

City of Oroville

Business and Industry Profile



This document was prepared by Michael Suplita, Marcy McCormick, Nick Billeci, and Danny Greenwood of the Center for Economic Development at California State University, Chico's Research Foundation, in June 2011, for the City of Oroville in Butte County.

If you would like to know more about this document or would like information on any of the Center's other services, please contact the Center for Economic Development at (530) 898-4598

If you would like more information about the City of Oroville, please contact:

**Oroville City Hall
1735 Montgomery Street
Oroville, CA 95965
(530) 538-2401
www.cityoforoville.org**



**Center for Economic Development
California State University, Chico
Chico, CA 95929-0765**

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Introduction

Oroville is located approximately sixty-nine miles north of Sacramento on Highway 70. With a population that is diverse in terms of age, income, and ethnicity, Oroville's business climate presents both challenges and opportunities. The purpose of this document is to analyze the local business climate in and around the City of Oroville. Due to the diverse geographic region that encompasses the City of Oroville, this document analyzes multiple geographic regions to provide a comprehensive look at the Oroville business environment. Several economic and demographic factors are explored and used to analyze each geographic region. The geographic regions analyzed include Butte County, the Oroville Trade Area (as defined by the Center for Economic Development), the Great Oroville Area, and the City of Oroville.

Trade Areas

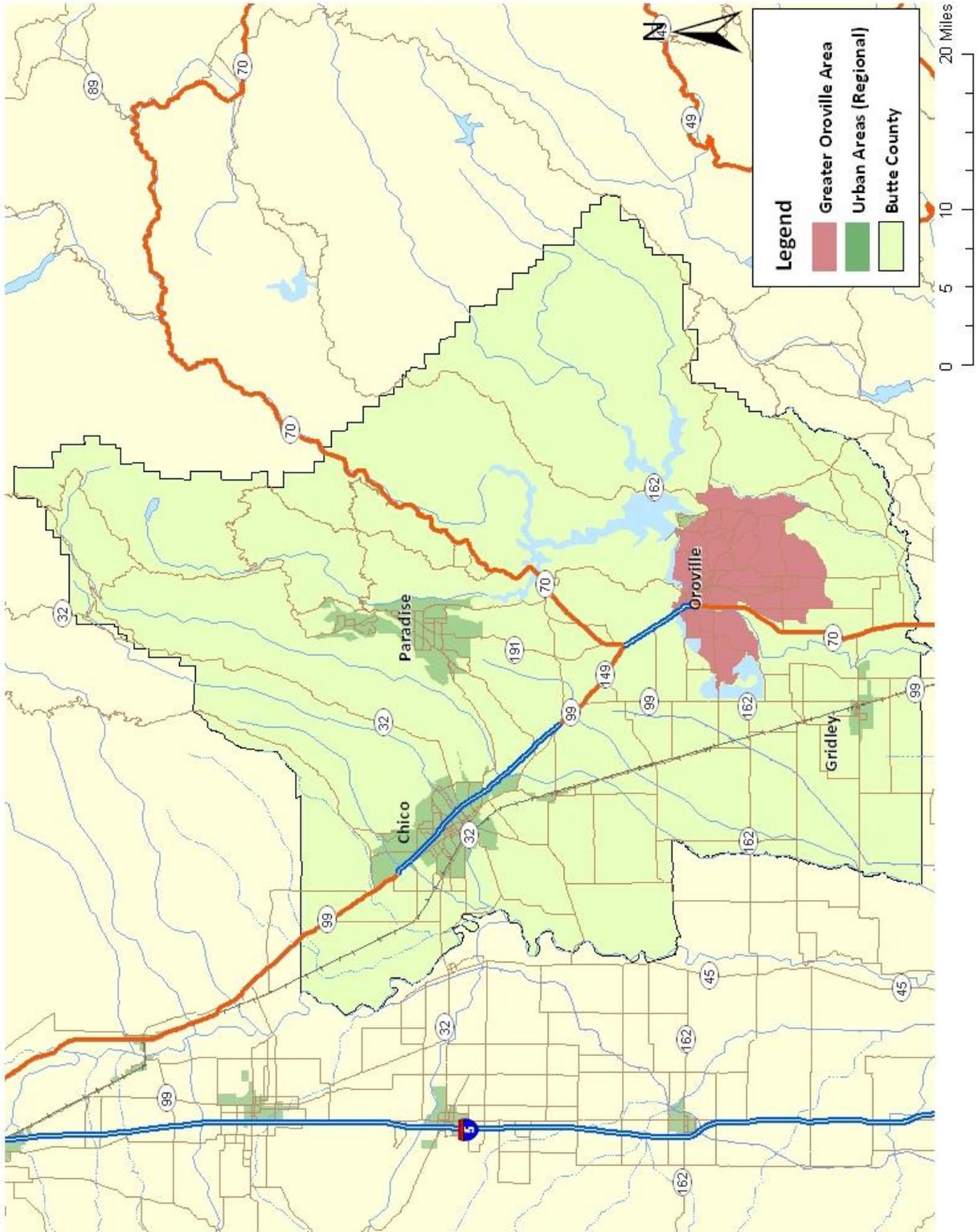
The three maps shown below depict three different regions that are analyzed in this document. Individual businesses and or industries may have market areas that differ from the specified regions outlined in this document, as some businesses export outside of the county, while others target very small neighborhoods. However the Center for Economic Development (CED) feels that most current and prospective businesses will find use in at least one if not all of the areas analyzed here.

The first map in this document shows where Oroville is located geographically within Butte County, and in comparison to nearby urban areas.

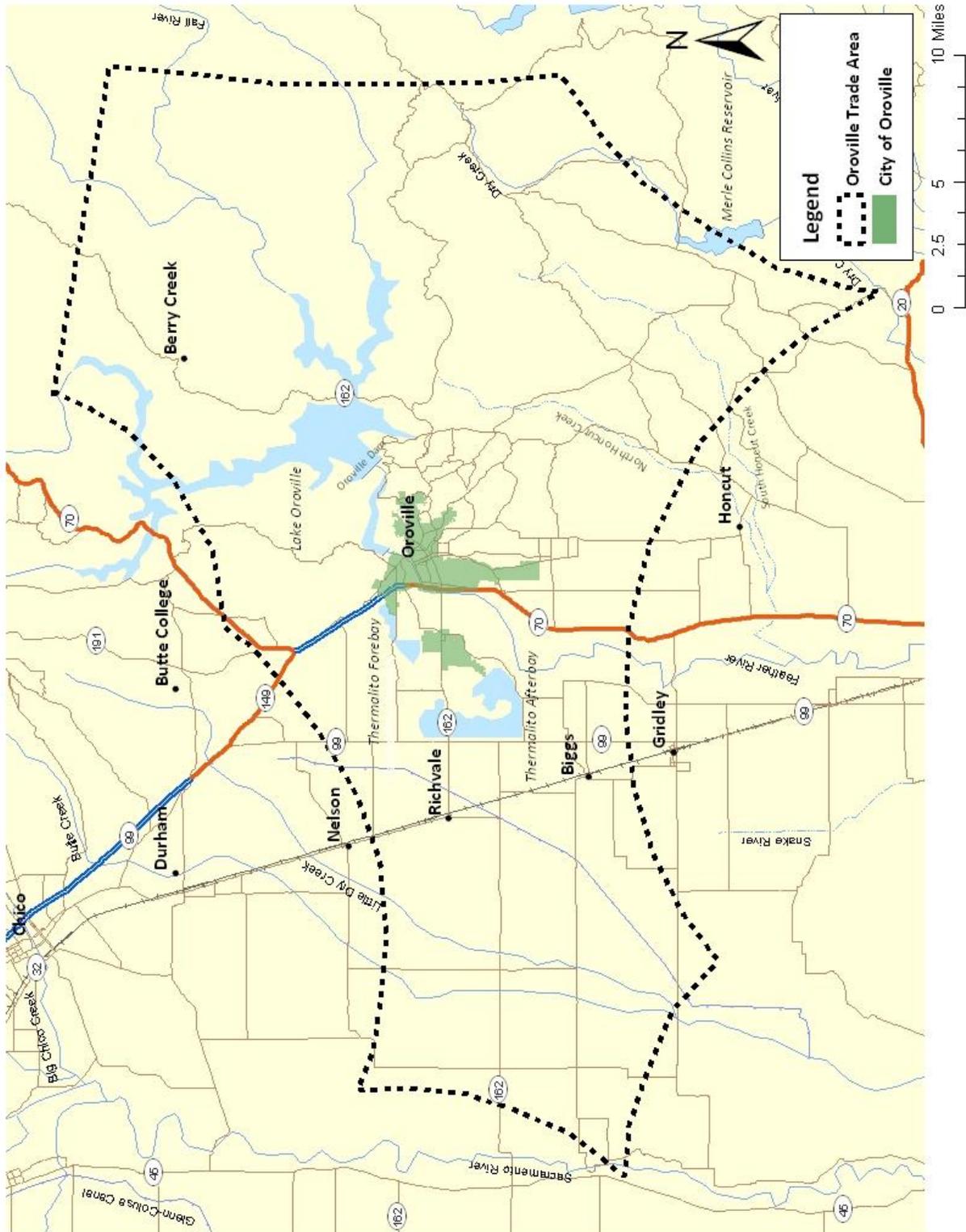
The second map is a map of the Oroville Trade Area as defined by the Center for Economic Development (CED). The Center used a variation of an analytical technique known to regional economists as Location Theory to calculate the geographical point at which consumers in a particular location will choose one market area over another to do the majority of their retail shopping (i.e. how far away from Chico does someone need to live to primarily shop in Oroville rather than Chico). The determining factors include the size (in population) of the respective markets and the distance between the two markets¹. For the purposes of this study the city of Oroville's market area was examined in terms of its penetration into the following trade areas: Reno to the east, Grass Valley to the southeast, Marysville to the south, Yuba City to the southwest, Colusa and Willows to the west, Chico to the northwest, and Paradise to the north. Oroville's relationship to each of these cities' market areas outlines what the CED is defining as the Oroville Market Area. This market area can be seen on page 5.

