

Colusa County CEDS Committee

March 6, 2023 – Agenda

9:00-9:15	Welcome & CEDS Orientation	Greg Plucker Colusa County Community Dev. Dir.
9:15-10:00	Presentation on Economic Conditions; followed by Q&A	Dr. Robert Eyler Economic Forensics & Analytics, Inc.
10:00-10:45	Discussion Colusa County SWOT Goals	Vicki Doll Chabin Concepts, Inc.
10:45-11:00	Wrap Up and Next Steps	Greg Plucker Colusa County Community Dev. Dir.

CEDS Contents

- Analysis of Economic Conditions
- SWOT – Economic Problems and Opportunities
- Goals
- Economic Development Resources and Partnerships
- Strategic Projects, Programs, Activities
- Action Plan
- Performance Measures

CEDS TIMELINE	
FEB	<ul style="list-style-type: none">• Community Input• Research• Data Collection• Analysis
MAR	<ul style="list-style-type: none">• Strategy Development• Capital Improvement Plans• Document Prep
APR	<ul style="list-style-type: none">• Monday, April 10 @ 9:00 a.m.• CEDS Committee Review• CEDS Public Review
MAY	<ul style="list-style-type: none">• Revisions• Deliver to EDA for 30-day review

Current Economic Conditions

Dr. Rob Eyster



Colusa County CEDS

Existing Conditions Data

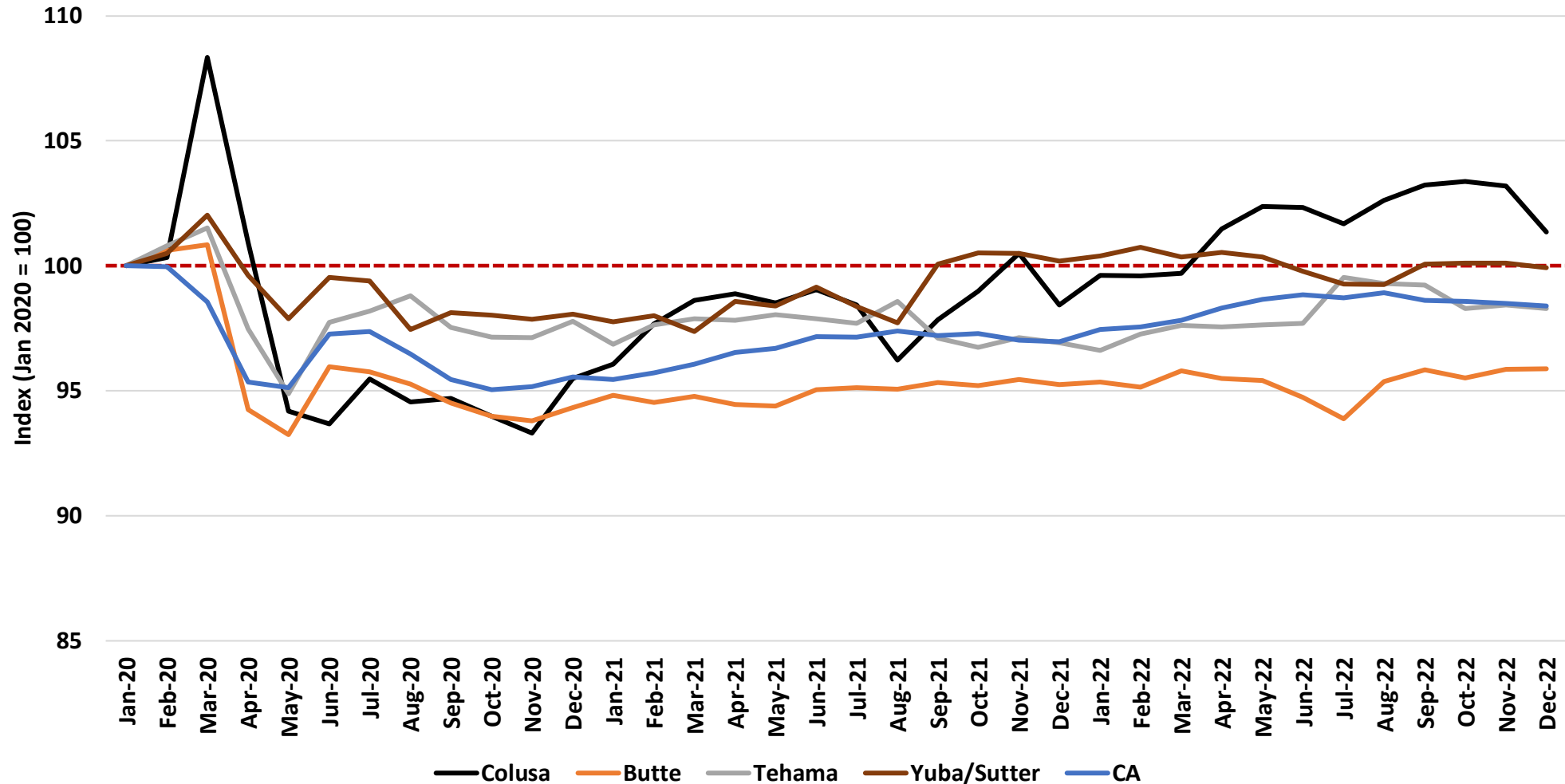
Robert Eyer, PhD

Economic Forensics and Analytics

eyer@econforensics.com

Presented March 6, 2023

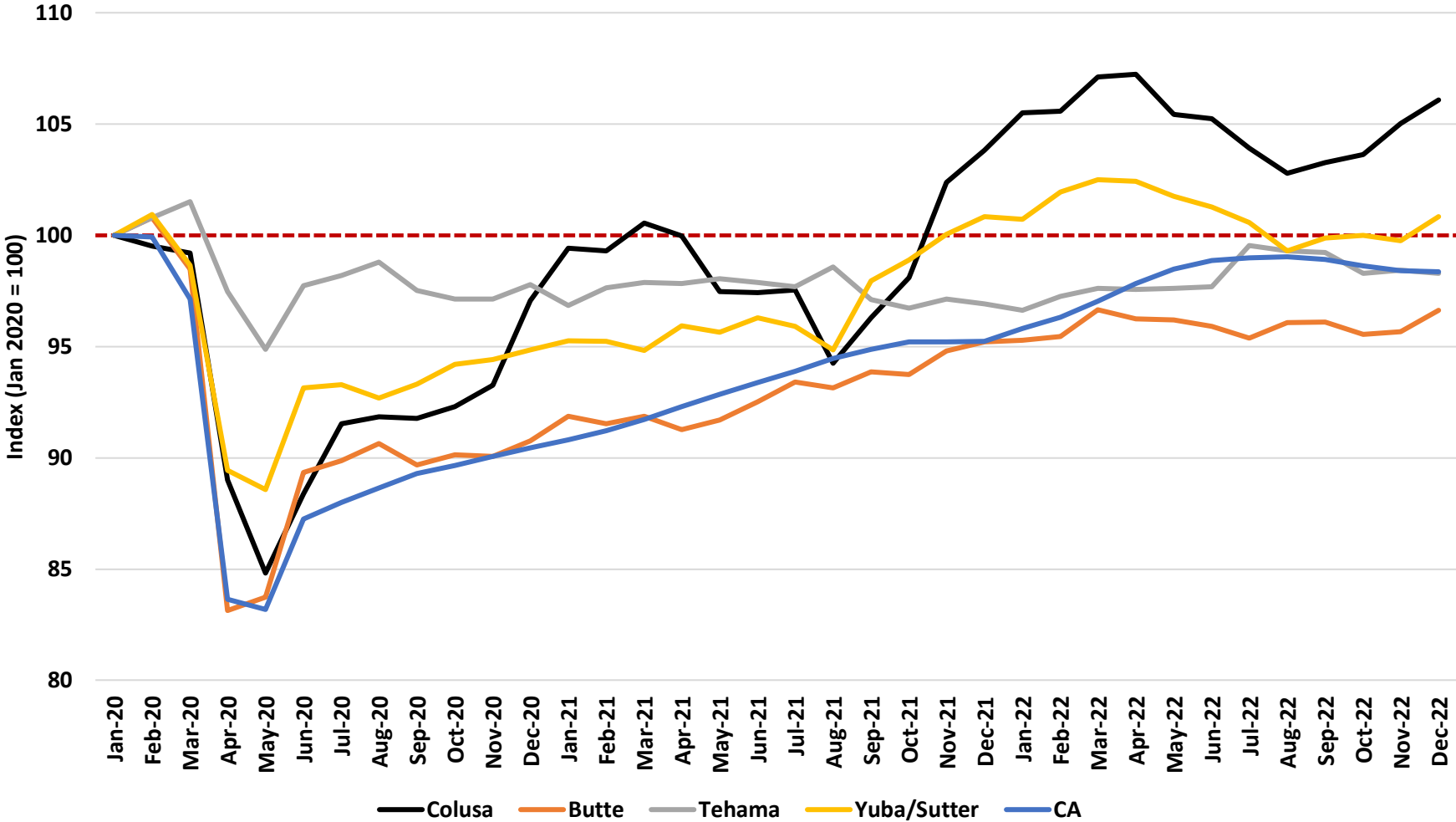
Residential Labor Force, as of Dec 2022, Seasonally Adjusted Selected Counties and CA, Jan 2020 = 100



