for a specialized culinary school or training operation?* The idea was not necessarily another traditional college program but potentially attracting or partnering with a culinary school or training provider to open a school in Chico aligned with the strong CSU programs.

4) Events, Festivals & Experiences

- Discussions also included creating more reasons to come to Chico, specifically for an overnight visit. Ideas raised included festivals, food and culinary events, races, cycling and outdoor recreation events, and other signature activities that could draw from outside the immediate Chico market that include overnight stays. Sierra Nevada Brewing Company's Oktoberfest and Beer Camp were mentioned, which have been cut back or are not happening every year.
- The opportunity may exist, but these types of events focused on attracting outside/overnight visitors require someone to organize, fund, market and manage.

5) Destination Marketing & Capturing the Visitor

- Discussions revolved around the visitor already coming to Chico, how to get them to spend more time, experience and overnight. Coordinating more promotion and marketing around major Chico State weekends and other visitor-generating activities; packaging experiences that encourage a longer stay; and increasing Chico's visibility to travelers passing through Northern California.
- Two complementary efforts are already marketing Chico/Butte County to visitors:
 - 1) Explore Butte County promotes Butte County as a destination and the broader collection of experiences available throughout the county.
 - 2) Travel Chico focuses specifically on Chico—why it is worth the short trip, what there is to see and do, and how visitors can experience Chico once they are here.
- An I-5 billboard was suggested to intercept/create awareness among travelers who are already moving through the region and give them a reason to come into Chico.

3. STRATEGIC IMPLICATIONS

Chico has a robust organic visitor market, supported by Explore Butte County and Travel Chico. To sustain and enhance future growth, constraints should be identified, a discussion should be convened on opportunities, and businesses should collaborate with EBC on the new areas of focus; particularly the small meetings and conferences.

- 1) **Address hospitality workforce constraints** by strengthening connections among employers, Chico State, Butte College, and existing high school pathways, particularly for culinary and hard-to-fill hospitality positions.
- 2) **Leverage Chico State's Recreation, Hospitality and Parks Management program** as a stronger visitor-economy asset—connecting more students and graduates to local employers and exploring opportunities to expand its industry role, similar to apprenticeship programs.
- 3) **Strengthen Hospitality Career Pathways.** Determine whether existing education and training pathways align with demonstrated employer demand, identify gaps, and work with employers and workforce partners to develop appropriate training and better connect available programs, students and job seekers to hospitality jobs and career advancement.
- 4) As **Explore Butte County** adds dedicated capacity to pursue the Small Meeting & Conference market, hotels, venues, restaurants and other hospitality businesses should work with EBC to understand what meeting planners and attendees need and expect to ensure Chico is prepared to provide the venues, services and experiences that can build a repeat market for meetings, conferences, corporate retreats and other small-group overnight stays.
- 5) There appear to be opportunities to strengthen the visitor economy through selective development of experiences, facilities and infrastructure that can increase visitation and visitor spending:
 - **Destination Sports & Recreation.** Chico's identity and place as a regional sports and recreation destination will be strengthened by CARD's expanding recreation facilities and programs, outdoor trails development and Explore Butte County's sports-tourism feasibility analysis and facility development work.
 - **Arts & Culture.** Chico's arts and culture could be the foundation for strategic placemaking—strengthening Chico's arts and cultural identity and enhancing the visitor experience.
 - **Silver Dollar Fairgrounds.** The new 40,000-square-foot Community Resiliency Center at the Silver Dollar Fairgrounds could strengthen Chico's capacity to host conferences, concerts and other regional events that draw outside visitors, overnight stays, while retaining its primary role in emergency response and community resiliency.

APPENDIX: VISITOR ECONOMY TRENDS & ANALYSIS

2019-2030

Tourism as a Business Revenue and Tax Revenue Generator

The Visitor Economy reflects visitor-generated activity and spending across portions of several industries and business, including accommodations, restaurants, retail, transportation, real estate/rental services, administrative support, and arts, entertainment, and recreation. As visitor activities increase demand for services, economic growth is created across those industries and businesses.

Hotels and other overnight accommodations extend the visitors' time and spending—in Chico. Overnight visitors generate lodging and local tax revenues while also supporting restaurants, retail, and other local businesses. As a regional destination and hub, Chico's lodging capacity helps capture spending from outside the community that would otherwise occur elsewhere.

Drawing on various sources, the Economic Measure table estimates the capture of visitor-related spending in Chico and the additional economic activity generated through local businesses, employees, and suppliers that visitors create.