Due to a lack of data at the Oroville Urban Area level since the 2000 Decennial Census, the third region, not defined as the Oroville City limits, is defined by the CED as the Greater Oroville Area (GOA). As opposed to the Oroville Trade Area, the Greater Oroville Area is defined by political boundaries. The GOA is the combination of the City of Oroville (as defined by the city limits) and the Thermalito, South Oroville, Palermo, and Oroville East Census Designated Places (CDP). Data was collected for the region as a whole and, and when available, for the areas individually. An outline of each region can be found on page 6.

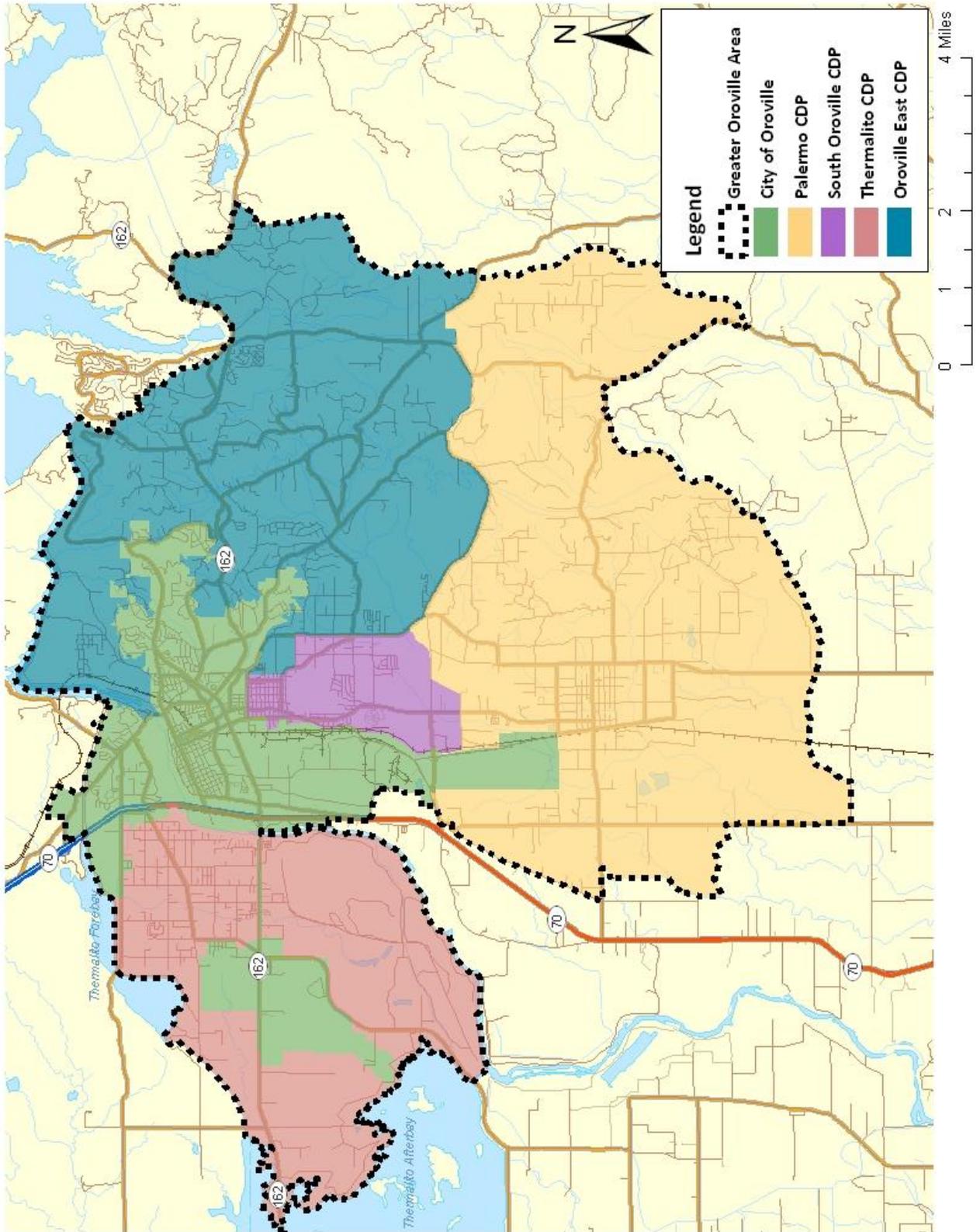
Butte County



Oroville Trade Area



Greater Oroville Area



Demographics

Total Population

Geographic Area	2000	2010	Percentage Change
Greater Oroville Area	41,144	43,606	6.0%
City of Oroville	13,004	15,546	19.5%
Palermo	5,720	5,382	-5.9%
South Oroville	7,695	5,742	-25.4%
Thermalito	6,045	6,646	9.9%
Oroville East	8,680	8,280	-4.6%
Oroville Trade Area	53,731	58,645	9.1%
Butte County	203,171	220,000	8.3%

Source: US Department of Commerce, Bureau of the Census, Census 2000 and 2010

Why is it important?

The most common way of determining the size of a market is by the actual number of people living in the area. This method is important because often it is crucial for a business to know if its market area is expanding or contracting, how fast is the market is growing or declining, or if the market is large enough to support a new product line or business expansion.

How are we doing?

Between 2000 and 2010 the Greater Oroville Area grew at a slower rate than did Butte County and the Oroville Trade Area as a whole. The City of Oroville, however, showed significant growth over the time period while South Oroville CDP saw major contraction. It seems that most of the population changes were relatively normal, except for the City of Oroville and the South Oroville CDP. It is understandable that the South Oroville CDP would decrease in population size over the period as some of the CDP was subsumed into the Oroville East CDP. Oddly enough the Oroville East CDP saw a decrease in population over the time period. It appears that there may be some migration from either South Oroville CDP or Oroville East CDP into the city limits.

For businesses with markets that are area-wide (Greater Oroville Area, Oroville Trade Area, Butte County) the market is getting more populous at a steady but slow pace. The businesses that should take note of this information are the South Oroville (“Southside”) and Oroville East businesses that attract most of their businesses from neighborhood residents. Small community markets and other small local retailers in the area should pay particular attention to the shrinking market for their products and services.

Greater Oroville Area

Population by Age

Age by year	Population	Percent of Total
<5	2,813	6.5%
5-9	2,761	6.3%
10-14	3,525	8.1%
15-19	3,663	8.4%
20-24	4,189	9.6%
25-34	3,692	8.5%
35-44	4,820	11.1%
45-54	5,887	13.5%
55-59	3,008	6.9%
60-64	2,051	4.7%
65-74	3,765	8.6%
75-84	2,580	5.9%
85+	826	1.9%
Total	43,580	100.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Why is it important?

Population by age is important for local business owners and prospective business owners for several reasons. While overall population is important for most businesses when looking at their market area, often specific businesses or industries should pay more attention to the age composition of the population. The classic example is healthcare. While most individuals in the community, regardless of age, require certain emergency services, an aging population offers additional opportunities for expanded healthcare service offerings (i.e. more physicians and more specialists).

The age make up of a community's population is also important to other retail goods and service businesses when making product decisions that may be specifically geared toward, children, seniors, or families. The often over looked value of this statistic is in evaluating a potential future workforce. For example, if, over time, a large percentage of the population is reaching or nearing retirement age, and the retirees are not being replaced by those of working age, there may be a shortage of potential employees. The result could be shortages of labor with particular skills, possibly impeding business creation or expansion in the area.

How are we doing?

The data at the individual place level (CDPs and City of Oroville) can be seen in the tables below. The Greater Oroville Area has a relatively balanced population by age distribution. The good news for Oroville business owners is that there is a large population in the 35-55 year age bracket which is generally considered to be the prime working age population so there should not be a near term problem with worker availability . The largest surprise is the significant population (10%) of young adults (20-24) that live in the area. The good news for Oroville businesses is that there is no shortage of unskilled low wage workers, and from a retail stand point this age range provides an opportunity to fill a niche market. The bad news is that this age group will generally compound a chronic unemployment problem, and this specific demographic generally does not bring a lot of disposable income into the region.

