Executive Summary: Socio-Economic Briefing

In addition to economic growth, the region's long-term economic competitiveness will depend on also finding ways at the local, county or regional level to address socioeconomic conditions that increasingly influence workforce availability, business expansion, and quality of life.

1. **Workforce & Talent Pipeline**
   - Population growth is expected to remain modest while population continues to age.
   - Fewer young people are projected to enter the workforce, creating long-term talent pipeline concerns as older workers retire.
   - Educational attainment continues to improve, expanding workforce training, credential attainment, and talent retention will remain essential to meeting employer demand.
2. **Economic Security**
   - Household incomes have increased across the region, yet many families continue to experience financial pressure.
   - Family poverty remains persistently high in all three counties, with children experiencing the highest poverty rates.
   - Reliance on public assistance has increased, suggesting that rising housing, childcare, healthcare, and other living costs are outpacing wage growth for many households.
3. **Healthcare**
   - Healthcare has become both an economic strength and one of the region's most significant challenges.
   - Hospital financial pressures, provider shortages, behavioral health needs, and an aging population are placing increasing demand on an already constrained healthcare system.
   - Recent hospital closures and restructuring have increased pressure on regional providers, while healthcare workforce shortages continue to affect both access to care and regional economic competitiveness.
4. **Housing & Childcare**
   - Housing affordability remains more favorable than much of California, but affordability continues to decline as rents and housing costs rise faster than incomes.
   - Nearly 60 percent of households spend more than 35 percent of their income on housing, limiting household spending on other necessities.
   - Access to licensed childcare remains insufficient throughout the region, reducing labor force participation and making it more difficult for employers to recruit and retain workers.

Socioeconomic Indicators Shaping Growth

In addition to the Economic Condition analysis, an understanding of the regional socio-economic conditions adds context from a different perspective but is essential in the planning process. This briefing summarizes key demographic, workforce, education, income, and housing indicators that influence the 3CORE Region's economic competitiveness and long-term resilience. Detailed data tables, charts, and sources are included at the end of this document.

Talent Pipeline

The region's Talent Pipeline suggests several structural challenges that could limit long-term economic competitiveness if left unaddressed. The region's projected age distribution indicates a strengthening workforce over the next decade, with growth among both prime-age (20–39) and experienced (40–59) workers and continual aging of the population. Projection indicators for the under-20 population is a continual decline, weakening the long-term talent pipeline.

- **Key Takeaway**. Fewer workers entering the labor force creates long-term challenges for employers, schools and workforce development efforts. As older workers transition toward retirement, long-term workforce sustainability is further complicated.

Educational Attainment

Educational attainment in the 3CORE Region is improving. An increasing share of residents earned bachelor's degrees and fewer adults lack a high school diploma. Most residents possess either a high school diploma or some college education, highlighting career technical education and workforce training.

While these trends strengthen the region's talent base, continued investment in higher education, credential attainment, and talent retention will be essential to meet employer demand, support business expansion, and attract higher-wage industries that drive long-term economic resilience and prosperity.

Income

Median household income increased across the 3CORE Region between 2020 and 2024, reflecting a strengthening labor market and improving household earnings. Specifically, Glenn and Tehama counties experienced gains that narrowed regional income disparities.

Maintaining these regional gains will require continued expansion of higher-wage employment opportunities, workforce development initiatives, and strategies to ensure that income growth keeps pace with rising housing and living costs.

Poverty

The share of families living in poverty remains persistently high across the 3CORE Region. All three counties recorded double-digit poverty rates throughout the 2020–2024 period.

Counties reported family poverty rates of 10% to 13% in 2024, indicating a significant share of families continue to struggle financially. The population under 18 years old is experiencing the highest rate of poverty, approximately 21% throughout the region. Senior citizens' poverty rate is more varied, ranging from 9% to 14% in the region.

Year-to-year fluctuations occur but there is no indication of sustained improvement, suggesting that many families continue to face economic hardship despite broader economic recovery.

- **Key Takeaways.** A sharp increase in Glenn County in 2024 may indicate growing affordability pressures, wage stagnation, or employment disruptions that could affect the county's long-term economic health.

  Volatility in Glenn and Tehama counties may reflect dependence on industries that are very sensitive to market conditions, seasonal employment, or other external factors.

Public Assistance

A growing share of households in the region rely on public assistance to meet basic needs. While the total number of households in the region remained relatively stable between 2020 and 2024, the share of households relying on public assistance increased. After remaining steady at 14% for three consecutive years, the percentage of households receiving SNAP or other public assistance increased by three percentage points in just two years—a roughly 21% increase in the share of households needing assistance.

- **Key Takeaways**. Higher housing, childcare and healthcare costs and inflation may be outpacing wage growth, forcing more households to rely on safety-net programs. Families are economically vulnerable despite regional economic activity and suggest worsening economic pressures rather than a gradual long-term trend.

Healthcare Conditions and Priorities

The healthcare industry across the region is facing many of the same pressures affecting other rural California areas, but several issues are particularly significant because of the region's geography, demographics, and labor market. These challenges have important implications for economic development, workforce availability, and quality of life.

Below are the primary issues impacting the region's hospitals and healthcare industry.

1. Financial Pressures. Smaller rural hospitals face ongoing financial challenges due to high reliance on Medicare and Medi-Cal reimbursement, lower patient volumes, high fixed operating costs, rising labor expenses, and expensive technology and regulatory requirements.

