
Butte County Long-Term Regional Growth Forecasts 2010 – 2035

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INTRODUCTION

Approximately every four years, the Butte County Association of Governments (BCAG) prepares long-term regional growth forecasts of housing, population, and employment for the Butte County area. The forecasts are used in preparation of BCAG's 2012 Regional Transportation Plan, Sustainable Communities Strategy, Air Quality Conformity Determination, and Regional Housing Needs Plan and provide data support for BCAG's regional Travel Demand Model. Local land use planning agencies may also elect to utilize the forecasts for preparing district plans or city and county long range plans.

The forecasts have been developed by BCAG in consultation with its Planning Directors Group which consists of representatives from each of BCAG's local jurisdiction members and the Butte Local Agency Formation Commission. Each of the local jurisdictions provided valuable input regarding the anticipated amount of growth within their respective planning areas.

A low, medium, and high scenario has been developed for each forecast of housing, population, and employment. The use of these scenarios provides for increased flexibility when utilizing the forecast for long-term planning and alleviates some of the uncertainty inherent in long range projections.

The regional growth forecasts will be updated again during the 2014/15 fiscal year in preparation for BCAG's 2016 Regional Transportation Plan and to ensure that any unexpected trends will be integrated into the forecasts.

REGIONAL FORECASTS

In comparison to the regional forecasts prepared by BCAG in 2006, the 2010 forecasts capture the downward trend in regional growth associated with the dramatic downturn in the economy. This is most evident in the short term periods (2010-2020) of the forecasts in which the overall growth of the region has been most affected. Less variation is seen with the longer range (2020-2035) forecasts, suggesting that future growth patterns are likely to stay intact following an economic recovery.

As identified in BCAG's 2006 growth forecasts, jurisdictions in the southern portions of the region are projected to absorb a greater percentage of the regional growth than achieved in past growth trends. The cities of Biggs, Gridley, and Oroville are forecasted to, at a minimum, double in population by the year 2035. While the greatest amount of growth will continue to be occurring in the Chico area with a forecasted range of 16,339 – 22,096 new housing units by the year 2035.

Consistent with the population and housing trends, employment is projected to rebound from its current estimate of 0.74 jobs per housing unit in 2010 to moderate historic levels by the year 2020 and maintain a 0.78 ratio into the horizon year of 2035.

Table 1: Housing Forecasts 2010-2035

Low Scenario

Jurisdiction^	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035	Compound Annual Growth Rate (CAGR) 2010-2035
Biggs	634	740	931	1,080	1,249	1,440	806	127%	3.3%
Chico	37,159	38,750	41,283	44,957	49,018	53,498	16,339	44%	1.5%
Gridley	2,449	2,911	3,586	4,116	4,736	5,338	2,889	118%	3.2%
Oroville	6,393	7,157	8,379	9,966	10,912	11,964	5,571	87%	2.5%
Paradise	12,789	13,171	13,638	14,168	14,720	15,314	2,525	20%	0.7%
Unincorporated^^	37,199	39,371	41,696	44,051	46,576	49,228	12,029	32%	1.1%
Total County	96,623	102,101	109,513	118,338	127,210	136,782	40,159	42%	1.4%

Medium Scenario

Jurisdiction^	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035	Compound Annual Growth Rate (CAGR) 2010-2035
Biggs	634	759	984	1,159	1,359	1,584	950	150%	3.7%
Chico	37,159	39,034	42,019	46,349	51,134	56,414	19,255	52%	1.7%
Gridley	2,449	2,994	3,789	4,414	5,144	5,854	3,405	139%	3.5%
Oroville	6,393	7,293	8,733	10,603	11,718	12,958	6,565	103%	2.9%
Paradise	12,789	13,239	13,789	14,414	15,064	15,764	2,975	23%	0.8%
Unincorporated^^	37,199	39,759	42,499	45,274	48,249	51,374	14,175	38%	1.3%
Total County	96,623	103,078	111,813	122,213	132,668	143,948	47,325	49%	1.6%

High Scenario

Jurisdiction^	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035	Compound Annual Growth Rate (CAGR) 2010-2035
Biggs	634	777	1,036	1,236	1,466	1,724	1,090	172%	4.1%
Chico	37,159	39,311	42,736	47,705	53,196	59,255	22,096	59%	1.9%
Gridley	2,449	3,074	3,987	4,704	5,542	6,356	3,907	160%	3.9%
Oroville	6,393	7,426	9,078	11,224	12,504	13,927	7,534	118%	3.2%
Paradise	12,789	13,305	13,937	14,654	15,400	16,203	3,414	27%	1.0%
Unincorporated^^	37,199	40,137	43,281	46,465	49,879	53,465	16,266	44%	1.5%
Total County	96,623	104,030	114,054	125,988	137,986	150,930	54,307	56%	1.8%

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark. Sacramento, California, May 2010.