It should also be noted that there is a viable senior market in the area and services geared towards seniors should be explored.

Population by Educational Attainment

Highest Level of Educational Attainment	Population	Percent of Total
Population 25 years and over	26,629	100.0%
Less than 9th grade	1,897	7.1%
9th to 12th grade, no diploma	4,053	15.2%
High school graduate or equivalent	8,526	32.0%
Some college, no degree	7,223	27.1%
Associate's degree	1,803	6.8%
Bachelor's degree	2,135	8.0%
Graduate or professional degree	992	3.7%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Why is it important?

There is a direct tie between educational attainment and projected lifetime earnings. Therefore, a region with a highly educated population will have a highly educated workforce, and a highly educated workforce is often a major factor in local economic prosperity. Population by educational attainment is an

indicator for businesses of the economic prosperity of the region. Simply, “do people have money to spend on my product?”

Perhaps more important to businesses is that population by educational attainment tells a business owner if there is a highly skilled trained/trainable workforce available in the area. Conversely, if a business is dependent on cheap, unskilled labor they may be more interested in regions that have a surplus of under educated adults.

How are we doing?

Only 11% of the Greater Oroville Area population has a bachelor’s degree or greater. This is not a positive indicator for innovation businesses looking at Oroville as a potential site, or current innovation industries that are looking to expand in the near future. The potential workforce for industries requiring highly skilled labor is low. This problem is compounded because the data presented here is for the population 25 years old or older. As pointed out in the population by age section, the largest population group is people between 20 and 24. Since there is not a university in the GOA it is doubtful that a significant portion of this large population group is acquiring additional education. This has negative implications for the quality of the future workforce, as well as per capita personal income and the area’s future economic prosperity.

There is good news for businesses that count on unskilled labor as there is a very large population of high school graduates, or those with some college education but no degree. These types of workers are generally lower wage and but are also considered “trainable.”

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	30,720	74.7%	27,887	67.0%
Black	983	2.4%	1,011	2.4%
American Indian/Alaska Native	1,455	3.5%	1,503	3.6%
Asian	2,654	6.5%	3,738	9.0%
Pacific Islander	68	0.2%	102	0.2%
Other	54	0.1%	27	0.1%
Multi Race	1,615	3.9%	1,836	4.4%
Hispanic Origin	3,595	8.7%	5,492	13.2%

Source: US Department of Commerce, Bureau of the Census, Census 2010

Why is it important?

Population by race is important for businesses that have a particular race or ethnicity as their target demographic. A strong example for Oroville is the Hmong markets in town. While it is safe to say that all races and ethnicities shop at neighborhood markets, product offerings should fit the ethnic makeup of the area. Simply put, different cultures have different tastes and preferences and that should be taken into consideration when evaluating new product lines in current locations or in areas targeted for relocation.

How are we doing?

This cannot be analyzed in general terms for the region as race and ethnicity data needs to be evaluated at the firm level. The impact of cultural tastes and preferences can only be analyzed on a case by case basis.

City of Oroville

Population by Age

Age by year	Population	Percent of Total
<5	1,100	7.6%
5-9	970	6.7%
10-14	1,334	9.2%
15-19	1,404	9.7%
20-24	1,545	10.7%
25-34	1,486	10.2%
35-44	1,657	11.4%
45-54	1,925	13.3%
55-59	850	5.9%
60-64	663	4.6%
65-74	742	5.1%
75-84	540	3.7%
85+	291	2.0%
Total	14,057	100.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Educational Attainment

Highest Level of Educational Attainment	Population	Percent of Total
Population 25 years and over	8,154	100.0%
Less than 9th grade	400	4.9%
9th to 12th grade, no diploma	1,108	13.6%
High school graduate or equivalent	2,402	29.5%
Some college, no degree	2,501	30.7%
Associate's degree	781	9.6%
Bachelor's degree	656	8.0%
Graduate or professional degree	306	3.8%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	9,560	73.5%	10,727	69.0%
Black	504	3.9%	426	2.7%
American Indian/Alaska Native	453	3.5%	453	2.9%
Asian	822	6.3%	1,224	7.9%
Pacific Islander	34	0.3%	55	0.4%
Other	11	0.1%	13	0.1%
Multi Race	547	4.2%	703	4.5%
Hispanic Origin	1,073	8.3%	1,945	12.5%

Source: US Department of Commerce, Bureau of the Census, Census 2010

Palermo CDP

Population by Age

Age by year	Population	Percent of Total
<5	256	4.3%
5-9	290	4.9%
10-14	446	7.6%
15-19	453	7.7%
20-24	664	11.3%
25-34	498	8.5%
35-44	677	11.5%
45-54	741	12.6%
55-59	500	8.5%
60-64	316	5.4%
65-74	582	9.9%
75-84	361	6.1%
85+	103	1.7%
Total	5,887	100.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Educational Attainment

Highest Level of Educational Attainment	Population	Percent of Total
Population 25 years and over	3,778	100.0%
Less than 9th grade	408	10.8%
9th to 12th grade, no diploma	758	20.1%
High school graduate or equivalent	1,156	30.6%
Some college, no degree	1,015	26.9%
Associate's degree	152	4.0%
Bachelor's degree	181	4.8%
Graduate or professional degree	108	2.9%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	4,077	71.3%	3,385	62.9%
Black	26	0.5%	35	0.7%
American Indian/Alaska Native	327	5.7%	188	3.5%
Asian	137	2.4%	241	4.5%
Pacific Islander	6	0.1%	3	0.1%
Other	14	0.2%	3	0.1%
Multi Race	241	4.2%	246	4.6%
Hispanic Origin	892	15.6%	1,281	23.8%

Source: US Department of Commerce, Bureau of the Census, Census 2010

South Oroville CDP

Population by Age

Age by year	Population	Percent of Total
<5	768	10.2%
5-9	495	6.6%
10-14	551	7.3%
15-19	662	8.8%
20-24	994	13.2%
25-34	707	9.4%
35-44	833	11.1%
45-54	805	10.7%
55-59	439	5.8%
60-64	245	3.3%
65-74	521	6.9%
75-84	409	5.4%
85+	91	1.2%
Total	7,520	100.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Educational Attainment

Highest Level of Educational Attainment	Population	Percent of Total
Population 25 years and over	4,050	100.0%
Less than 9th grade	276	6.8%
9th to 12th grade, no diploma	646	16.0%
High school graduate or equivalent	1,517	37.5%
Some college, no degree	1,186	29.3%
Associate's degree	228	5.6%
Bachelor's degree	150	3.7%
Graduate or professional degree	47	1.2%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	4,953	64.4%	3,078	53.6%
Black	371	4.8%	374	6.5%
American Indian/Alaska Native	272	3.5%	214	3.7%
Asian	980	12.7%	883	15.4%
Pacific Islander	3	0.0%	7	0.1%
Other	6	0.1%	0	0.0%
Multi Race	341	4.4%	335	5.8%
Hispanic Origin	769	10.0%	851	14.8%

Source: US Department of Commerce, Bureau of the Census, Census 2010

Thermalito CDP

Population by Age

Age by year	Population	Percent of Total
<5	482	7.1%
5-9	446	6.6%
10-14	562	8.3%
15-19	659	9.7%
20-24	575	8.5%
25-34	577	8.5%
35-44	737	10.9%
45-54	1,033	15.3%
55-59	333	4.9%
60-64	164	2.4%
65-74	698	10.3%
75-84	372	5.5%
85+	130	1.9%
Total	6,768	100.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Educational Attainment

Highest Level of Educational Attainment	Population	Percent of Total
Population 25 years and over	4,044	100.0%
Less than 9th grade	530	13.1%
9th to 12th grade, no diploma	951	23.5%
High school graduate or equivalent	1,401	34.6%
Some college, no degree	820	20.3%
Associate's degree	93	2.3%
Bachelor's degree	88	2.2%
Graduate or professional degree	161	4.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	4,467	73.9%	4,280	64.4%
Black	25	0.4%	57	0.9%
American Indian/Alaska Native	165	2.7%	220	3.3%
Asian	635	10.5%	1,098	16.5%
Pacific Islander	11	0.2%	30	0.5%
Other	4	0.1%	5	0.1%
Multi Race	273	4.5%	243	3.7%
Hispanic Origin	465	7.7%	713	10.7%

Source: US Department of Commerce, Bureau of the Census, Census 2010

Oroville East CDP

Population by Age

Age by year	Population	Percent of Total
<5	207	2.3%
5-9	560	6.3%
10-14	632	7.1%
15-19	485	5.5%
20-24	411	4.6%
25-34	424	4.8%
35-44	916	10.3%
45-54	1,383	15.5%
55-59	886	10.0%
60-64	663	7.5%
65-74	1,222	13.7%
75-84	898	10.1%
85+	211	2.4%
Total	8,898	100.0%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Educational Attainment

Highest Level of Educational Attainment	Number	Percent of Total
Population 25 years and over	6,603	100.0%
Less than 9th grade	283	4.3%
9th to 12th grade, no diploma	590	8.9%
High school graduate or equivalent	2,050	31.0%
Some college, no degree	1,701	25.8%
Associate's degree	549	8.3%
Bachelor's degree	1,060	16.1%
Graduate or professional degree	370	5.6%

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	7,663	88.3%	6,417	77.5%
Black	57	0.7%	119	1.4%
American Indian/Alaska Native	238	2.7%	428	5.2%
Asian	80	0.9%	292	3.5%
Pacific Islander	14	0.2%	7	0.1%
Other	19	0.2%	6	0.1%
Multi Race	213	2.5%	309	3.7%
Hispanic Origin	396	4.6%	702	8.5%

Source: US Department of Commerce, Bureau of the Census, Census 2010

Oroville Trade Area

Population by Race

Race (Not of Hispanic Origin)	2000 Population	Percent of Total	2010 Population	Percent of Total
White	41,019	76.3%	41,451	70.7%
Black	1,043	1.9%	1,148	2.0%
American Indian/Alaska Native	1,754	3.3%	1,882	3.2%
Asian	2,752	5.1%	3,960	6.8%
Pacific Islander	74	0.1%	130	0.2%
Other	74	0.1%	36	0.1%
Multi Race	2,095	3.9%	2,486	4.2%
Hispanic Origin	4,920	9.2%	7,552	12.9%

Source: US Department of Commerce, Bureau of the Census, Census 2010

Income

Why is it important?