- Glenn Medical Center recently lost its designation as a Critical Access Hospital (CAH), which reduced its Medicare reimbursement heavily impacting the hospital's annual revenue and making continued operations financially unsustainable. This closure results in the loss of the county's only emergency room, eliminated 150 healthcare jobs, added pressure on neighboring hospitals, and increased travel time for residents requiring emergency care.
- The loss of the 101-bed acute care hospital in Paradise after the 2018 Camp Fire created a healthcare vacuum for Paradise and the surrounding area. Initially, Adventist Health planned to reopen the hospital. However, after several years of evaluating reconstruction costs, population changes, and studying financial feasibility, the organization announced in 2023 that it would not reopen as a hospital or emergency department.
- Oroville Hospital has experienced serious financial challenges and operational restructuring over the past several years, but it is currently open and serving residents.
- St. Elizabeth Community Hospital in Tehama County is operational but faces workforce shortages, recruitment challenges for physicians and nurses, and financial pressure from Medicare and Medi-Cal reimbursement. It is also anticipating additional emergency and inpatient patients from Glenn County.

- Enloe Medical Center in Chico has become the regional referral hospital for much of Northern California and has experienced increased patient volumes following the closure of Glenn Medical Center and financial challenges at Oroville Hospital, along with persistent workforce shortages, capacity constraints in emergency and inpatient services, and growing behavioral health demand.

2. Healthcare Workforce Shortages. A significant regional challenge is recruiting and retaining healthcare professionals across nearly every occupation, including primary care physicians, registered nurses, licensed vocational nurses, behavioral health professionals, medical specialists, technicians and therapists.

Rural hospitals compete with larger urban healthcare systems that offer higher wages, greater career advancement opportunities, and more specialized practice environments. Provider shortages cause increased workloads, contribute to burnout, longer wait times, and limit service availability, which affects access and quality of care.

3. Limited Access to Primary and Specialty Care. Many residents—particularly in Glenn and Tehama counties—must travel considerable distances for specialty care such as cardiology, oncology, orthopedics, neurology, maternal health, and pediatrics.

4. Behavioral Health and Substance Use. Demand for mental health and substance use treatment continues to exceed available services such as psychiatrists, licensed therapists, substance abuse counselors, and crisis stabilization services. Behavioral health is a priority in both Butte and Glenn County Community Health Improvement Plans, reflecting increasing demand and insufficient provider capacity.

5. Aging Population and Rising Healthcare Demand. The region's population is aging; growth is concentrated among adults ages 40–79. As older residents require more frequent and complex care, hospitals face increasing demand for chronic disease management, surgical services, rehabilitation, home health, skilled nursing, and long-term care. At the same time, the region's shrinking youth population signals a weaker future healthcare workforce pipeline.

6. Population Health Challenges. The region experiences above-average rates of chronic health conditions, including diabetes, obesity, hypertension, and cardiovascular disease. Preventable hospitalization remains relatively high, increasing healthcare costs while placing additional strain on hospitals and clinics.

7. Transportation and Geographic Barriers. Large rural service areas create challenges for patients who lack reliable transportation resulting in missed appointments, delayed treatment, reduced preventive care, and increased emergency room utilization.

8. Growing Need for Healthcare Education Pipelines. Healthcare employers increasingly depend on regional education partners to produce qualified workers - nursing programs, allied health education, clinical training sites, apprenticeships, high school health career pathways, and rural residency programs.

- **Key Takeaways**: For the 3CORE region, the healthcare industry represents both a critical challenge and a major opportunity. Healthcare is one of the region's largest and fastest-growing employment sectors, creating demand for occupations across all education levels. Yet, provider shortages constrain both community health and economic growth, as businesses increasingly evaluate access to quality healthcare when making location decisions.

Homeless Population

The number of unsheltered persons in the 3CORE Region increased between 2022 and 2025. While the trend appears to have stabilized some in the most recent year, homelessness remains a significant regional challenge with implications for workforce participation, public health, community well-being, and economic competitiveness.

Childcare

Access to licensed childcare remains a significant challenge throughout the 3CORE Region. While the availability and type of care vary by county, all three counties face shortages that can constrain labor force participation, particularly among parents of young children, and affect employers' ability to recruit and retain workers.

Housing

Housing data suggests a market that is relatively stable in occupancy but increasingly strained in affordability.

1. **Affordability.** Closely tied to regional economic competitiveness, housing affordability remains substantially better in the 3CORE Region—as compared to much of California—particularly for first-time homebuyers. Although affordability improved modestly by early 2026 following a period of rising mortgage rates and home prices, access to homeownership remains below 2022 levels in much of the region and is on the decline.

   Renting is becoming more common; at the same time, it is less affordable. Median rents in the region have increased over 30% in the past five years while wages and incomes throughout the region have not kept pace. In each of the last five years, approximately 60% of households in the region have been spending over 35% of their income on housing costs. A widely accepted measure of housing affordability is that no more than 30% of gross monthly income should be spent on housing costs. Spending beyond this threshold puts households in a cost-burdened situation which limits their ability to afford other essentials such as food, healthcare, childcare, transportation.

2. **Availability**. The single-family housing market in Butte County underwent a significant transformation over the past decade. Following the 2018 Camp Fire—which destroyed more than 14,000 homes and more recently the Park Fire—there was a sharp reduction in housing supply, increased demand in neighboring communities such as Chico and Oroville, and sustained upward pressure on home prices. Although reconstruction has added new housing, the market continues to face affordability and supply challenges. Butte County and Paradise are still investing in disaster recovery, rebuilding and reoccupation of homes lost to local residents. Supply remains relatively constrained compared to demand.

   Compared with Butte County, Glenn, and Tehama counties have experienced steadier, more traditionally rural housing markets**.** Neither county experienced the large-scale housing disruption of Butte County, but both face persistent challenges related to housing supply, affordability, aging housing stock, and limited new residential development. These issues increasingly affect workforce recruitment and long-term economic growth.

- **Key Takeaway**. Data underscores the need for strategies that expand the supply of workforce housing, support a broader range of housing types and price points, and encourage residential development aligned with employment growth. Improving housing affordability will be essential

to strengthening workforce retention, supporting business expansion, and maintaining the region's long-term economic resilience.

Regional Implications

The 3CORE Region possesses many of the fundamental assets needed for long-term economic success, including an improving education profile, a growing prime-age workforce, and increasing household incomes.