Labor supply versus labor demand a major issue statewide:

Colusa County has experienced more recovery here versus regional neighbors in terms of available workers.

Residential Employment, as of Dec 2022, Selected Counties and CA, Jan 2020 = 100



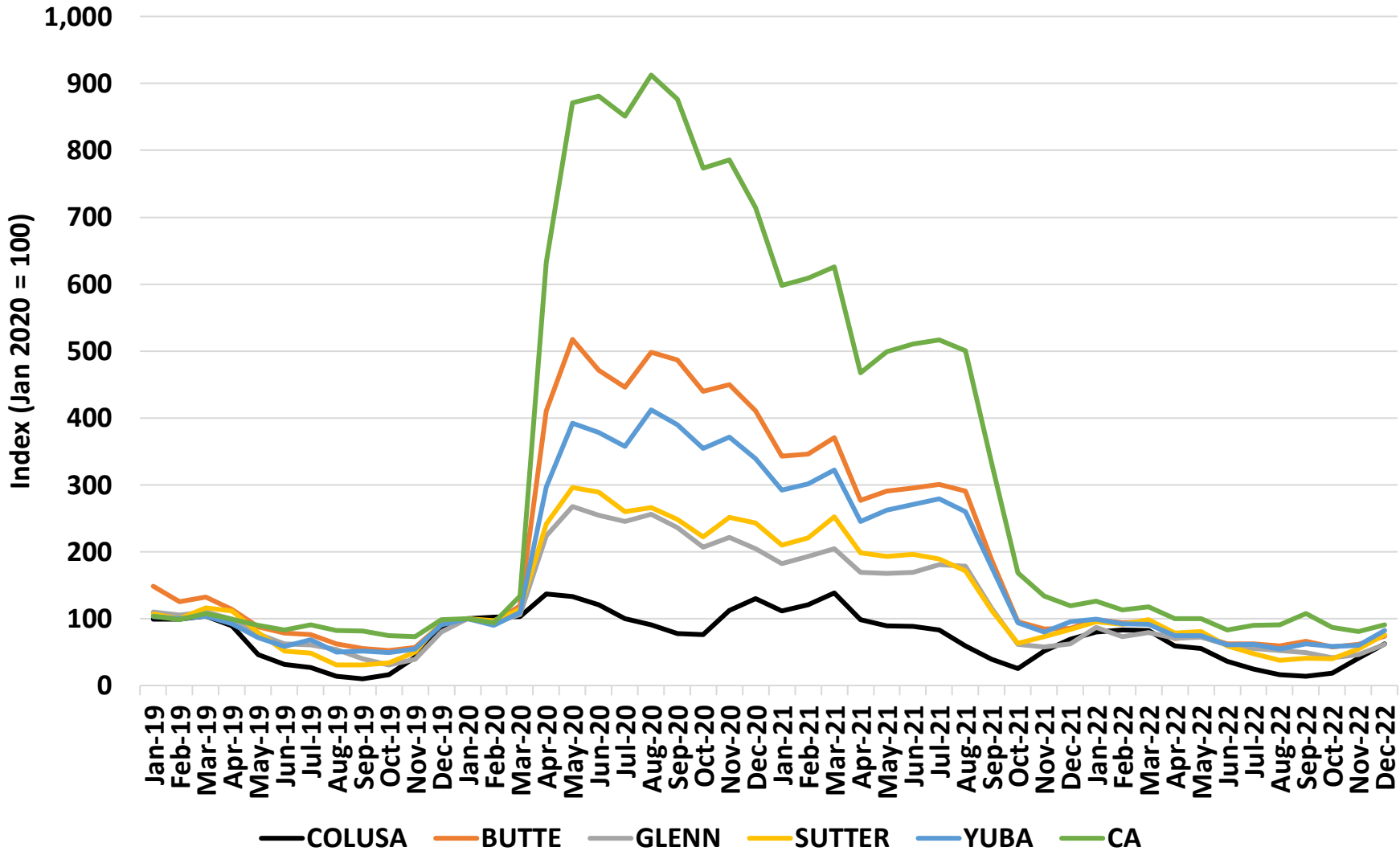
Residents with jobs provide local support for retailers and other merchants of goods and services.