Knowing the income levels in the region is important for businesses and potential businesses in the Oroville region. Certain industries and products are targeted to specific income groups and it is important, as a business owner, to know where the people that fit your target income group reside. This can help you in direct marketing efforts, product offerings, or expansion opportunities. The income level of the region may be the most crucial piece of information for any business owner to have when exploring his or her market area.

How are we doing?

Information about each of the regions analyzed in this document can be seen in the table below. It is no surprise that the Greater Oroville Area is not a high income area with fewer than 1,600 households with total household income of \$100,000 or greater. This does not leave a very large market for businesses or industries that have a limited geographic region as a target market and also have a target demographic of high income individuals. Businesses that offer goods or services that are considered luxuries have a very limited market in the GOA. High end retail is the sub-industry that is the most affected by this statistic.

On a positive note there would seem to be opportunities for both discount retail and bulk retail businesses.

Household Income (# of Households)

Income	City of Oroville	Palermo CDP	South Oroville CDP	Thermalito CDP	Oroville East CDP	Greater Oroville Area
Less than \$10,000	449	186	147	109	190	1,081
\$10,000 to \$14,999	865	78	237	135	128	1,443
\$15,000 to \$19,999	394	98	291	184	263	1,230
\$20,000 to \$24,999	344	287	239	218	174	1,262
\$25,000 to \$29,999	222	142	275	261	169	1,069
\$30,000 to \$34,999	205	90	158	141	188	782
\$35,000 to \$39,999	177	107	178	126	273	861
\$40,000 to \$44,999	413	104	148	120	175	960
\$45,000 to \$49,999	323	178	161	68	190	920
\$50,000 to \$59,999	516	106	128	123	448	1,321
\$60,000 to \$74,999	529	177	272	293	331	1,602
\$75,000 to \$99,999	475	262	101	252	490	1,580
\$100,000 to \$124,999	142	77	44	55	308	626
\$125,000 to \$149,999	127	100	78	109	204	618
\$150,000 to \$199,999	55	58	0	21	70	204
\$200,000 or more	37	17	0	0	80	134
Median HH Income	\$39,025	\$41,477	\$30,932	\$37,479	\$51,172	\$40,017

Source: US Department of Commerce, Bureau of the Census, 2005-2009 American Community Survey

Taxable Sales (Thousands)

Year	City of Oroville Total Taxable Sales	City of Oroville Taxable Retail Sales	Butte County Taxable Retail Sales	Oroville Taxable Retail Sales as a Percent of Butte County
1998	\$202,638	\$162,438	\$1,263,167	12.9%
1999	\$219,976	\$173,984	\$1,399,937	12.4%
2000	\$236,690	\$185,479	\$1,519,772	12.2%
2001	\$248,787	\$195,515	\$1,599,032	12.2%
2002	\$244,138	\$196,859	\$1,659,174	11.9%
2003	\$259,216	\$209,774	\$1,778,860	11.8%
2004	\$276,098	\$227,792	\$1,948,720	11.7%
2005	\$308,712	\$257,254	\$2,058,367	12.5%
2006	\$328,719	\$275,659	\$2,150,225	12.8%
2007	\$322,945	\$277,034	\$2,096,141	13.2%
2008	\$318,492	\$265,862	\$1,944,144	13.7%
2009	\$279,280	\$242,177	\$1,711,587	14.2%

Source: California Board of Equalization

Why is it important?

It is important for business owners to pay attention to changes in taxable sales and taxable retail sales over time. While business success is tied to many factors, from location, to pricing, marketing, or persistent entrepreneurship, changes in taxable sales over time can offer an explanation for increased or decreased sales and give a business measure of individual success if their sales are moving in the same direction as for the rest of the area. It is also important for businesses to pay attention to what industries in their area are thriving and which are struggling. Seeing taxable sales by industry allows businesses to evaluate industries for opportunities and see if their particular industry is expanding or contracting.

Taxable sales data is only available at the city and the county levels; there is no specific information for taxable transactions occurring within the Greater Oroville Area, outside of the city limits.

How are we doing?

Taxable sales are currently a bright spot for Oroville. Between 1998 and 2007 the city saw an increase in taxable retail sales of 70.5% while Butte County only saw an increase of 65.9%. Even though the recession has caused taxable retail sales to drop between 2007 and 2009, it is comforting to know that the City of Oroville's taxable retail sales did not drop as much as they did for Butte County as a whole. As a result, the percentage of Butte County taxable retail sales collected in Oroville has increased from 11.7% in 2004 to 14.2% in 2009. The City of Oroville only accounts for about 7% of the county's total population, a figure that is relatively unchanged over the last decade. Essentially Oroville retail businesses are becoming more attractive county-wide and there is less retail leakage to other Butte County cities such as Chico, Gridley, and Paradise.

There are two important inferences derived from measured changes in industry taxable sales between 2005 and 2009. First, the percent of taxable sales spent at gasoline stations went from 10% to 14.6% in the five year period. Overall, as a result of the recession, taxable sales fell during the time period, and unfortunately, fuel prices rose. Gas is fairly price inelastic, meaning people are not very responsive to changes in fuel prices because they still have to get to work and school etc, which ultimately means more money is spent at the gas station. Since gas prices are fairly competitive, there is little profit for convenience stores on fuel so there is little local benefit derived from the extra money spent on fuel. Second, if households are spending more of their disposable income on gasoline and have less disposable income as a result of the recession, there is very little left to be spent on other goods and services. In Oroville, no industry has been hit harder by this unfortunate set of circumstances than the car dealerships where taxable sales decreased over \$10,000,000 in the five year span. The back handed bright spot is that since people have not been spending money on new vehicles or spending money on aftermarket vehicle up grades, sooner or later they will be forced to purchase new vehicles simply out of necessity.

Taxable Sales by Industry (Thousands)

Type of Business	2005 Taxable Sales	Percent of Total	2009 Taxable Sales	Percent of Total
Retail and Food Service	\$257,254	83.3%	\$242,177	86.7%
Clothing and Clothing Accessories Stores	\$2,778	0.9%	\$2,844	1.0%
General Merchandise Stores	#	N/A	#	N/A
Food and Beverage Stores	\$22,636	7.3%	\$20,766	7.4%
Food Service and Drinking Places	\$31,001	10.0%	\$33,272	11.9%
Home Furnishings and Appliance Stores	\$7,560	2.4%	\$4,965	1.8%
Building Material and Garden Equipment and Supplies	\$32,262	10.5%	\$27,351	9.8%
Motor Vehicle and Parts Dealers	\$43,671	14.1%	\$33,343	11.9%
Gasoline Stations	\$31,431	10.2%	\$40,752	14.6%
Other Retail Group	\$85,915	27.8%	\$78,883	28.2%
All other Outlets	\$51,458	16.7%	\$37,103	13.3%
Totals All Outlets	\$308,712	100.0%	\$279,280	100.0%

#: Sales omitted because their publication would result in the disclosure of confidential information. In Table 5, these are included with "Other Retail Group" when possible

Source: California Board of Equalization

Cost of Living

Category	Index (Based on a National Average of 100)
Overall	97
Grocery	117
Health	111
Housing	71
Utilities	98
Transportation	117
Miscellaneous	109

Source: Sperling's Best Places

Why is it important?

The cost of living for an area is a determinant of several different things, not the least of which is the acceptable wage for the area. The other reason it is good to know the cost of living for an area is to know if it is attractive to a talented workforce. Even if a job pays well, the cost of living may be too high and a career and location change may not be feasible. Sperling's Cost of Living Index allows a comparison of regions in terms of cost of living when considering relocation.

How are we doing?

The City of Oroville, while more attractive than Chico in terms of cost of living (mostly due to more affordable housing), is still right around the national average (3% below than the national average).

Spending Potential (2008)

Why is it important?