However, these strengths are increasingly challenged by structural issues—including a declining long-term talent pipeline, workforce shortages, rising housing and living costs, limited healthcare capacity, childcare shortages, and persistent affordability pressures—that constrain business growth, workforce participation, and regional competitiveness.

These interconnected challenges and conditions were also identified in the Economic Conditions Briefing and although not direct economic growth impacts (except for the future workforce) they indirectly affect employers across every industry.

Additional and deeper structural trends appear in the socio-economic review which will need attention through coordinated efforts and investments in workforce development, housing, healthcare, infrastructure, and quality of life to sustain economic resilience and expanding opportunity across the region.

Supporting Data Charts

Population and Talent Pipeline

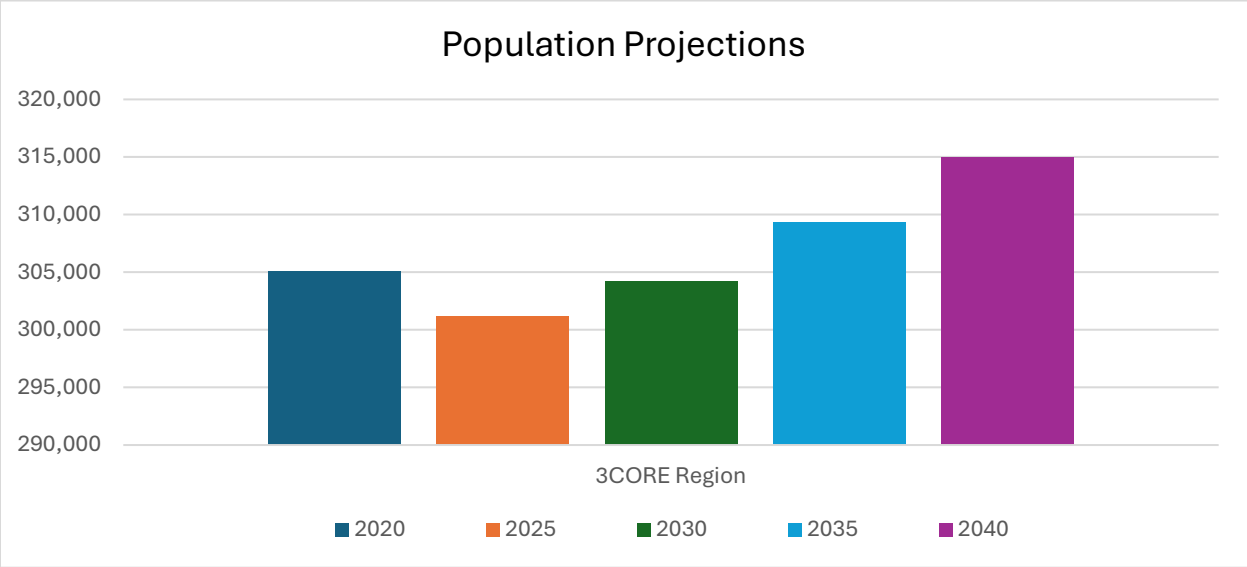

Figure 1. California Department of Finance Report P-2B, Total Population Projections

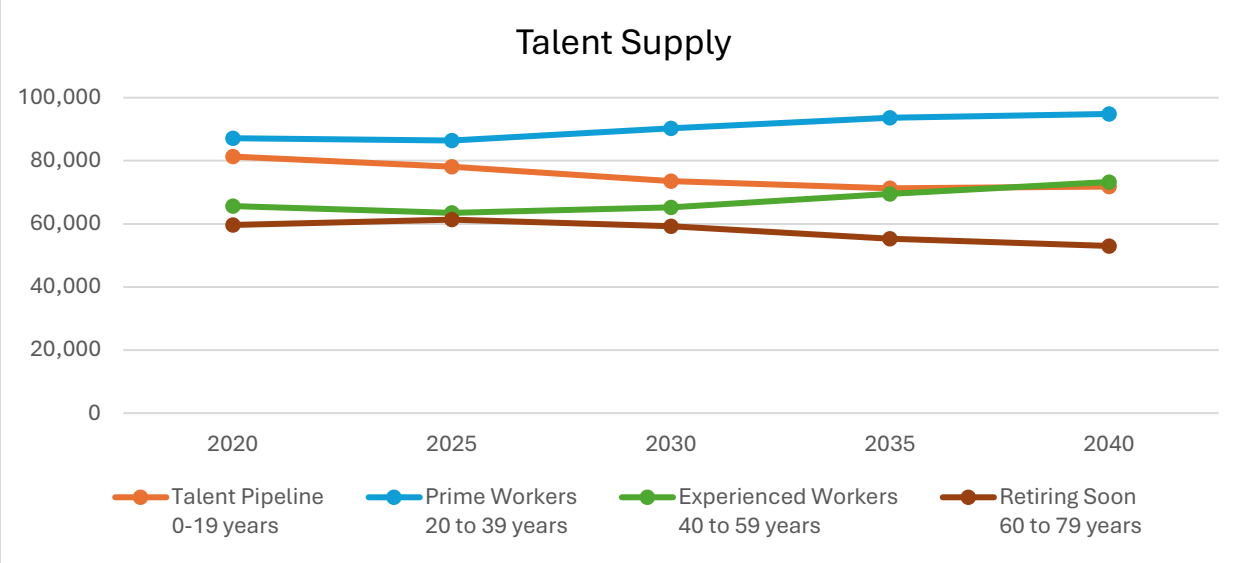

Figure 2. California Department of Finance Report P-2B, Total Population Projections