Colusa being a place where workers were more available (see above) has translated into more county residents working compared to pre-pandemic levels versus regional counties otherwise.

Caveat: we are not measuring self-employed workers here.

Sources: California EDD, Bureau of Labor Statistics, and EFA, Data are Seasonally Adjusted

Continued Claims for Unemployment Insurance, Selected Counties and CA, Total Claims, Index Jan 2020 = 100 to Dec 2022

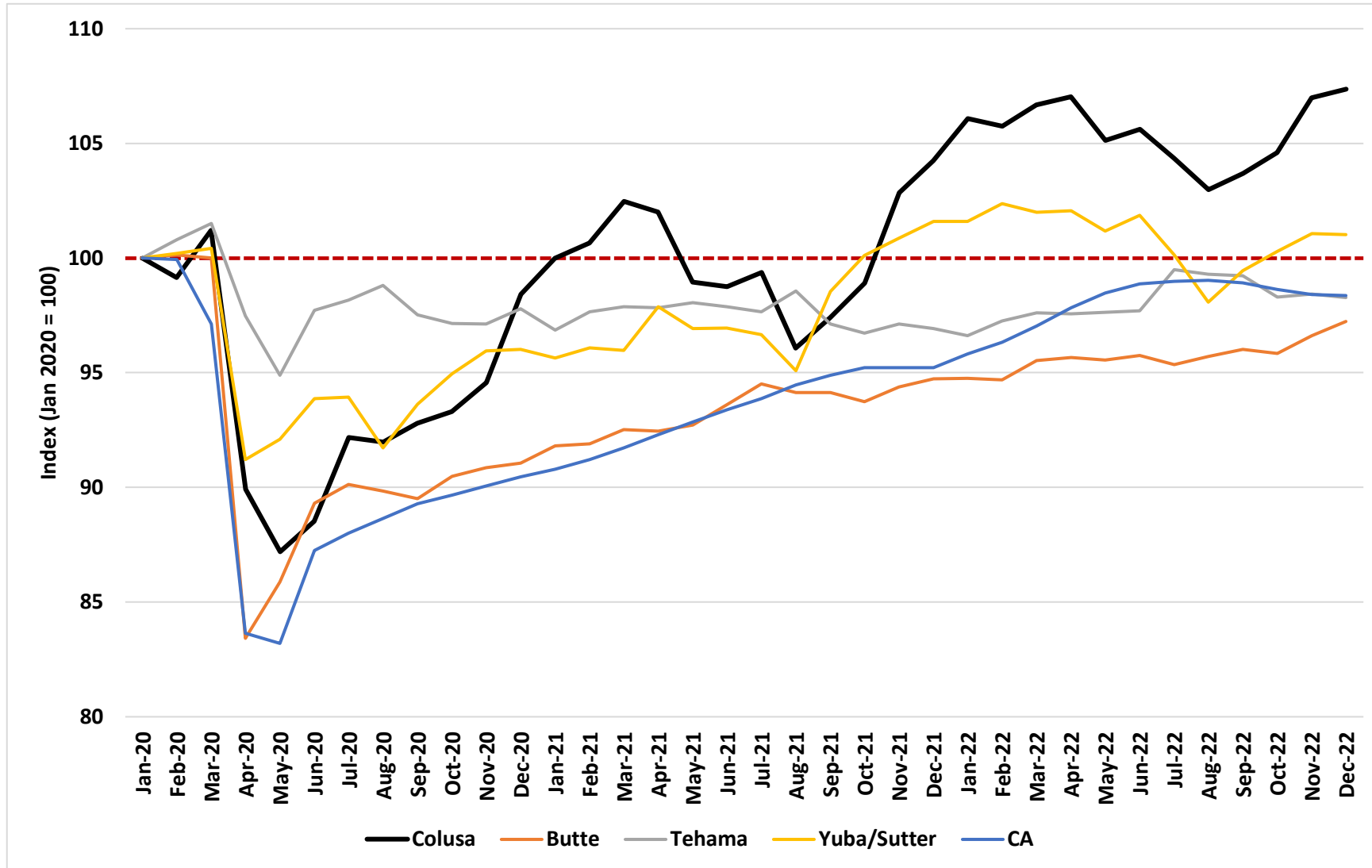


Colusa was more resilient in terms of residents working during the depths of the pandemic recession (fewer claims for unemployment insurance).