Retail spending potential is completely theoretical and is derived by a company called ESRI. ESRI enables creation of customized reports for specific geographic regions, including estimated spending on particular products or services within the region. This is very helpful, especially because the estimates are not confined to political boundaries, meaning we have data for the Greater Oroville Area, the Oroville Trade Area and Butte County. The ESRI estimates are based on the demographic and economic make-up of the community, and not only are annual totals provided for specific sub-industries, but ESRI does annual household averages and provides a spending potential index. A business can use the annual household averages and the estimated totals to project annual revenue when opening, expanding, or creating a new product offering. This is very helpful when writing preliminary feasibility studies, loan applications, and business plans. It is important to remember that these are estimates and the data is theoretical. This data is also helpful for doing rough estimates of how much leakage an area has that could be captured by a specific business in an industry. Spending potential in conjunction with sales tax data (presented earlier) by industry, can show a disparity between what local residents potentially spend and what they actually spend with local businesses.

The spending potential index may be the most useful piece of information contained in the tables below. The index is based on a national average of 100. So for example if a community has an index of 55 on a particular spending category that means people living in the specified geographic area are 45% less likely to purchase that product than the national average, but if a category has an index of 145 then the community is likely to purchase 45% more of that good or service than the national average. The index is normalized by the number of households in the geographic region and not the spending of the community as a whole. Otherwise the spending potential index would always increase as the size of the geographic region increased. The index is very helpful for business owners to identify regions where people are likely to purchase their particular product or service.

How are we doing?

Compared to the nation as a whole the Greater Oroville Area (GOA), the Oroville Trade Area (OTA), and Butte County are all significantly below the national average in most spending categories. While household spending potential in the GOA and OTA is relatively low, a market area of over 40,000 people still requires significant amounts of products or services in each of these categories, so there are opportunities in each sector. This data is better evaluated on a business to business basis and is not meant for generalizations. Please find your preferred geographic region (GOA, OTA, Butte County) and sector to see the estimated potential. Feel free to call the Center for Economic Development at (530) 898-4598 if you need help analyzing this section further, as it can be confusing.

Greater Oroville Area

Retail Expenditure Report

Category	Spending Potential Index	Average Amount Spent	Total
Apparel and Services	51	\$1,364.91	\$22,355,801
Men's	52	\$256.25	\$4,197,116
Women's	49	\$463.08	\$7,584,711
Children's	55	\$228.56	\$3,743,519
Footwear	42	\$203.49	\$3,332,909
Watches & Jewelry	59	\$132.28	\$2,166,656
Apparel Products and Services	64	\$81.26	\$1,330,890
Computer			
Computers and Hardware for Home Use	60	\$125.51	\$2,055,651
Software and Accessories for Home Use	59	\$16.98	\$278,060
Entertainment & Recreation	65	\$2,423.98	\$39,702,331
Fees and Admissions	58	\$358.16	\$5,866,233
Membership Fees for Clubs	61	\$102.07	\$1,671,794
Fees for Participant Sports, excl. Trips	59	\$67.67	\$1,108,387
Admission to Movie/Theatre/Opera/Ballet	56	\$84.10	\$1,377,553
Admission to Sporting Events, excl. Trips	59	\$35.97	\$589,189
Fees for Recreational Lessons	53	\$67.99	\$1,113,626
Dating Services	59	\$0.35	\$5,684
TV/Video/Sound Equipment	63	\$903.66	\$14,801,068
Community Antenna or Cable TV	67	\$492.49	\$8,066,439
Televisions	60	\$175.40	\$2,872,928
VCRs, Video Cameras, and DVD Players	62	\$20.69	\$338,900
Video Cassettes and DVDs	61	\$39.92	\$653,877
Video Game Hardware and Software	59	\$21.14	\$346,220
Satellite Dishes	77	\$0.86	\$14,082
Streaming/Downloaded Video	53	\$0.43	\$7,095
Rental of Video Cassettes and DVDs	60	\$30.34	\$496,890
Sound Equipment	56	\$118.79	\$1,945,694
Rental and Repair of TV/Radio/Sound	62	\$3.60	\$58,943
Equipment			
Pets	72	\$320.72	\$5,253,068
Toys and Games	61	\$91.43	\$1,497,490
Recreational Vehicles and Fees	81	\$354.73	\$5,810,167
Sports/Recreation/Exercise Equipment	58	\$124.68	\$2,042,194
Photo Equipment and Supplies	62	\$79.33	\$1,299,392
Reading	67	\$191.26	\$3,132,719
Food	64	\$5,317.40	\$87,093,659
Food at Home	65	\$3,186.23	\$52,187,196
Bakery and Cereal Products	66	\$442.09	\$7,240,995
Meats, Poultry, Fish, and Eggs	65	\$799.90	\$13,101,487
Dairy Products	66	\$365.67	\$5,989,287
Fruits and Vegetables	64	\$529.96	\$8,680,157
Snacks and Other Food at Home	66	\$1,048.62	\$17,175,270

Food Away from Home	62	\$2,131.17	\$34,906,463
Alcoholic Beverages	59	\$351.43	\$5,756,108
Nonalcoholic Beverages at Home	66	\$292.38	\$4,788,813
Financial			
Investments	56	\$568.58	\$9,312,841
Vehicle Loans	66	\$3,806.44	\$62,345,740
Health			
Nonprescription Drugs	74	\$83.68	\$1,370,521
Prescription Drugs	79	\$448.45	\$7,345,236
Eyeglasses and Contact Lenses	69	\$53.10	\$869,737
Home			
Mortgage Payment and Basics	60	\$5,469.32	\$89,581,918
Maintenance and Remodeling Services	63	\$1,297.64	\$21,254,090
Maintenance and Remodeling Materials	72	\$300.54	\$4,922,532
Utilities, Fuel, and Public Services	67	\$3,074.96	\$50,364,801
Household Furnishings and Equipment			
Household Textiles	62	\$87.43	\$1,432,049
Furniture	58	\$385.13	\$6,308,013
Floor Coverings	62	\$60.20	\$985,950
Major Appliances	68	\$204.40	\$3,347,805
Housewares	59	\$56.27	\$921,644
Small Appliances	66	\$23.36	\$382,682
Luggage	56	\$5.65	\$92,496
Telephones and Accessories	49	\$21.19	\$347,081
Household Operations			
Child Care	51	\$209.48	\$3,431,119
Lawn and Garden	70	\$294.90	\$4,830,157
Moving/Storage/Freight Express	66	\$34.36	\$562,773
Housekeeping Supplies	67	\$512.02	\$8,386,356
Insurance			
Owners and Renters Insurance	71	\$348.21	\$5,703,261
Vehicle Insurance	65	\$914.17	\$14,973,121
Life/Other Insurance	69	\$398.66	\$6,529,711
Health Insurance	73	\$1,483.86	\$24,304,198
Personal Care Products	64	\$276.52	\$4,529,157
School Books and Supplies	59	\$69.80	\$1,143,178
Smoking Products	70	\$316.89	\$5,190,325
Transportation			
Vehicle Purchases (Net Outlay)	66	\$3,394.91	\$55,605,203
Gasoline and Motor Oil	68	\$1,708.17	\$27,978,072
Vehicle Maintenance and Repairs	66	\$652.09	\$10,680,554
Travel			
Airline Fares	59	\$247.64	\$4,056,125
Lodging on Trips	63	\$268.77	\$4,402,126
Auto/Truck/Van Rental in Trips	57	\$22.08	\$361,569
Food and Drink on Trips	63	\$297.21	\$4,868,066

Source: ESRI Business Analyst

Oroville Trade Area

Retail Expenditure Report

Category	Spending Potential Index	Average Amount Spent	Total
Apparel and Services	51	\$1,372.03	\$30,228,590
Men's	52	\$258.35	\$5,691,997
Women's	49	\$463.73	\$10,216,999
Children's	55	\$229.85	\$5,064,132
Footwear	42	\$204.73	\$4,510,658
Watches & Jewelry	60	\$133.93	\$2,950,750
Apparel Products and Services	64	\$81.43	\$1,794,054
Computer			
Computers and Hardware for Home Use	60	\$127.09	\$2,800,068
Software and Accessories for Home Use	60	\$17.30	\$381,211
Entertainment & Recreation	66	\$2,443.34	\$53,831,680
Fees and Admissions	58	\$360.06	\$7,932,852
Membership Fees for Clubs	62	\$102.35	\$2,255,037
Fees for Participant Sports, excl. Trips	59	\$67.83	\$1,494,408
Admission to Movie/Theatre/Opera/Ballet	57	\$85.02	\$1,873,258
Admission to Sporting Events, excl. Trips	60	\$36.61	\$806,551
Fees for Recreational Lessons	53	\$67.88	\$1,495,611
Dating Services	61	\$0.36	\$7,987
TV/Video/Sound Equipment	63	\$905.59	\$19,952,014
Community Antenna or Cable TV	66	\$489.88	\$10,792,932
Televisions	60	\$177.83	\$3,917,854
VCRs, Video Cameras, and DVD Players	62	\$20.72	\$456,603
Video Cassettes and DVDs	62	\$40.41	\$890,209
Video Game Hardware and Software	59	\$21.17	\$466,321
Satellite Dishes	79	\$0.87	\$19,232
Streaming/Downloaded Video	55	\$0.44	\$9,781
Rental of Video Cassettes and DVDs	60	\$30.70	\$676,470
Sound Equipment	57	\$119.99	\$2,643,608
Rental and Repair of TV/Radio/Sound	62	\$3.59	\$79,004
Equipment			
Pets	73	\$324.56	\$7,150,754
Toys and Games	62	\$91.90	\$2,024,784
Recreational Vehicles and Fees	83	\$364.25	\$8,025,060
Sports/Recreation/Exercise Equipment	58	\$126.11	\$2,778,561
Photo Equipment and Supplies	63	\$80.03	\$1,763,281
Reading	66	\$190.83	\$4,204,374
Food	64	\$5,340.32	\$117,658,018
Food at Home	66	\$3,202.51	\$70,557,669
Bakery and Cereal Products	66	\$442.88	\$9,757,546
Meats, Poultry, Fish, and Eggs	66	\$803.63	\$17,705,499
Dairy Products	66	\$367.55	\$8,097,771
Fruits and Vegetables	64	\$533.60	\$11,756,359
Snacks and Other Food at Home	66	\$1,054.85	\$23,240,494