Notes:

^ Jurisdictional figures reflect anticipated new growth within the anticipated boundaries of each jurisdiction and do not reflect future annexation of existing units or as-yet-unbuilt new units in unincorporated areas to the respective cities. Assumptions about future boundaries are not intended by BCAG to be interpreted as factors limiting such jurisdictions' future boundaries.

^^ Unincorporated Butte County figures exclude forecasted growth identified in the Butte County General Plan 2030 - Environmental Impact Report as Bell Muir/Chico Area, Doe Mill/Honey Run Specific Plan, Thermalito Afterbay, Biggs Area, and Gridley Area and includes shared growth (50%) of Thermalito, Southern Oroville and Eastern Oroville.

Table 2: Population Forecasts 2010-2035

Low Scenario

Jurisdiction [^]	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035	Compound Annual Growth Rate (CAGR) 2010-2035
Biggs	1,787	2,086	2,624	3,043	3,521	4,059	2,272	127%	3.3%
Chico	88,228	92,004	98,018	106,743	116,383	127,021	38,793	44%	1.5%
Gridley	6,454	7,673	9,451	10,849	12,481	14,069	7,615	118%	3.2%
Oroville	14,687	16,442	19,249	22,895	25,069	27,486	12,799	87%	2.5%
Paradise	26,310	27,095	28,055	29,146	30,281	31,503	5,193	20%	0.7%
Unincorporated ^{^^}	84,302	89,223	94,493	99,829	105,550	111,560	27,258	32%	1.1%
Total County	221,768	234,524	251,890	272,504	293,285	315,698	93,930	42%	1.4%

Medium Scenario

Jurisdiction [^]	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035	Compound Annual Growth Rate (CAGR) 2010-2035
Biggs	1,787	2,139	2,774	3,267	3,830	4,465	2,678	150%	3.7%
Chico	88,228	92,678	99,766	110,046	121,407	133,944	45,716	52%	1.7%
Gridley	6,454	7,890	9,986	11,633	13,556	15,428	8,974	139%	3.5%
Oroville	14,687	16,755	20,063	24,359	26,921	29,770	15,083	103%	2.9%
Paradise	26,310	27,235	28,367	29,652	30,990	32,430	6,120	23%	0.8%
Unincorporated ^{^^}	84,302	90,102	96,311	102,600	109,342	116,424	32,122	38%	1.3%
Total County	221,768	236,800	257,266	281,558	306,047	332,459	110,691	50%	1.6%

High Scenario

Jurisdiction [^]	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035	Compound Annual Growth Rate (CAGR) 2010-2035
Biggs	1,787	2,191	2,919	3,485	4,132	4,860	3,073	172%	4.1%
Chico	88,228	93,335	101,468	113,265	126,303	140,688	52,460	59%	1.9%
Gridley	6,454	8,102	10,507	12,397	14,604	16,751	10,297	160%	3.9%
Oroville	14,687	17,060	20,856	25,786	28,726	31,995	17,308	118%	3.2%
Paradise	26,310	27,372	28,670	30,146	31,680	33,333	7,023	27%	1.0%
Unincorporated ^{^^}	84,302	90,958	98,083	105,300	113,036	121,163	36,861	44%	1.5%
Total County	221,768	239,018	262,503	290,379	318,481	348,790	127,022	57%	1.8%

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark. Sacramento, California, May 2010.

Notes:

[^]Jurisdictional figures reflect anticipated new growth within the anticipated boundaries of each jurisdiction and do not reflect future annexation of existing units or as-yet-unbuilt new units in unincorporated areas to the respective cities. Assumptions about future boundaries are not intended by BCAG to be interpreted as factors limiting such jurisdictions' future boundaries.

