

## **Butte Regional Growth Projections 2006 – 2030**

The regional growth projections below reflect the growth trends that are anticipated to occur within Butte County and incorporated cities and town during the next twenty-four years.

BCAG staff collaborated and reached consensus with city, town and county planning staff on the development of the projections. This was accomplished through meetings of the City/Town/County Planning Directors Group. Each jurisdiction will be integrating the growth projections into their General Plan updating efforts and the projections will also be integrated into BCAG's Regional Transportation Plan update in 2007 and traffic model update in 2007/08. The projections will also form the basis for the 2007/08 Regional Housing Needs Plan update.

### Housing Projection Methodology

The first step in developing the housing projections was to review building permit data for each jurisdiction from the past 15 years and develop an average annual growth rate based on these past trends. This average rate was then extended out into the future to get an idea of the level of housing growth that would be realized if past trends continue.

Next, discussions on current development activity were held with planning staff from each jurisdiction and current subdivision applications were reviewed to get an idea of how housing growth trends may be changing due to new and continuing development activities. Based on these discussions, growth rates were developed for each year out to the year 2030.

For the City of Biggs, past growth trends showed a very anemic level of housing development; however, discussion with the Biggs planning staff and examination of current submitted development projects revealed that there has been development applications submitted for a total of several hundred housing units, with the potential for a significantly greater number.

It is expected that it will take several years before these units materialize, so a relatively slow rate of growth of 1.5-2.5% (9-16 units) per year was assumed from 2006 – 2009. Housing growth is expected to increase to 3.0-3.5% (20-26 units) annually from 2010-2014, with the greatest rates of growth experienced between the years 2015 and 2019 (4.0-8% annually resulting in 31-72 units being built per year). From 2020-2030, the rate of growth is expected to taper off back down to 4.0-2.5% annually, consistent with the downward trend expected in the Department of Finance projections. Overall, the City of Biggs is expected to add approximately 775 new housing units by 2030.

For the City of Gridley, similar to the City of Biggs, past growth trends showed a very slow level of housing development. Again discussions with Gridley city planning staff and examination of current submitted development projects revealed that there has been a huge increase in development activity, with all development applications submitted totaling over 2,000 units.

Gridley has already seen several new housing developments get underway, with the Department of Finance estimating 104 new housing units already added between 2005 and 2006. City of Gridley staff expects this pace of housing development to continue and even increase slightly over the next 10-15 years. From 2006-2014, it was assumed that a 5.0% compound annual increase in housing units would occur (111-156 units/year).

The rate of growth from 2015-2020 is expected to decrease slightly to 4.0-3.0% annually (131-118 units/year), and continue at 2.0% from 2021-2030. This reflects the Department of Finance's projected trend of slowing housing production in this time frame. Overall, it is expected that the City of Gridley will add approximately 2,699 new housing units over the 24-year period.

The City of Chico has experienced a fairly constant annual housing unit growth rate of 2% over the past 10-15 years, and despite a significant number of development projects in the pipeline, city staff expects to see a continuation of their 2% annual growth rate throughout the horizon of the projections. Based on these projections, the City of Chico will add approximately 19,996 new housing units by 2030.

The City of Oroville is another jurisdiction that has experienced very slow growth over the last 15 years or so, but is expecting a housing boom in the coming years. Submitted subdivision applications in the City of Oroville area total almost 5,000 units, with several developments already under construction.

Housing growth in the Oroville area is expected to occur at a 2.0-4.0% annual rate from 2006-2009 resulting in approximately 116-245 new housing units per year. The peak of the housing boom is expected to occur between the years 2010 and 2015 with a 5.0% annual rate resulting in the production of approximately 319-407 housing units per year.

From 2016-2019, the rate is expected to decrease to 4.0-3.0%, with the rate decreasing further to 2.0% from 2020-2030, consistent with Department of Finance projection trends. Overall, the City of Oroville should see approximately 6,418 new units developed by 2030.

It should be noted that the demand for housing in the Cities of Oroville, Gridley and Biggs is expected to be primarily due to the above average job growth and increasing land costs in the Sacramento metropolitan area (including Roseville). This has resulted in housing development spilling into neighboring counties in order to try and satisfy the metro region's need (market) for more "affordable" housing that is still within a reasonable distance to commute.

The Town of Paradise has experienced a slow rate of growth in the past, and this trend is expected to continue into the future. A contributing factor to Paradise's slow growth is the lack of sewer infrastructure and prohibitive geography that includes steep canyons and dense lava cap rock. The limited number of submitted development applications for large housing developments also suggest the continuation of Paradise's slow and steady housing growth. The town expects any new housing growth to primarily occur through infill developments and along the southern edge of the Town Limits.