Food Away from Home	62	\$2,137.82	\$47,100,349
Alcoholic Beverages	59	\$351.75	\$7,749,761
Nonalcoholic Beverages at Home	67	\$294.80	\$6,494,995
Financial			
Investments	55	\$559.95	\$12,336,737
Vehicle Loans	67	\$3,867.17	\$85,201,439
Health			
Nonprescription Drugs	74	\$84.19	\$1,854,842
Prescription Drugs	79	\$445.43	\$9,813,679
Eyeglasses and Contact Lenses	69	\$53.44	\$1,177,416
Home			
Mortgage Payment and Basics	60	\$5,510.66	\$121,410,935
Maintenance and Remodeling Services	63	\$1,313.13	\$28,930,912
Maintenance and Remodeling Materials	74	\$307.29	\$6,770,110
Utilities, Fuel, and Public Services	67	\$3,074.06	\$67,727,700
Household Furnishings and Equipment			
Household Textiles	63	\$88.10	\$1,940,930
Furniture	59	\$391.55	\$8,626,607
Floor Coverings	63	\$60.65	\$1,336,335
Major Appliances	69	\$207.35	\$4,568,360
Housewares	60	\$56.67	\$1,248,583
Small Appliances	67	\$23.54	\$518,565
Luggage	57	\$5.71	\$125,698
Telephones and Accessories	48	\$20.96	\$461,879
Household Operations			
Child Care	51	\$210.08	\$4,628,485
Lawn and Garden	70	\$295.26	\$6,505,119
Moving/Storage/Freight Express	68	\$35.80	\$788,784
Housekeeping Supplies	67	\$513.88	\$11,321,750
Insurance			
Owners and Renters Insurance	71	\$348.26	\$7,672,812
Vehicle Insurance	66	\$922.03	\$20,314,101
Life/Other Insurance	69	\$397.65	\$8,760,925
Health Insurance	73	\$1,478.92	\$32,583,671
Personal Care Products	64	\$278.11	\$6,127,252
School Books and Supplies	59	\$69.50	\$1,531,232
Smoking Products	70	\$314.59	\$6,931,081
Transportation			
Vehicle Purchases (Net Outlay)	67	\$3,459.03	\$76,209,299
Gasoline and Motor Oil	69	\$1,728.66	\$38,085,827
Vehicle Maintenance and Repairs	67	\$662.79	\$14,602,569
Travel			
Airline Fares	60	\$252.17	\$5,555,909
Lodging on Trips	64	\$271.16	\$5,974,151
Auto/Truck/Van Rental in Trips	58	\$22.58	\$497,585
Food and Drink on Trips	64	\$300.83	\$6,627,866

Source: ESRI Business Analyst

Butte County

Retail Expenditure Report

Category	Spending Potential Index	Average Amount Spent	Total
Apparel and Services	62	\$1,660.51	\$145,611,992
Men's	63	\$313.72	\$27,510,172
Women's	60	\$561.69	\$49,255,522
Children's	66	\$275.02	\$24,117,142
Footwear	51	\$244.09	\$21,404,549
Watches & Jewelry	74	\$165.19	\$14,486,065
Apparel Products and Services	80	\$100.79	\$8,838,542
Computer			
Computers and Hardware for Home Use	75	\$158.82	\$13,927,028
Software and Accessories for Home Use	75	\$21.70	\$1,902,918
Entertainment & Recreation	75	\$2,804.93	\$245,967,137
Fees and Admissions	74	\$455.34	\$39,929,237
Membership Fees for Clubs	76	\$126.18	\$11,065,097
Fees for Participant Sports, excl. Trips	74	\$84.80	\$7,436,484
Admission to Movie/Theatre/Opera/Ballet	73	\$109.68	\$9,617,782
Admission to Sporting Events, excl. Trips	75	\$45.74	\$4,011,001
Fees for Recreational Lessons	69	\$88.52	\$7,762,826
Dating Services	70	\$0.41	\$36,047
TV/Video/Sound Equipment	74	\$1,067.60	\$93,619,043
Community Antenna or Cable TV	75	\$553.30	\$48,519,590
Televisions	74	\$218.94	\$19,198,707
VCRs, Video Cameras, and DVD Players	73	\$24.45	\$2,144,246
Video Cassettes and DVDs	75	\$49.26	\$4,319,454
Video Game Hardware and Software	73	\$26.17	\$2,294,746
Satellite Dishes	79	\$0.88	\$77,367
Streaming/Downloaded Video	72	\$0.59	\$51,434
Rental of Video Cassettes and DVDs	75	\$37.99	\$3,331,560
Sound Equipment	71	\$151.68	\$13,300,714
Rental and Repair of TV/Radio/Sound	75	\$4.35	\$381,225
Equipment			
Pets	81	\$356.93	\$31,299,657
Toys and Games	73	\$108.74	\$9,535,893
Recreational Vehicles and Fees	81	\$356.36	\$31,249,716
Sports/Recreation/Exercise Equipment	69	\$147.98	\$12,976,109
Photo Equipment and Supplies	74	\$94.22	\$8,262,128
Reading	76	\$217.76	\$19,095,354
Food	74	\$6,180.17	\$541,944,864
Food at Home	74	\$3,639.41	\$319,143,445
Bakery and Cereal Products	74	\$501.68	\$43,992,460
Meats, Poultry, Fish, and Eggs	74	\$907.01	\$79,536,212
Dairy Products	75	\$415.69	\$36,452,358
Fruits and Vegetables	74	\$614.88	\$53,919,219
Snacks and Other Food at Home	75	\$1,200.16	\$105,243,196

Food Away from Home	74	\$2,540.76	\$222,801,419
Alcoholic Beverages	74	\$442.58	\$38,809,958
Nonalcoholic Beverages at Home	75	\$331.13	\$29,037,486
Financial			
Investments	74	\$746.29	\$65,442,710
Vehicle Loans	75	\$4,352.63	\$381,686,591
Health			
Nonprescription Drugs	78	\$88.72	\$7,779,968
Prescription Drugs	80	\$454.67	\$39,870,278
Eyeglasses and Contact Lenses	76	\$58.76	\$5,152,388
Home			
Mortgage Payment and Basics	73	\$6,663.61	\$584,338,750
Maintenance and Remodeling Services	75	\$1,542.52	\$135,265,234
Maintenance and Remodeling Materials	77	\$319.82	\$28,045,082
Utilities, Fuel, and Public Services	75	\$3,431.11	\$300,877,798
Household Furnishings and Equipment			
Household Textiles	75	\$104.72	\$9,183,097
Furniture	74	\$486.02	\$42,619,248
Floor Coverings	75	\$72.39	\$6,347,612
Major Appliances	76	\$229.33	\$20,110,543
Housewares	71	\$67.57	\$5,925,196
Small Appliances	76	\$26.58	\$2,331,013
Luggage	74	\$7.41	\$649,681
Telephones and Accessories	60	\$25.89	\$2,270,536
Household Operations			
Child Care	69	\$282.96	\$24,813,278
Lawn and Garden	76	\$324.16	\$28,425,986
Moving/Storage/Freight Express	79	\$41.35	\$3,626,417
Housekeeping Supplies	75	\$575.90	\$50,500,987
Insurance			
Owners and Renters Insurance	77	\$377.88	\$33,136,650
Vehicle Insurance	75	\$1,050.04	\$92,078,964
Life/Other Insurance	76	\$439.31	\$38,523,721
Health Insurance	78	\$1,575.29	\$138,138,878
Personal Care Products	75	\$324.74	\$28,476,657
School Books and Supplies	82	\$97.12	\$8,516,609
Smoking Products	76	\$341.75	\$29,968,063
Transportation			
Vehicle Purchases (Net Outlay)	76	\$3,906.97	\$342,606,222
Gasoline and Motor Oil	76	\$1,915.47	\$167,969,765
Vehicle Maintenance and Repairs	76	\$756.51	\$66,338,852
Travel			
Airline Fares	75	\$311.27	\$27,295,512
Lodging on Trips	75	\$318.91	\$27,965,154
Auto/Truck/Van Rental in Trips	74	\$28.78	\$2,523,853
Food and Drink on Trips	76	\$354.94	\$31,125,002

Source: ESRI Business Analyst

Labor Force Information

Why is it important?