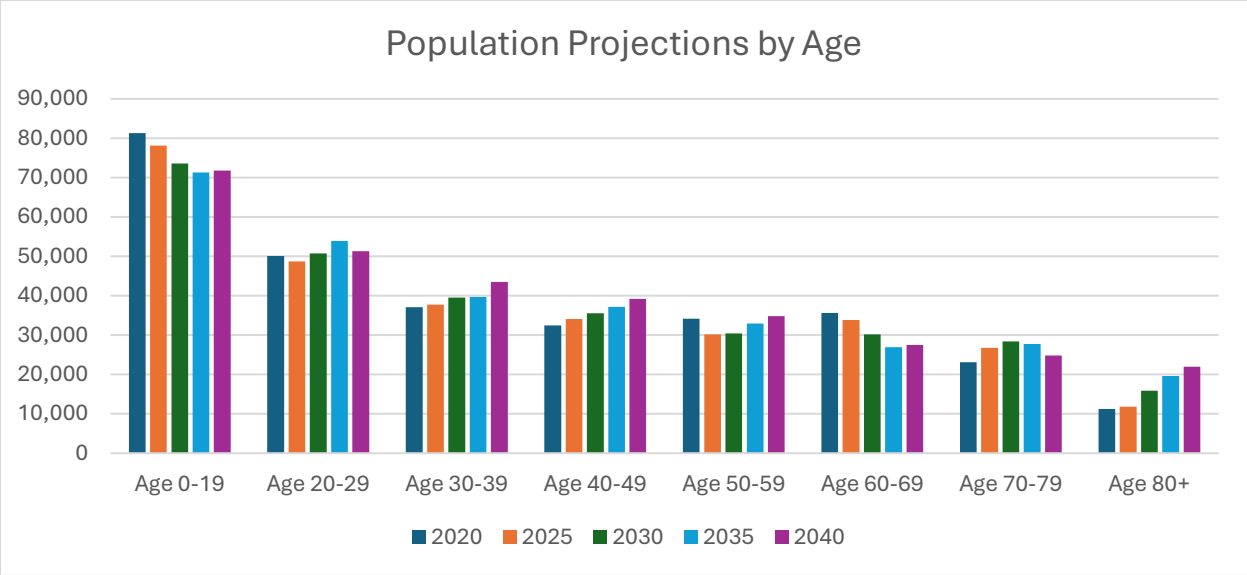

Figure 3. California Department of Finance Report P-2B, Population Projections by Age