^{^^} Unincorporated Butte County figures exclude forecasted growth identified in the Butte County General Plan 2030 - Environmental Impact Report as Bell Muir/Chico Area, Doe Mill/Honey Run Specific Plan, Thermalito Afterbay, Biggs Area, and Gridley Area and includes shared growth (50%) of Thermalito, Southern Oroville and Eastern Oroville.

Table 3: Employment Forecasts 2010-2035

Low Scenario

Jurisdiction	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035
Butte County	71,501	77,596	85,420	92,304	99,224	106,690	35,189	49%

Medium Scenario

Jurisdiction	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035
Butte County	71,501	78,339	87,214	95,326	103,481	112,279	40,778	57%

High Scenario

Jurisdiction	2010*	2015	2020	2025	2030	2035	Total Increase 2010-2035	Percent Increase 2010-2035
Butte County	71,501	79,063	88,962	98,271	107,629	117,725	46,224	65%

Table 4: Jobs (Non-Farm) to Housing Unit Ratios 2010-2035

Factor	2010*	2015	2020	2025	2030	2035
Jobs/Housing Unit	0.74	0.76	0.78	0.78	0.78	0.78

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark. Sacramento, California, May 2010. California Employment Development Department, Industry Employment & Labor Force - by Annual Average, March 2009 Benchmark, for Butte County (Chico MSA).

FORECAST METHODOLOGY

BCAG has prepared the forecasts using professionally accepted methodologies for long-range forecasting. First, utilizing a “top down” approach, long-term projections prepared by the State of California were consulted for Butte County and used to establish control totals for the region. Secondly, a variety of data sources, including input from local jurisdiction staff, were then consulted to develop historic trends and projected growth at the local jurisdiction level, therefore incorporating a “bottom up” approach. Forecasts were then allocated into five year increments until the year 2035. Lastly, low, medium, and high scenarios were prepared for each forecasted category.

HOUSING

The latest California Department of Finance (DOF) long range population and housing projections, as of December 2010, were analyzed for the period 2010-2035 for the Butte County region. These projections determine that the Butte County region will grow at a Compound Annual Growth Rate (CAGR) of 1.8%. This information was used to establish the control total for BCAG’s high forecast scenario.

BCAG then compiled historic building permit data and prepared a revise of the 2006 BCAG growth forecasts utilizing 2010 base line data from DOF, for each jurisdiction in the region. After reviewing the information described above, planning staff from the local jurisdictions provided input into future housing development considering their most recent local land use plans and knowledge of current development activity. Based on the information gathered, an estimate of the production of new housing units occurring within each jurisdiction, for each five year increment, to the year 2035, were then developed. Once compiled for all jurisdictions, the forecast showed a regional CAGR of 1.6%. This information was used to represent the medium forecast scenario.

Based on a 0.2 percent incremental change between the established high and medium scenarios, a low scenario was developed using a CAGR of 1.4%. Each jurisdictions growth, represented in 5 year increments, was adjusted from the medium scenario to the high and low scenarios based on its share of growth.

POPULATION

Population forecasts were prepared by applying average persons per housing unit to the housing unit forecasts. This method allows for the capture of variations in household for each jurisdiction. The average person per housing unit was prepared by dividing the 2010 DOF preliminary population estimates by the preliminary housing estimates for each jurisdiction. This method was applied to all scenarios.

EMPLOYMENT

Employment forecasts were prepared at the regional/county level only and are based on a ratio of jobs per housing unit.

Baseline 2010 employment data was obtained from the California Employment Development Department (EDD) for the year 2009 – an annual average for 2010 was not available at the time the BCAG regional forecasts were prepared. The 2009 EDD data provide a total of all non-farm jobs for the region. This information was then used in conjunction with 2009 DOF preliminary housing unit estimates to calculate a ratio of 0.74 jobs per housing unit.

Historic employment information was also obtained from the EDD for the period 1990-2009 and averaged to calculate a long range jobs to housing unit ratio of 0.78. This ratio was applied to the years 2020-2035 and based on the assumption that historic rates of employment will completely resume by the year 2020.

Anticipating a recovery from the existing lows of the economy, an average of the 2010 and long-term ratios were prepared for the year 2015, of 0.76 jobs per housing unit.

Lastly, the jobs to housing unit ratio developed for each 5 year period was applied to all scenarios.