The unemployment rate is not the important indicator we are led to believe by the media. Unemployment rate is a lagging indicator and generally does not start to fall until an economy is well on its way out of a recession, as many people reenter the labor force as businesses start to hire, therefore offsetting the increase in employment. When evaluating labor force data it is the employment number that should be examined. Employment drives the economy. Changes in employment are felt in an economy almost immediately as job losses or gains can increase or decrease the total disposable income in an area, directly affecting the amount of money spent in the region. That increase or decrease in spending ripples through the local economy, affecting all local businesses (the multiplier effect). Not only does employment have a positive effect on the economy, it is also a good indicator of the health of the economy.

Some people may argue that high unemployment may mean that there is a large pool of workers available should businesses start hiring. However there may be some truth to that, there is nothing to suggest that the City of Oroville would not be able to attract outside labor should the unemployment rate in the region decline with an increase in local hiring. It is a widely held belief among economists that labor is mobile, and a region can attract unemployed or underemployed workers from another region. The fact that most population change is due to net migration and not natural change supports this claim.

Sub-county labor force data is somewhat imprecise since it is based on percentages of the county numbers, and is generally rounded (to 100's), while changes are incremental. In the City of Oroville's case this is acceptable as the city tracks the county very well in most economic indicators.

How are we doing?

There have been small annual incremental changes in employment each year since 2000 with steady growth until 2007, followed by a steady decrease in employment since the start of the recession. The employment information tracks well through 2009 with most of the area's other economic indicators, however, it is of some concern that employment fell from 2009 (end of the recession) to 2010 (several quarters into a national recovery). This may be an indication that Oroville's economic recovery is lagging behind that of the nation.

Greater Oroville Area

Year	Average Labor Force	Average Employment	Average Unemployment	UE Rate
2000	15,600	14,300	1,300	8.3%
2001	15,700	14,400	1,300	8.3%
2002	16,100	14,600	1,500	9.3%
2003	16,500	14,900	1,600	9.7%
2004	16,100	14,600	1,500	9.3%
2005	16,600	15,000	1,600	9.6%
2006	16,700	15,300	1,400	8.4%
2007	17,200	15,600	1,600	9.3%
2008	17,300	15,400	1,900	11.0%
2009	18,100	15,000	3,100	17.1%
2010	18,100	14,700	3,400	18.8%

Source: California Employment Development Department

City of Oroville

Year	Average Labor Force	Average Employment	Average Unemployment	UE Rate
2000	4,800	4,400	400	8.3%
2001	4,800	4,400	400	8.3%
2002	5,000	4,500	500	10.0%
2003	5,100	4,600	500	9.8%
2004	5,000	4,500	500	10.0%
2005	5,100	4,600	500	9.8%
2006	5,200	4,700	500	9.6%
2007	5,300	4,800	500	9.4%
2008	5,300	4,700	600	11.3%
2009	5,600	4,600	1,000	17.9%
2010	5,600	4,500	1,100	19.6%

Source: California Employment Development Department

Palermo CDP

Year	Average Labor Force	Average Employment	Average Unemployment	UE Rate
2000	2,300	2,100	200	8.7%
2001	2,300	2,100	200	8.7%
2002	2,400	2,100	300	12.5%
2003	2,500	2,200	300	12.0%
2004	2,400	2,100	300	12.5%
2005	2,500	2,200	300	12.0%
2006	2,400	2,200	200	8.3%
2007	2,600	2,300	300	11.5%
2008	2,600	2,300	300	11.5%
2009	2,700	2,200	500	18.5%
2010	2,800	2,200	600	21.4%

Source: California Employment Development Department

South Oroville CDP

Year	Average Labor Force	Average Employment	Average Unemployment	UE Rate
2000	2,500	2,200	300	12.0%
2001	2,500	2,200	300	12.0%
2002	2,500	2,200	300	12.0%
2003	2,600	2,300	300	11.5%
2004	2,500	2,200	300	12.0%
2005	2,600	2,300	300	11.5%
2006	2,600	2,300	300	11.5%
2007	2,700	2,400	300	11.1%
2008	2,700	2,300	400	14.8%
2009	2,900	2,300	600	20.7%
2010	2,900	2,200	700	24.1%

Source: California Employment Development Department

Thermalito CDP

Year	Average Labor Force	Average Employment	Average Unemployment	UE Rate
2000	2,200	1,900	300	13.6%
2001	2,300	2,000	300	13.0%
2002	2,300	2,000	300	13.0%
2003	2,300	2,000	300	13.0%
2004	2,300	2,000	300	13.0%
2005	2,300	2,000	300	13.0%
2006	2,400	2,100	300	12.5%
2007	2,400	2,100	300	12.5%
2008	2,500	2,100	400	16.0%
2009	2,700	2,000	700	25.9%
2010	2,700	2,000	700	25.9%

Source: California Employment Development Department

Oroville East CDP

Year	Average Labor Force	Average Employment	Average Unemployment	UE Rate
2000	3,800	3,700	100	2.6%
2001	3,800	3,700	100	2.6%
2002	3,900	3,800	100	2.6%
2003	4,000	3,800	200	5.0%
2004	3,900	3,800	100	2.6%
2005	4,100	3,900	200	4.9%
2006	4,100	4,000	100	2.4%
2007	4,200	4,000	200	4.8%
2008	4,200	4,000	200	4.8%
2009	4,200	3,900	300	7.1%
2010	4,100	3,800	300	7.3%

Source: California Employment Development Department

Industry Information

Why is it important?

It is important for businesses to pay attention to what industries in their area are thriving and which are struggling. Both employment and income by industry allow businesses to evaluate industries for opportunities and see if their particular industry is expanding or contracting. It is also good for a business owner to know if he or she is growing or contracting slower or faster than the industry within the region as a whole.

Income and employment by industry data is only available at the county level. The CED has also included Butte County employment projections by industry to 2018 as provided by the California Employment Development Department.

How are we doing?

From the start of the recession (2007) to the end of the recession (2009) employment in white collar industries in Butte County actually expanded. Healthcare, social assistance, educational services, finance and insurance, and management of companies are the industries that saw significant expansion, while employment in most traditional industries such as retail and manufacturing decreased dramatically. The decrease in retail employment (as discussed earlier) is symptomatic of the recession and is understandable, however the decrease in the Butte County manufacturing sector is of particular concern as this could lead to long term problems for the region.

Butte County Personal Income by Industry (Thousands)

Industry	2007	2008	2009	Percent Change 2007-2008	Percent Change 2008-2009
Ag/Forestry/Fishing/Hunting	\$49,070	\$48,165	\$49,314	-1.8%	2.4%
Mining	\$3,252	\$3,184	\$2,529	-2.1%	-20.6%
Construction	\$56,840	\$70,015	(D)	23.2%	N/A
Manufacturing	\$387,919	\$333,319	\$268,238	-14.1%	-19.5%
Wholesale Trade	\$205,736	\$204,611	\$189,702	-0.5%	-7.3%
Retail Trade	\$125,681	\$121,450	\$114,228	-3.4%	-5.9%
Transportation/Warehousing	\$399,641	\$377,602	\$360,275	-5.5%	-4.6%
Utilities	\$99,451	\$97,923	(D)	-1.5%	
Information	\$62,883	\$65,322	\$58,424	3.9%	-10.6%
Finance/Insurance	\$227,074	\$248,280	\$261,491	9.3%	5.3%
Real Estate/Rental/Leasing	\$69,987	\$70,594	\$72,292	0.9%	2.4%
Prof/Scientific/Tech Services	\$229,639	\$240,587	\$231,572	4.8%	-3.7%
Mgmt of Companies	\$20,249	\$17,608	\$23,965	-13.0%	36.1%
Admin/Support/Waste Mgmt	\$110,788	\$107,903	\$100,028	-2.6%	-7.3%
Educational Services	\$16,993	\$18,633	\$19,566	9.7%	5.0%
Health Care/Social Assistance	\$696,388	\$745,770	\$778,928	7.1%	4.4%
Arts/Entertainment/Recreation	\$29,644	\$29,345	\$26,796	-1.0%	-8.7%
Accommodation/Food Services	\$131,654	\$132,467	\$124,887	0.6%	-5.7%
Other Services (excl Publ Adm)	\$265,321	\$253,987	\$246,387	-4.3%	-3.0%
Government and government enterprises	\$890,120	\$920,328	\$891,282	3.4%	-3.2%
Total	\$6,874,370	\$7,146,545	\$7,189,348	4.0%	0.6%