Table 1: Economic Measures

Economic Measure	Impact
Gross Regional Product / Value Added	\$166.2 million
Jobs Supported	2,660
Labor Income	\$93.8 million
2024/2025 Transient Occupancy Tax (inc. short-term rentals)	\$4.3 million
State and Local Taxes	\$32.3 million

Sources: EFA, Dean Runyan Assoc, Tourism Economics, Visit California, CoStar, Explore Butte County.



For the City of Chico, increasing the number of hotel stays generates higher sales tax and transient occupancy tax (TOT) revenues.



Overnight stays are critical to a tourism strategy. Because of the additional spending that occurs when an extra day in Chico is added to a visitor's itinerary, overnight stays generate more business revenue, support more jobs, and increase both sales tax and TOT revenues.

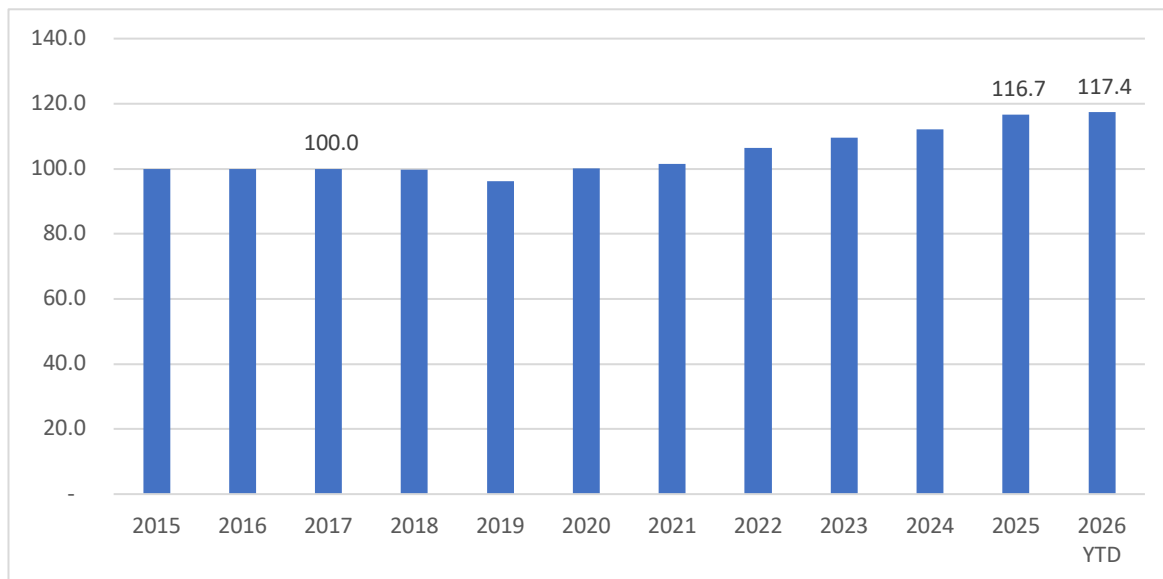
Tourism Capacity

Serving overnight-stay visitors starts with hotel rooms. **Figure 1** shows the annual evolution of hotel rooms and number of hotel nights available estimated on an annual basis. In 2025, Chico offered an average daily inventory of 1,490 hotel rooms, representing roughly 45,300 available room-nights per month.

The amount of daily foot traffic in Chico is difficult to measure, but some data tools are emerging that may help. Companies such as Placer.ai specialize in tracking (using cell phone movements) the origins and destinations of those who come to and leave specific addresses and event facilities (theaters, outdoor spaces), and in tracking data daily.

There is no public data available on day trippers; Visit California tracks overall spending and economic impacts by county, including business revenues, jobs, wages, and state/local taxes, on an annual basis (Visit California Research [here](#)).