Educational Attainment

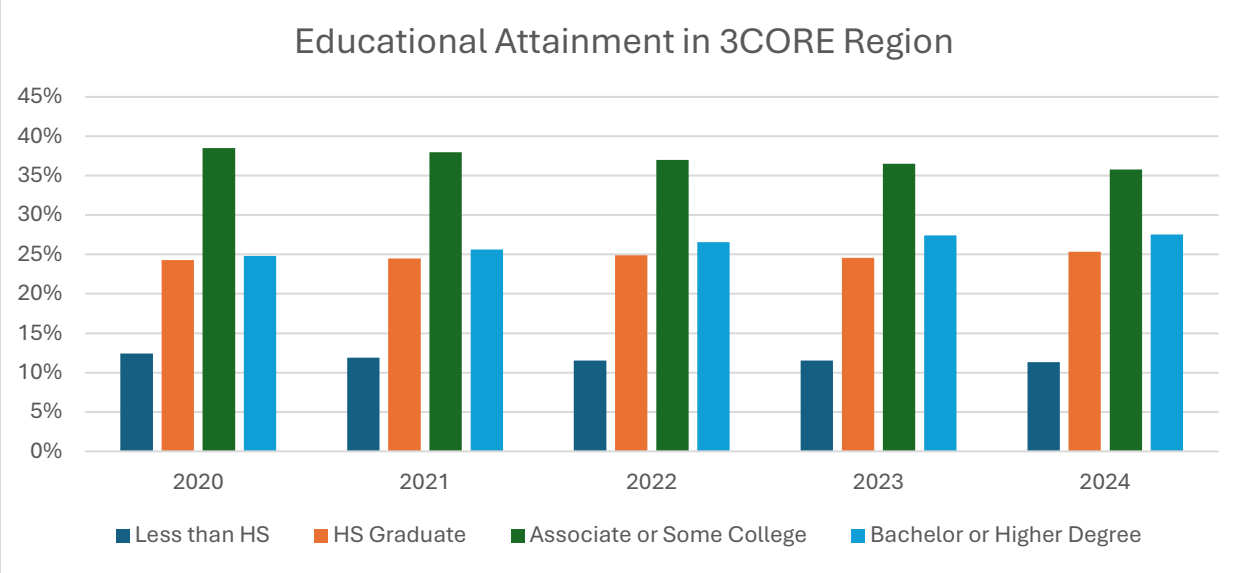

Figure 4. US Census ACS 5-Year Estimates, Table S1501

Income

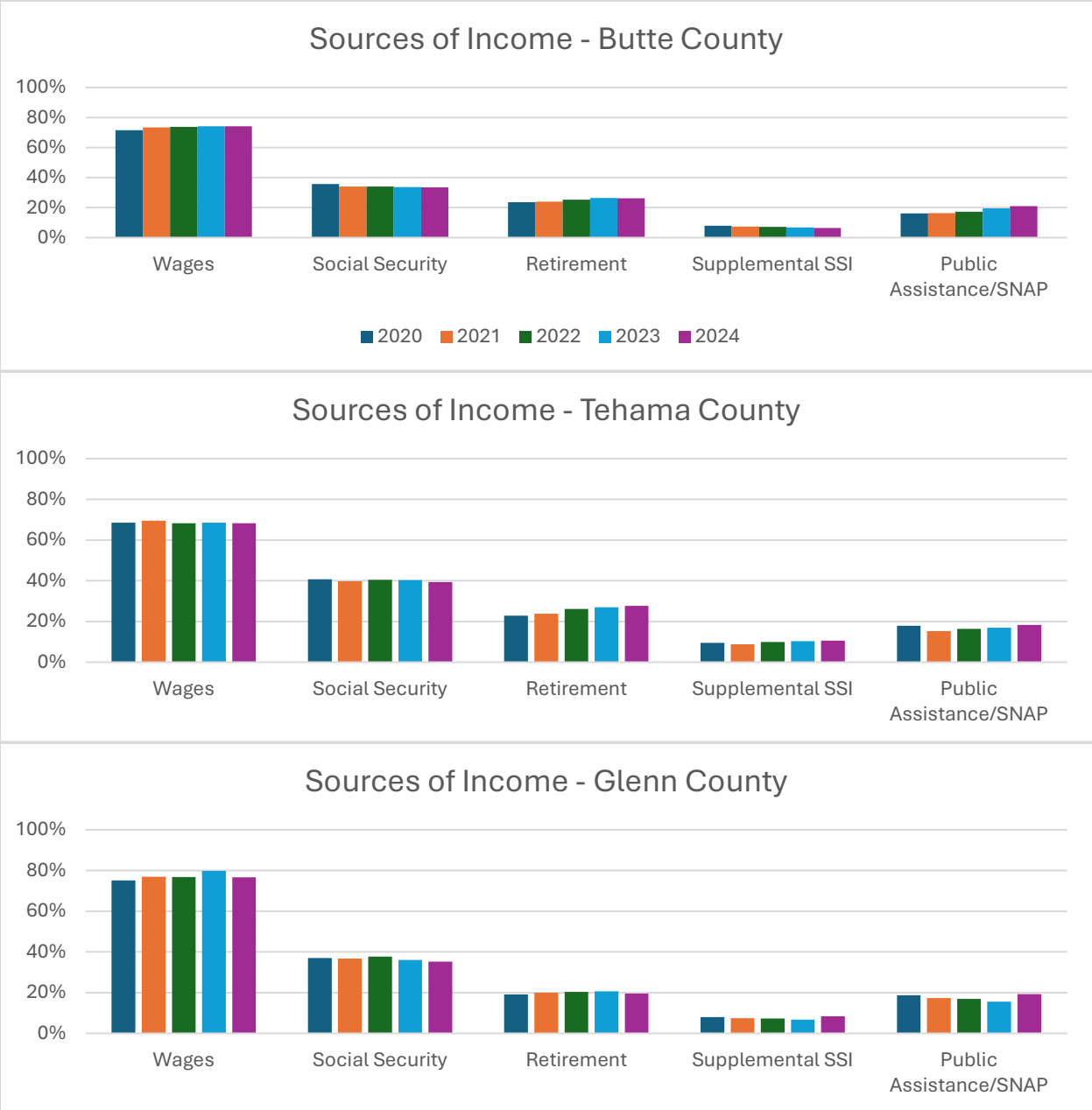

Figure 5. US Census ACS 5-Year Estimates, Table DP03

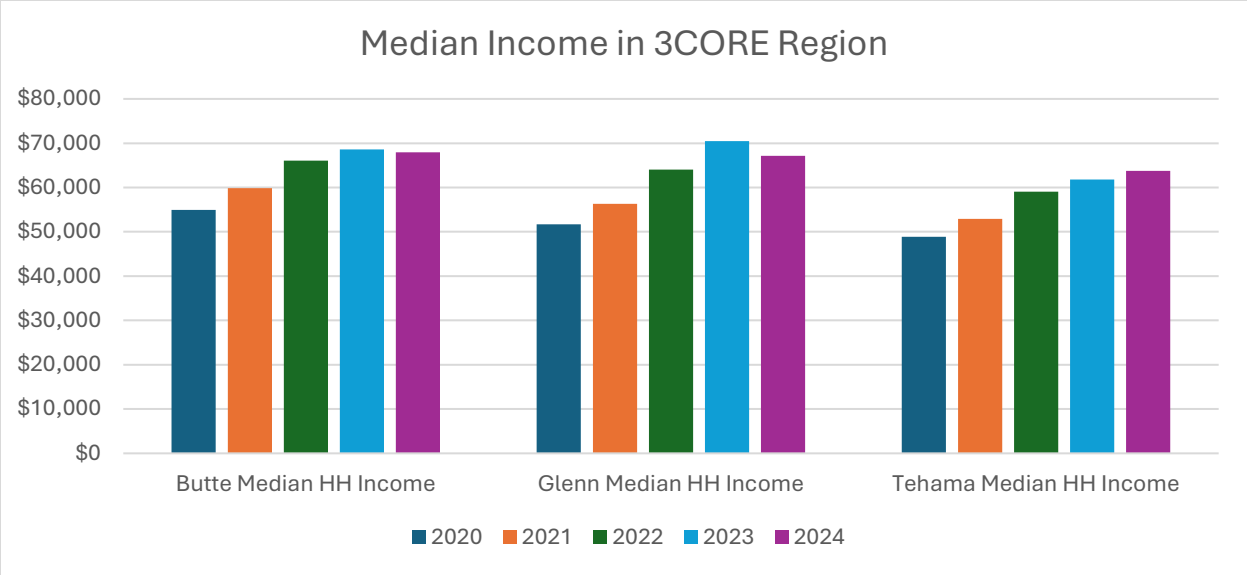

Figure 6. US Census ACS 5-Year Estimates, Table DP03

Poverty

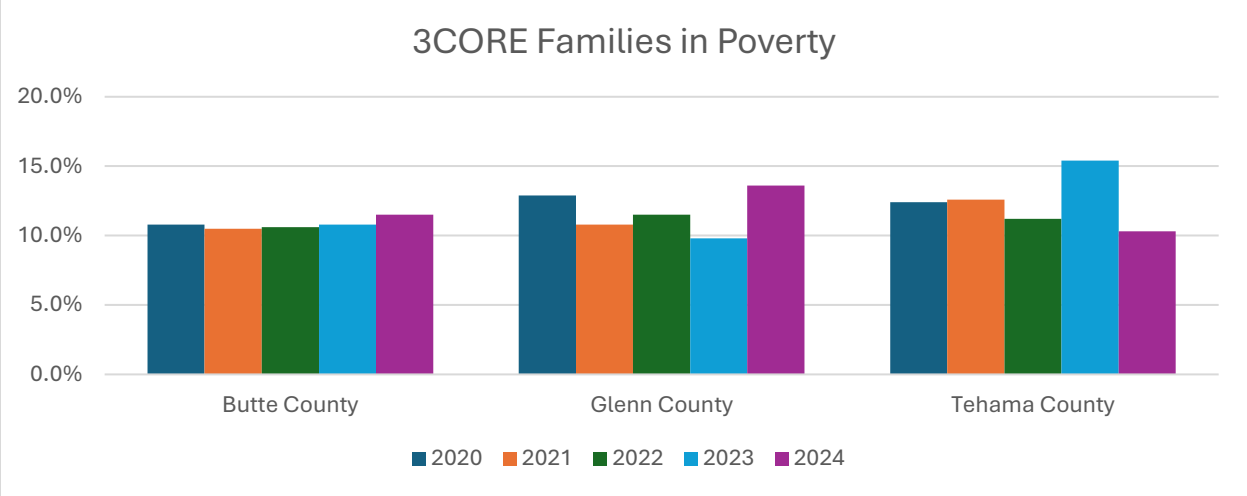

Figure 7. US Census ACS 5-Year Estimates, Table DP03

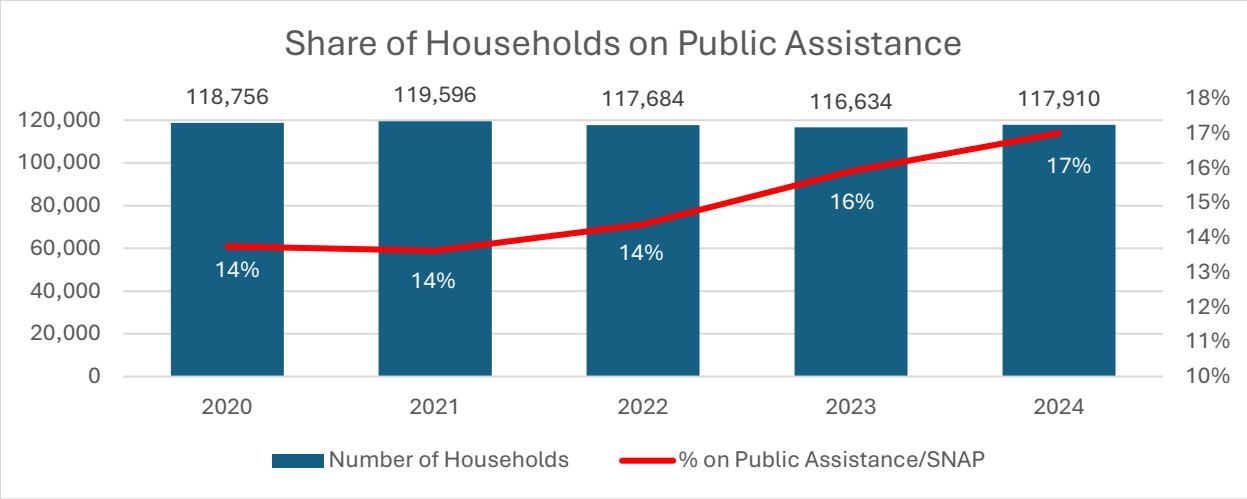