However, there has been a recent, small increase following broader trends of job losses.

Sources: California EDD and EFA, Data are Seasonally Adjusted

Jobs at Colusa County Employers, Compared to Selected Counties and California, Index, Jan 2020 = 100, Jan 2020 to Dec 2022

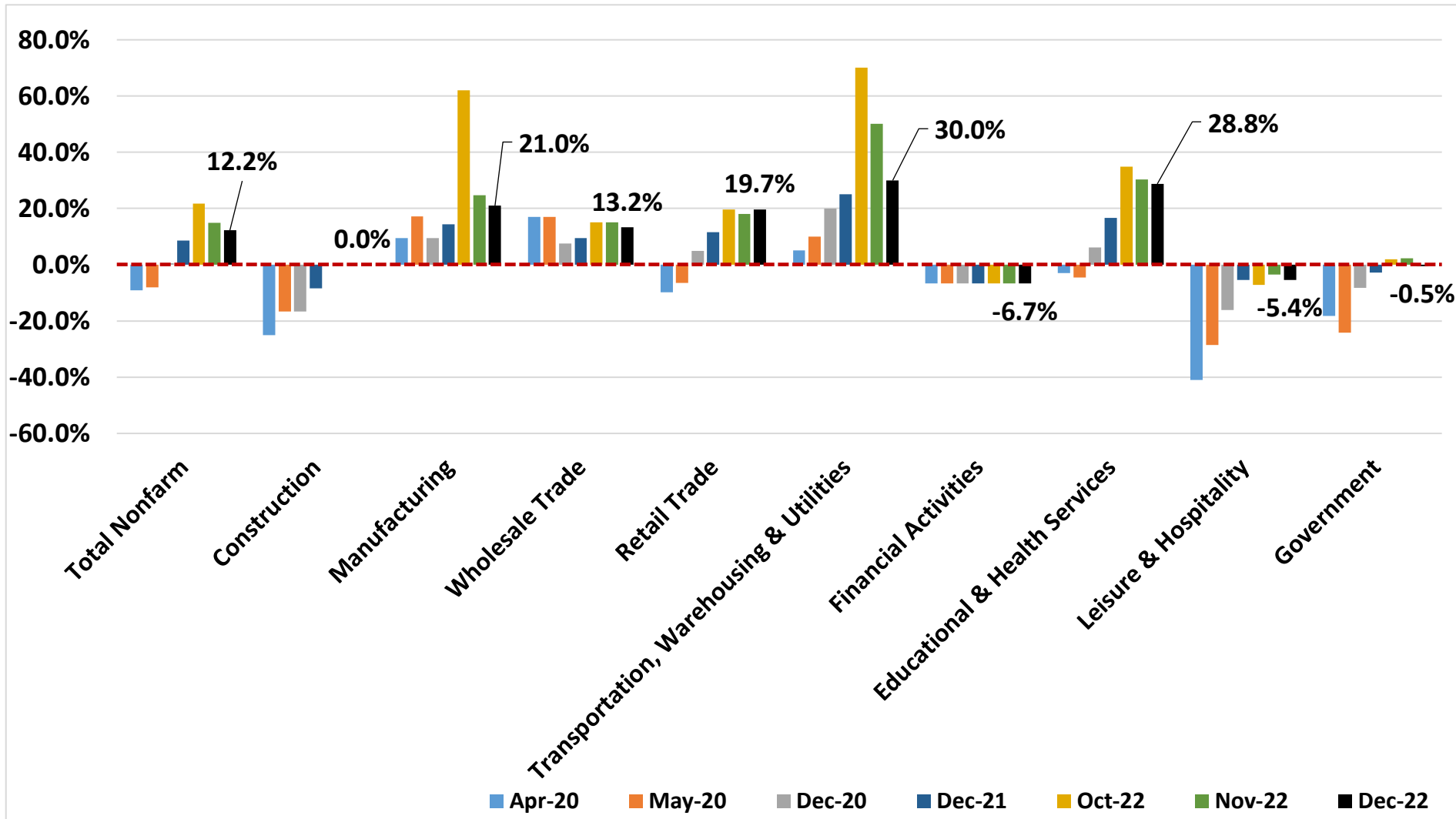


These data are jobs at local employers.