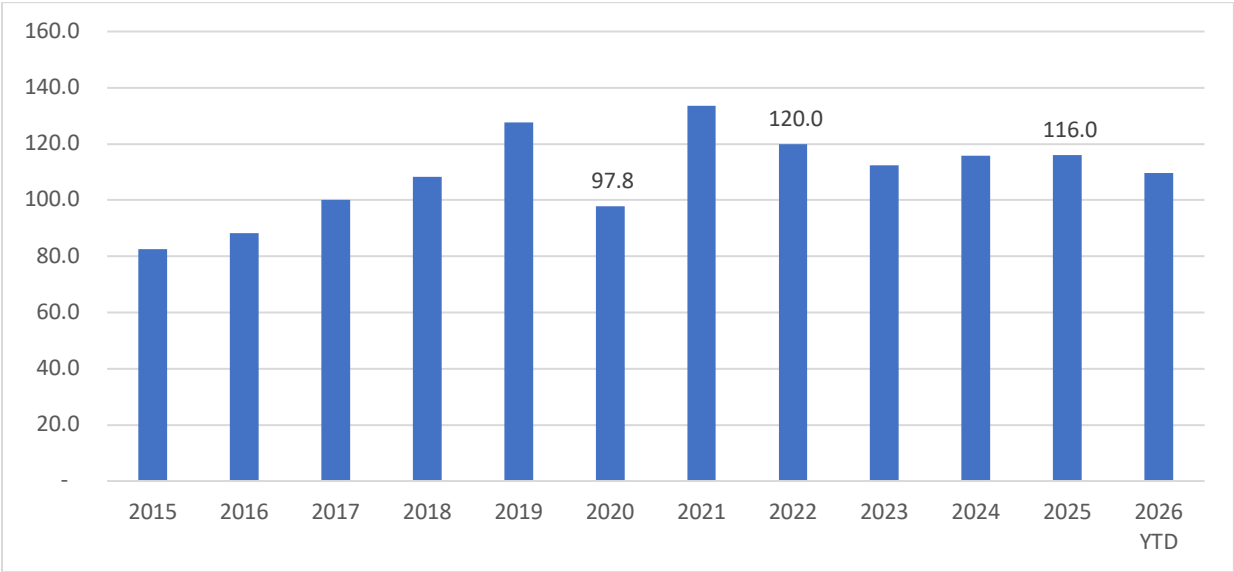
Figure 1: Chico Hotel Room Supply, Annual Average Rooms Offered, Index 2017 = 100, 2015-2026 Year to Date (YTD)



Source: CoStar

Figure 2 shows the evolution of revenues from the sale of hotel rooms. As sales and occupancies change, City of Chico's transient occupancy tax (TOT) revenues change.

Figure 2: Chico Hotel Room Revenue, Index (2017 = 100) 2015-2026 YTD

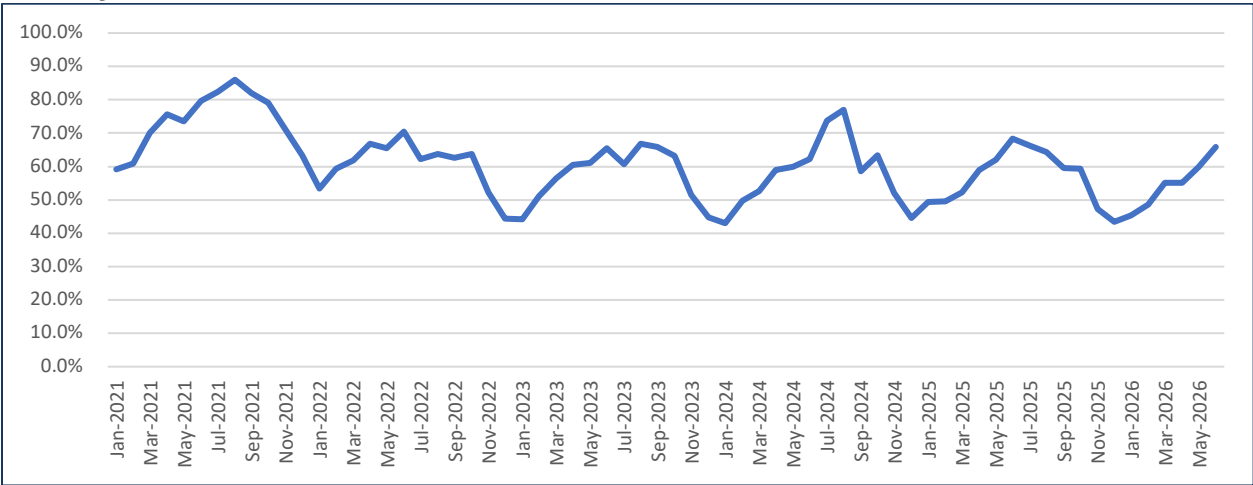


Source: CoStar

Tourism and Seasonality

Based on tourism seasonality and the academic year calendar, Chico experiences annual peaks and valleys in tourism-related employment and hotel demand. **Figure 3** shows monthly occupancy rates in Chico, based on the sample described above, as used by Explore Butte County and Travel Chico.