Figure 8. US Census ACS 5-Year Estimates, Table B19085

Figure 9. US Census ACS 5-Year Estimates, Table DP03

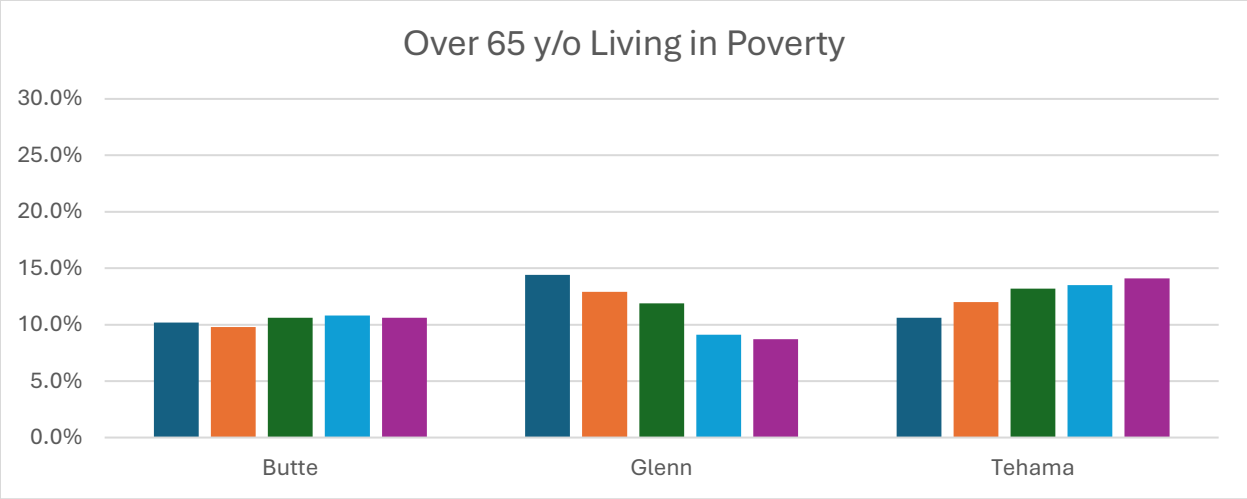

Figure 10. US Census ACS 5-Year Estimates, Table DP03

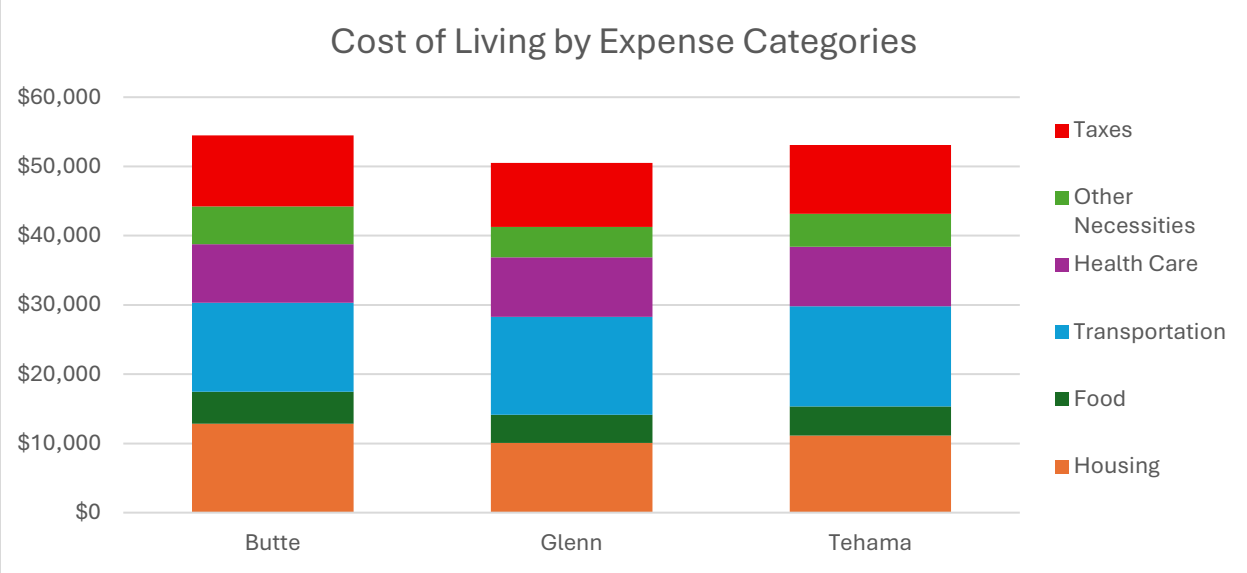

Figure 11. Economic Policy Institute

Healthcare

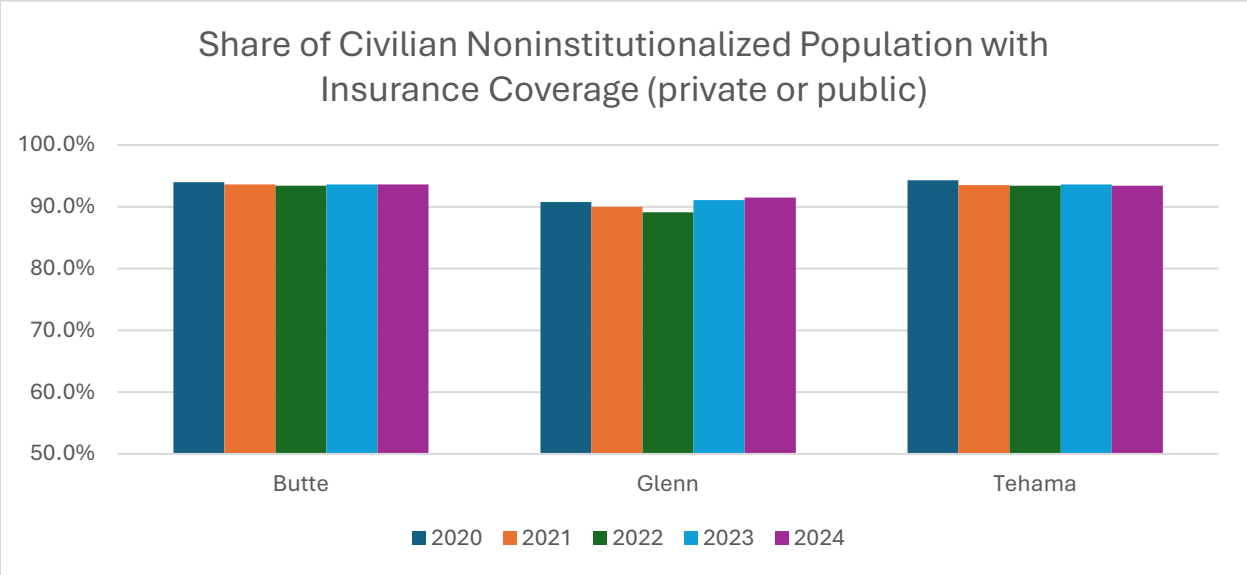

Figure 12. US Census ACS 5-Year Estimates, Table DP03

Homeless Population

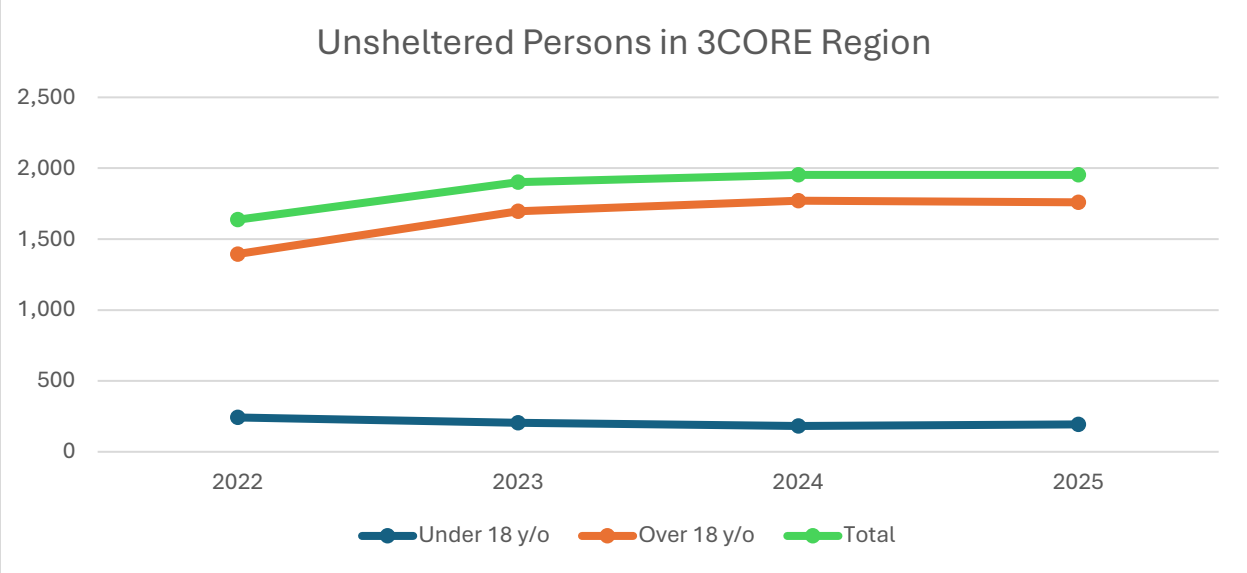