Colusa again showed regional strength here in terms of local employers providing jobs.

Commute data is the missing link (only officially available to 2019).

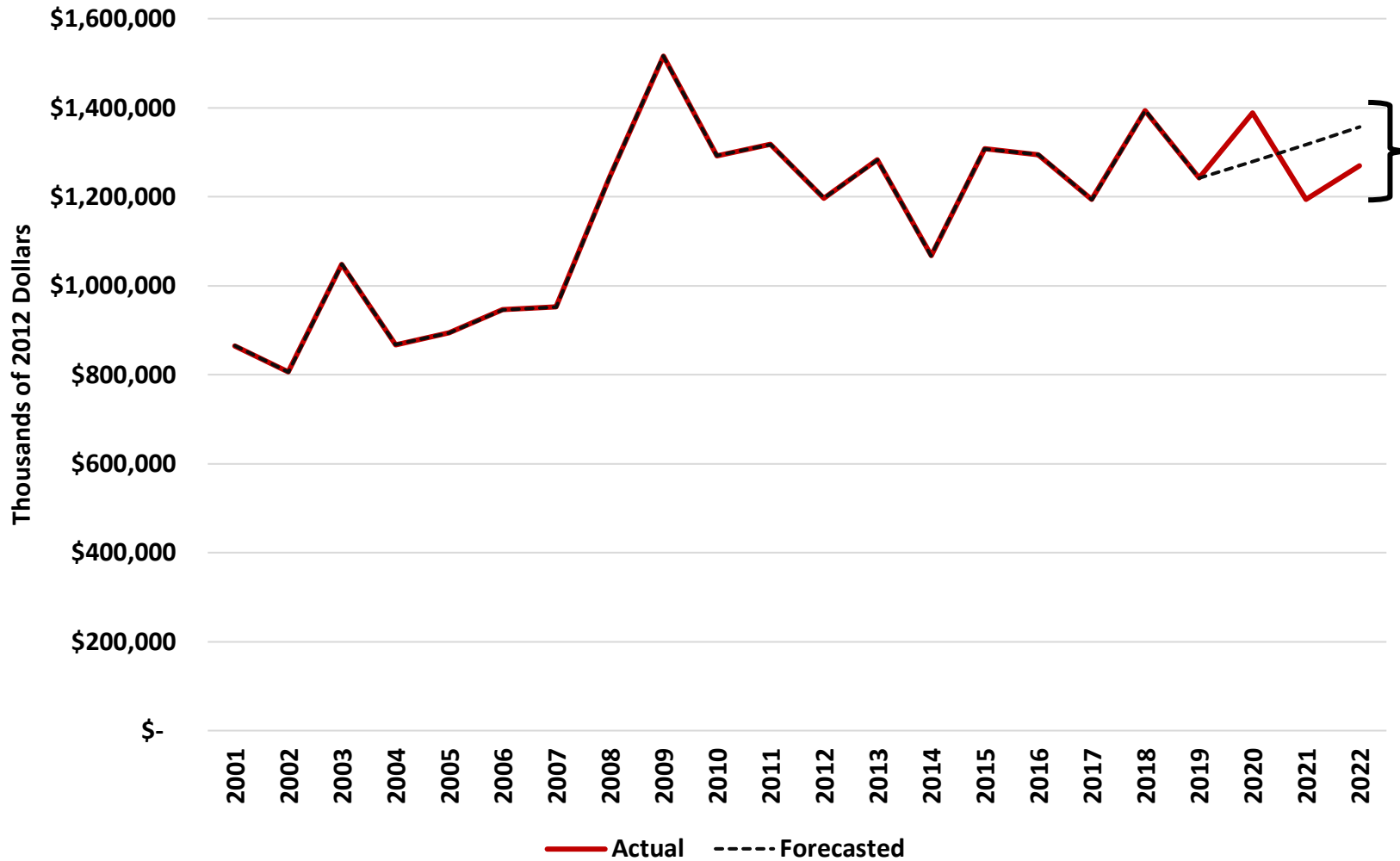
Changes in Employment by Industry, Colusa County, Compared to Jan 2020 as of Dec 2022, % Change in Jobs



These data show Colusa County has seen growth across its major industry sectors since the pre-pandemic benchmark (January 2020).