Figure 3: Monthly Occupancy Rates, % of Total Rooms Supplied Occupied, Chico, January 2021 to June 2026



Source: CoStar



Since 2021, occupancy rates have settled into a range between 56.7 percent and 62 percent on an annual average, with peaks within each year closing in on or exceeding 70 percent. The minimum occupancy in 2020 was 36.5 percent in April 2020 and 75.6 percent in April 2021, bouncing back as travel returned.



Looking at the period between 2018 and 2021 is problematic due to regional fires and the pandemic. The trend leads to two questions: 1) *are occupancy rates rising over time toward a goal rate as a long-term annual average or 2) are these trends still affected by disaster recovery rebuilding and capital improvement project development such as PGE undergrounding.*

Tourism Occupations: Workforce Development

One difficulty in assessing what a city or county generates from its visitors is distinguishing the share of business revenue between visitors and residents across industries such as retail and restaurants. For Chico, as a regional hub in terms of its retail, restaurant, hotel, and visitor-related assets depth and breadth, the term “visitor” can be someone coming to Chico from Oroville for dinner and a movie or someone who came to Chico from India to work for one month as a consultant. The continuum is wide.

This is also true for the type of jobs that serve visitors when considering workforce development. **Table 2** lists the primary tourism and tourism-related jobs by occupation for 2017, 2025, and 2030 (forecast). This data provides a lens on forecasted tourism growth in business revenues and local/state taxes, *assuming* the 2030 hiring forecast holds. For purposes of estimating tourism's economic impact, only the portion of these jobs attributable to visitor demand is counted, resulting in an estimated 2,660 tourism-supported jobs in 2025.

Table 2: Primary Tourism and Tourism-Related Jobs by Occupation. Actual Jobs by Occupation for 2017, 2025 and Forecasted for 2030

PRIMARY TOURISM OCCUPATIONS			
Occupations in which serving visitors and providing visitor services are a primary function of the job.			
	2017	2025	2030
Maids and Housekeeping Cleaners	625	478	483
Food Service Managers	243	196	200
Recreation Workers	229	180	182
Amusement and Recreation Attendants	130	176	184
Meeting, Convention, and Event Planners	62	69	71
Hotel, Motel, and Resort Desk Clerks	54	66	72
Lodging Managers	47	33	32
Entertainers and Performers, Sports, and Related Workers, All Other	25	32	34
Travel Agents	20	12	13
Concierges	12	11	11
DIRECT TOURISM OCCUPATION TOTALS BY YEAR	1,447	1,253	1,282

TOURISM-RELATED OCCUPATIONS Workers who may interact with and serve visitors as part of their position, but not exclusively.	2017	2025	2030
Servers and Waitresses	953	680	658
Managers, All Other (often includes tourism/visitor bureau, directors)	464	566	606
Landscaping and Groundskeeping Workers (parks)	477	517	547
First-Line Supervisors of Food Preparation and Serving Workers	411	495	497
Bartenders	294	261	244
Market Research Analysts and Marketing Specialists	119	216	223
Security Guards (attractions/venues)	188	214	236
Dining Room and Cafeteria Attendants and Bartender Helpers	230	209	207
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	186	128	123
Chefs and Head Cooks	68	106	110
Public Relations Specialists	47	77	83
Shuttle Drivers and Chauffeurs	134	72	74
Marketing Managers	44	70	75
First-Line Supervisors of Housekeeping and Janitorial Workers	44	48	51
Parking Attendants	14	11	13
TOURISM-RELATED OCCUPATIONS TOTALS BY YEAR	3,673	3,670	3,747
Total Primary Tourism & Tourism-Related Occupations	5,120	4,923	5,029
% of Primary Tourism & Tourism-Related Occupations of All Jobs and Occupations in the City of Chico	9.0%	8.8%	8.7%

Sources: Lightcast Occupational Data, Analytical Group of Occupations, EFA.



An estimated 2,660 Chico jobs are supported by visitor activity. Chico has approximately 4,923 workers in occupations that serve visitors to varying degrees—including 1,253 workers in primary tourism occupations and 3,670 workers in tourism-related occupations that also serve Chico residents and businesses (2025). Because not all of the work performed by these 4,923 workers is attributable to visitors, the tourism analysis estimates the visitor-supported share of employment at approximately 2,660 jobs. This estimate is used to measure tourism's economic impact.