Figure 13. Housing and Community Development (www.hudexchange.info/programs/coc/coc-homeless-populations-and-subpopulations-reports)

Childcare

	2021	2023	Change
Children aged 0-12 years	47,001	44,803	-5%
Children aged 0-12 with parents in the labor force for whom a licensed childcare space is available	8,594	9,685	13%
	18%	22%	
Licensed spaces (centers and homes)	5,162	5,711	11%
Licensed sites	272	284	4%

Housing

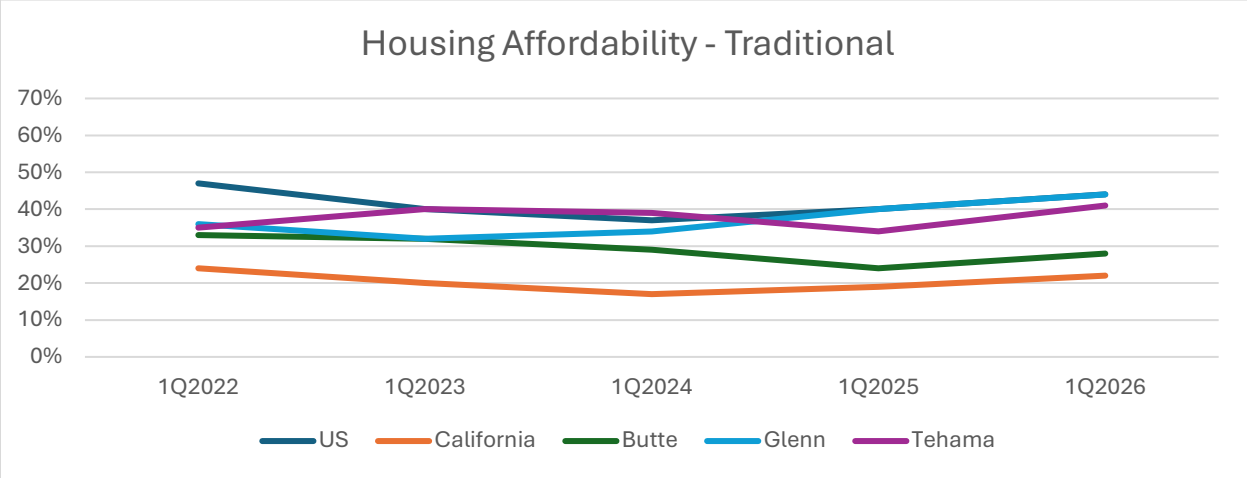

Figure 14. California Association of Realtors