Finance, banking, insurance and real estate hiring has remained stable after the initial losses, where leisure and hospitality has recovered early losses, but now be at a stable level.

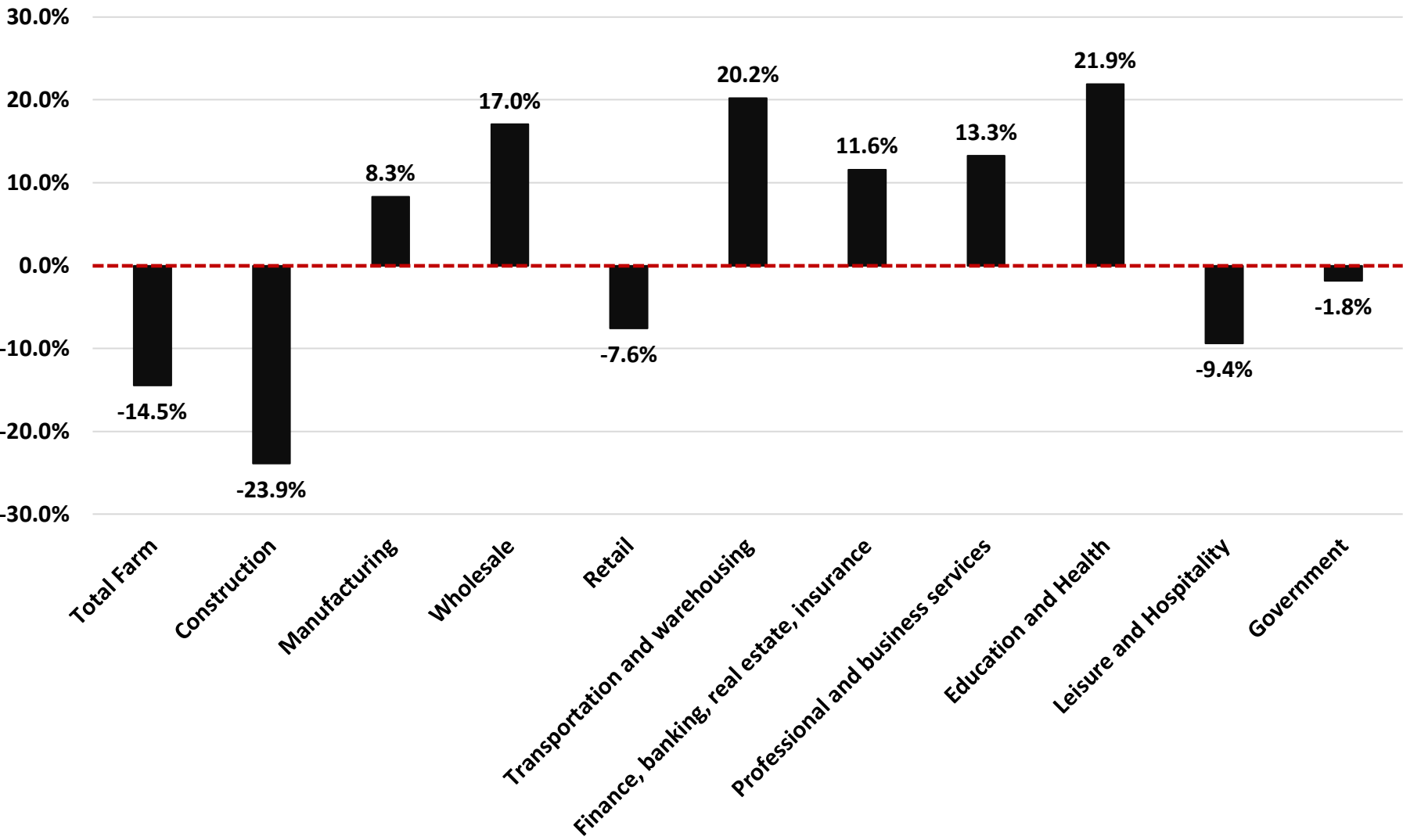
GRP Regionally: Where Are We? Real Gross Regional Product (Thousands of 2012 Dollars) 2007 to 2022 (Estimated) and if COVID-19 Had Not Happened (Estimated)



Major points here:

1. It was in 2021 that Colusa County experienced a shock from the pandemic, and that was likely inflation-driven more than productivity.
2. The black, dotted line is the forecast has the pandemic not happened.
3. The red line represents the actual data and a forecast for 2022 given jobs growth and lingering inflation that increased in 2022.