Source: US Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System

Employment by Industry

Industry	1990	2000	2010	1990-2000 Percent Change	2000-2010 Percent Change
Total	60,700	72,500	72,700	19.4%	0.3%
Total Farm	3,100	3,000	2,700	-3.2%	-10.0%
Total Private Nonfarm	44,500	53,200	53,200	19.6%	0.0%
Mining, Logging, and Construction	3,500	2,700	2,400	-22.9%	-11.1%
Manufacturing	5,800	5,100	3,500	-12.1%	-31.4%
Durable Goods	4,000	3,200	1,700	-20.0%	-46.9%
Nondurable Goods	1,800	2,000	1,900	11.1%	-5.0%
Trade, Transportation & Utilities	12,100	13,200	12,700	9.1%	-3.8%
Wholesale Trade	1,400	1,800	1,700	28.6%	-5.6%
Retail Trade	8,900	9,500	9,400	6.7%	-1.1%
Transportation, Warehousing & Utilities	1,800	2,000	1,600	11.1%	-20.0%
Information	1,300	1,400	1,000	7.7%	-28.6%
Financial Activities	3,200	3,600	4,600	12.5%	27.8%
Finance & Insurance	2,100	1,900	3,200	-9.5%	68.4%
Financial Activities - Residual	1,100	1,600	1,400	45.5%	-12.5%
Professional & Business Services	3,900	6,300	4,900	61.5%	-22.2%
Educational & Health Services	6,800	10,900	13,700	60.3%	25.7%
Health Care & Social Assistance	6,600	10,400	13,200	57.6%	26.9%
Education and Health Services - Residual	200	500	500	150.0%	0.0%
Leisure & Hospitality	5,700	7,200	7,100	26.3%	-1.4%
Food Services & Drinking Places	4,800	6,200	6,100	29.2%	-1.6%
Arts, Entertainment & Recreation	900	1,000	900	11.1%	-10.0%
Other Services	2,200	3,300	3,400	50.0%	3.0%
Government	13,100	16,300	16,800	24.4%	3.1%
Federal Government	500	600	600	20.0%	0.0%
State & Local Government	12,500	15,700	16,200	25.6%	3.2%
State Government	N/A	4,000	3,700	N/A	-7.5%
State Government Education	N/A	3,100	2,800	N/A	-9.7%
State Government Excluding Education	N/A	900	900	N/A	0.0%
Local Government	N/A	11,700	12,500	N/A	6.8%
Special Districts plus Indian Tribes	N/A	1,300	1,700	N/A	30.8%

Source: Employment Development Department, Labor Market Information Division

Butte County Employment Projections by Industry

Industry	2008 Employment	2018 Employment	Percent Change
Mining, Logging, and Construction	3,300	3,200	-3.0%
Manufacturing	4,000	3,900	-2.5%
Wholesale Trade	1,900	2,000	5.3%
Retail Trade	9,900	10,200	3.0%
Transportation, Warehousing, and Utilities	1,900	1,900	0.0%
Information	1,200	1,100	-8.3%
Financial Activities	4,400	4,600	4.5%
Professional and Business Services	5,300	5,500	3.8%
Education Services	500	600	20.0%
Health Care and Social Assistance	12,900	14,200	10.1%
Arts, Entertainment and Recreation	1,200	1,300	8.3%
Accommodation and Food Services	6,700	7,000	4.5%
Other Services (Except Public Administration)	3,600	3,700	2.8%
Government	18,200	18,400	1.1%

Source: California Employment Development Department, Labor Market Information Division

Lending Organizations

This list provides contact information for different banks and credit organizations that lend to Oroville residents and businesses.

Banks and Credit Unions

Name	Address	Phone Number
3 CORE	3120 Cohasset Rd Ste 5, Chico, CA 95973	(530) 893-8732
Bank of America	1820 Oro Dam Blvd E, Oroville, CA 95966	(530) 533-4950
Bank of the West	2626 Oro-Dam Blvd, Oroville, CA 95966	(530) 533-3307
Butte Federal Credit Union	2122 5th Ave, Oroville, CA 95965	(530) 533-3660
Chase	2001 Oro Dam Blvd E, Oroville, CA 95966	(530) 533-677
Gold Country Bank	519 D Street, Oroville, CA 95915	(800) 582-5503
Rabobank	2227 Myers St Ste B, Oroville, CA 95966	(530) 532-0800
Sierra Central Credit Union	1036 Oro Dam Blvd E, Oroville, CA 95965	(530) 534-3463
STAR Community Credit Union	500 Salem St, Chico, CA 95928	(530) 895-1947
Tri Counties Bank	1180 Oroville Dam Blvd E, Oroville, CA 95965	(530) 538-0140
U.S. Bank	2111 Oro Dam Blvd E, Oroville, CA 95966	(530) 533-9000
USDA Rural Development	150 Chuck Yeager Way # D, Oroville, CA 95965	(530) 533-4401
Stifel Nicolaus & Co.	1891 Robinson St, Oroville, CA 95965	(530) 533-0438
Wells Fargo Bank	2325 Myers St, Oroville, CA 95966	(530) 534-1895
City of Oroville Business Assistance	1735 Montgomery St, Oroville, CA 95965	(530) 538-4307

Source: Yellowpages

Commercial Building Lease Prices (City of Oroville)

From a sample of five vacant retail spaces, the median size of buildings available for lease is 2,124 feet squared at a median price of \$9.60 per square foot per year. The average size is 2,743 square feet at an average price of \$15.02 per square foot per year.

Using a sample of five vacant office spaces, the median size of buildings available for lease is 4,800 square feet at a median price of \$9.60 per square foot per year. The average size is 4,780 at an average price of \$9.17 per square foot per year.¹

Psychographic Information

The Center uses a program called Community Tapestry to analyze the characteristics and behaviors of residents of specific geographies. Each tapestry segment is assigned a score that is indexed based on the national average. An index greater than 100 indicates that the specified tapestry segment exhibits a given behavior to a greater extent than the other segment groups that comprise the national average. After identifying the most prevalent Community Tapestry Segments in the Oroville Trade Area the Center can map the population clusters.

¹ Showcase.com

Community Tapestry Segment Indices

The tapestry segment groups and indexed scores that are most prevalent in the Oroville Trade Area can be found in the table below. Each of the tapestry segments' typical characteristics and preferences are included in the table below. The five groups that are most represented within the Oroville Trade Area are Main Street USA, Industrious Urban Fringe, Rooted Rural, Rural Resort Dwellers, and Senior Sun Seekers.

	Main Street USA	Industrious Urban Fringe	Rooted Rural	Rural Resort Dwellers	Senior Sun Seekers
Household Type	Mixed	Family Mix	Married Couple; Families	Married Couple with no kids	Married Couple with no kids
Median Age	36.7	28.5	41.9	46.9	51.9
Income Level	Middle	Middle	Lower Middle	Middle	Lower Middle
Employment	Prof/Mgmt/Skilled service	Skilled service	Prof/Mgmt/Skilled service	Prof/Mgmt/Skilled service	Retired/Prof/Mgmt/Skilled service
Education	Some College	No HS Diploma; HS Grad	No HS Diploma; HS Grad	Some College	Some College
Residence Type	Single Family; Multiunit	Single Family; Multiunit	Single Family; Mobile Home	Single Family; Mobile Home; Seasonal	Single Family; Mobile Home; Seasonal
Race/Ethnicity	White	White; Hispanic	White	White	White
Preferences	Own insured money market account go bowling; watched Court TV last week; Own/lease compact car	Attend movies once weekly or more; own Discover card; buy children's apparel, video games; Listen to Hispanic radio; own/lease Chevrolet	Flower and vegetable gardening; Own CD 6+ months; watch rodeos; go hunting, boating, fishing, and to tractor pulls; own/lease Dodge	Go boating; own stock worth \$75,000+; attend NASCAR races; watch rodeos and tractor pulls; own/lease compact pickup	Travel domestically; dine out; own annuities; play backgammon and card games; watch game shows on TV; own/lease Buick

Source: ESRI Business Analyst

As outlined in the table, all of the segments are employed in Professional, Management, and Skilled services, did not graduate college, and fall within the lower middle to middle income levels. Median age ranges from 28.5 to 51.9 and the segments are mostly White the exception of Industrious Urban Fringe which is White and Hispanic.

ⁱ Several assumptions must be made while using Location Theory. First, Location Theory assumes that retail opportunities for both goods and services are directly related to the size of the market in terms of population. While this is a fair assumption it may not always be the case as many geographic regions specialize in a good or service. For example if someone were looking for gambling opportunities they would travel further from the direction of Chico or Yuba City than they would for other products or services while on the other hand Reno's Trade Area will penetrate further into that of Oroville's than it would for say health care or financial services. Next it is assumed that travel is just as easy or as safe to get from one area vs. another, while in reality there are certain factors that limit the accuracy of this assumption. For example, in the winter the Oroville Trade Area will penetrate further into Reno's Trade Area than it will in the summer simply due to adverse weather conditions in the Sierra Mountain Range.

If you would like to know more about this document or would like information on our other services, contact the Center for Economic Development at (530) 898-4598

If you would like more information about the City of Oroville, contact:

Oroville City Hall
1735 Montgomery Street
Oroville, CA 95965
(530) 538-2401
www.cityoforoville.org



Center for Economic Development
California State University, Chico
Chico, CA 95929-0765