The Town should see a continuation of its past annual housing unit growth rate of 0.90% until 2010, which will result in approximately 114-116 new housing units per year. Between 2010 and 2015, the rate is forecast to increase to 1.3% annually as the town does expect to have several larger developments build out in this timeframe, resulting in approximately 170-181 new housing units per year. From 2016-2030, it is expected that the Town of Paradise will slow back to its 0.90% annual compound growth trend resulting in 127-144 new units per year. Overall, the Town of Paradise expects to add approximately 3,427 new units by 2030.

The unincorporated County's housing growth projections are based on the premise that their past housing growth rate of 1.0% annually will continue into the future. It should be noted that the projections for the unincorporated county only account for the construction of new units that remain in the County's jurisdiction (unincorporated) - it is expected that new construction within city spheres of influence will be annexed into the municipalities. Based on the annual compound rate of 1.0%, the unincorporated county will produce approximately 10,568 units in the next 24 years that will remain under the jurisdiction of the County.

#### Population Projection Methodology

The population projections were developed by multiplying the housing unit projections by the average persons per housing unit estimate. The average persons per housing unit was calculated by dividing the 2006 Department of Finance population estimates for each jurisdiction, by the 2006 Department of Finance housing unit estimate for each jurisdiction. These numbers were used in favor of the 2000 U.S. Census Bureau's estimates of person per housing unit because they were considered more current.

#### Employment Projection Methodology

Employment projections are developed at the county level only and are based on a ratio of jobs per housing unit calculated using 2002 ABI jobs data and 2002 Department of Finance housing unit data. This resulted in an existing 2002 jobs to housing unit ratio of 0.95 jobs/housing unit. More current jobs data was not available at the time the projections were developed. This ratio was assumed to decrease to 0.925 in 2010, 0.90 in 2015 and 0.875 in 2020 due to the anticipated increase in housing in the southern part of the county that will likely create a "bedroom community" effect in these areas due to the fact that these developments will cater to employees in the Sacramento metropolitan area. For the years 2020 and 2025 the ratio increases back to 0.90 under the assumption that housing development will level off and job growth will begin to catch up within the county.

These growth projections will be updated again in three years to ensure that any unexpected changes in trends will be integrated into the projections.

### Regional Population Projections 2006 - 2030

Jurisdiction	2006*	2010	2015	2020	2025	2030	Total Increase 2006-2030	Percent Increase 2006-2030	Average Annual Growth Rate
Biggs	1,780	1,955	2,311	3,062	3,533	3,997	2,217	125%	5.2%
Chico	79,091	85,610	94,520	104,358	115,220	127,212	48,121	61%	2.5%
Gridley	5,949	7,231	9,141	10,804	11,928	13,170	7,221	121%	5.1%
Oroville	13,550	15,696	20,033	23,447	25,888	28,582	15,032	111%	4.6%
Paradise	26,516	27,592	29,433	30,781	32,192	33,667	7,151	27%	1.1%
Unincorporated	90,323	93,991	98,786	103,825	109,121	114,687	24,364	27%	1.1%
<b>Total County</b>	<b>217,209</b>	<b>232,075</b>	<b>254,224</b>	<b>276,277</b>	<b>297,882</b>	<b>321,315</b>	<b>104,106</b>	<b>48%</b>	<b>2.0%</b>

\*Source: Department of Finance

### Regional Housing Unit Projections 2006 - 2030

Jurisdiction	2006*	2010	2015	2020	2025	2030	Total Increase 2006-2030	Percent Increase 2006-2030	Average Annual Growth Rate
Biggs	622	683	807	1,070	1,234	1,397	775	125%	5.2%
Chico	32,864	35,573	39,276	43,363	47,877	52,860	19,996	61%	2.5%
Gridley	2,224	2,703	3,417	4,039	4,459	4,923	2,699	121%	5.1%
Oroville	5,785	6,701	8,553	10,010	11,052	12,203	6,418	111%	4.6%
Paradise	12,707	13,223	14,105	14,751	15,427	16,134	3,427	27%	1.1%
Unincorporated	39,181	40,772	42,852	45,038	47,335	49,749	10,568	27%	1.1%
<b>Total County</b>	<b>93,383</b>	<b>99,655</b>	<b>109,010</b>	<b>118,271</b>	<b>127,384</b>	<b>137,266</b>	<b>43,883</b>	<b>47%</b>	<b>2.0%</b>

\*Source: Department of Finance

### Employment Projections

Jurisdiction	2006	2010	2015	2020	2025	2030
Butte County	88,714	92,181	98,109	103,487	114,646	123,539

Note: 2006 estimate based on ratio of 0.95 jobs/housing unit ratio

This ratio decreases to 0.925 for 2010, 0.90 for 2015 and 0.875 for 2020

to reflect anticipated bedroom community effect in southern portion of county

The ratio then increases to 0.90 for 2025 and 2030