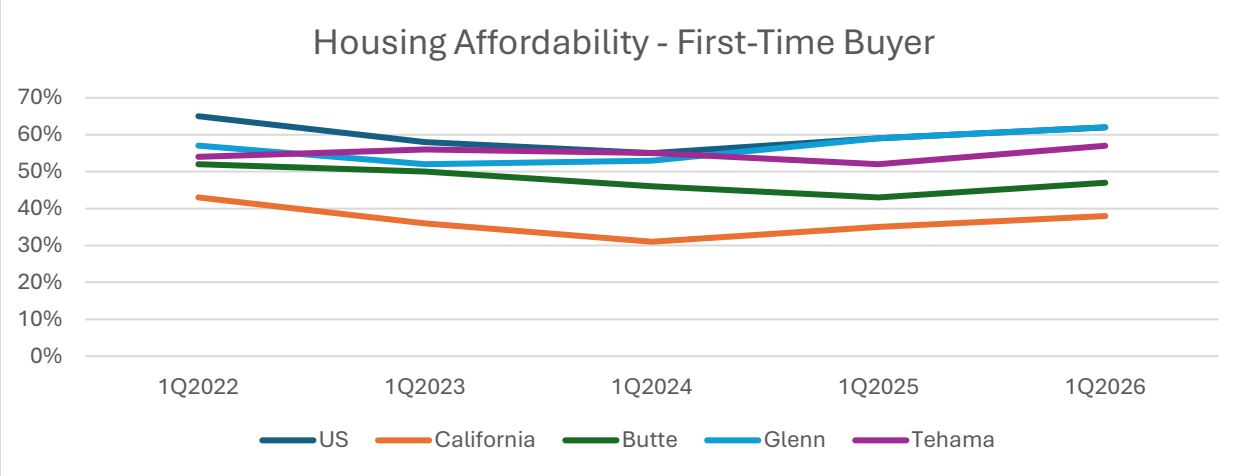

Figure 15. California Association of Realtors

Housing Mix	2020	2021	2022	2023	2024
Total Housing Units	132,796	133,284	131,423	129,605	131,413
Vacant housing units	10.6%	10.3%	10.5%	10.0%	10.3%
Occupied housing units	89.4%	89.7%	89.5%	90.0%	89.7%
Owner-occupied	60.7%	60.2%	60.2%	60.6%	59.7%
Renter-occupied	39.3%	39.8%	39.8%	39.4%	40.3%
HH with gross rent 35% percent of HH income	59.2%	58.1%	57.3%	59.3%	62.4%