GRP by industry, Thousands of 2012 Dollars, Colusa County, % Change from 2019 to 2022

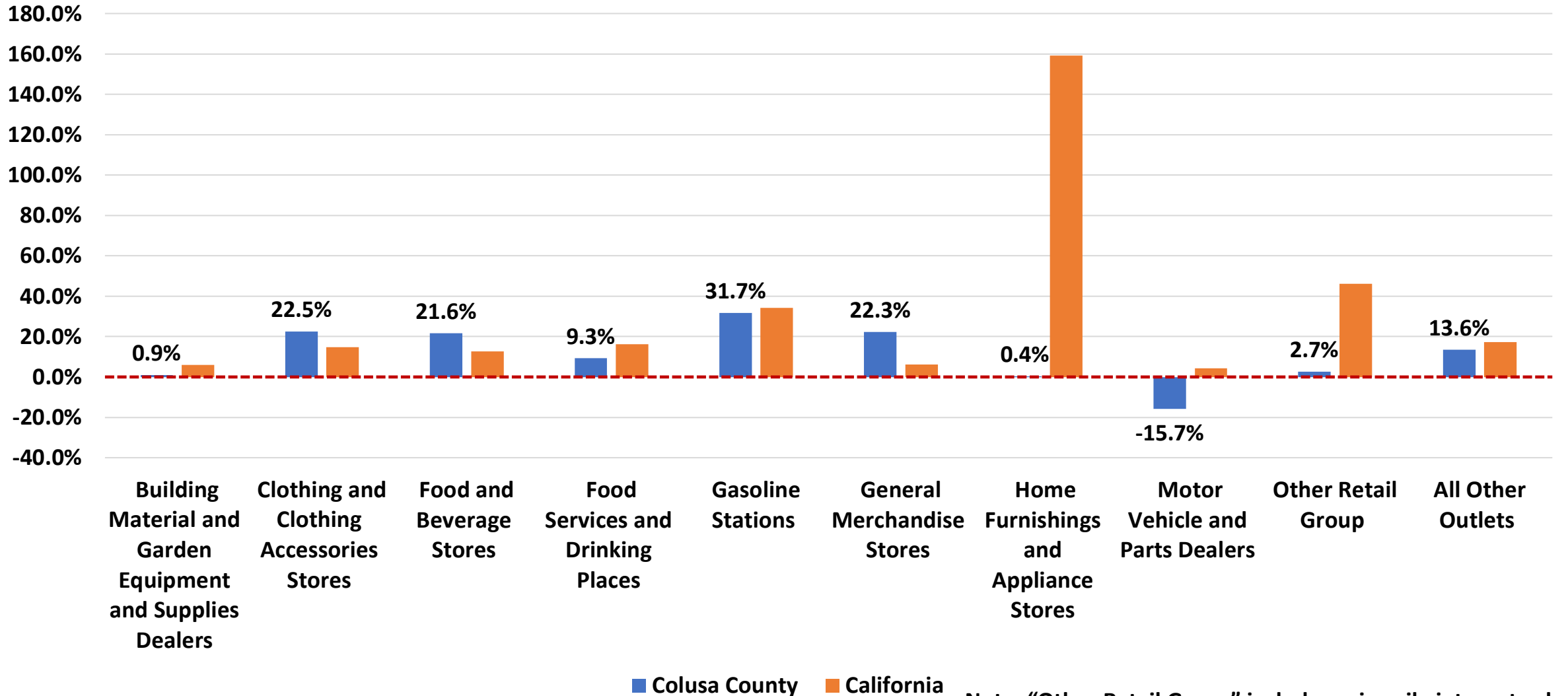


Gaps follow industry job losses, but losses less pronounced than jobs due to household fiscal stimulus and PPP:

1. Most industries in Colusa County have seen incomes increase since 2019 (pre-pandemic).
2. Construction jobs have just recovered in 2022 from the original shock from the pandemic.
3. Farm incomes have fallen most likely due to a mix of drought, inflation, and harvest issues.
4. Retail reductions are likely due to some businesses being lost and inflation

Sources: Bureau of Economic Analysis and EFA

Taxable Sales, % Change Q3 2019 to Q3 2022: Raw Dollars (Not Inflation Adjusted)



Sources: California Department of Tax and Fee Administration (CDTFA) and EFA

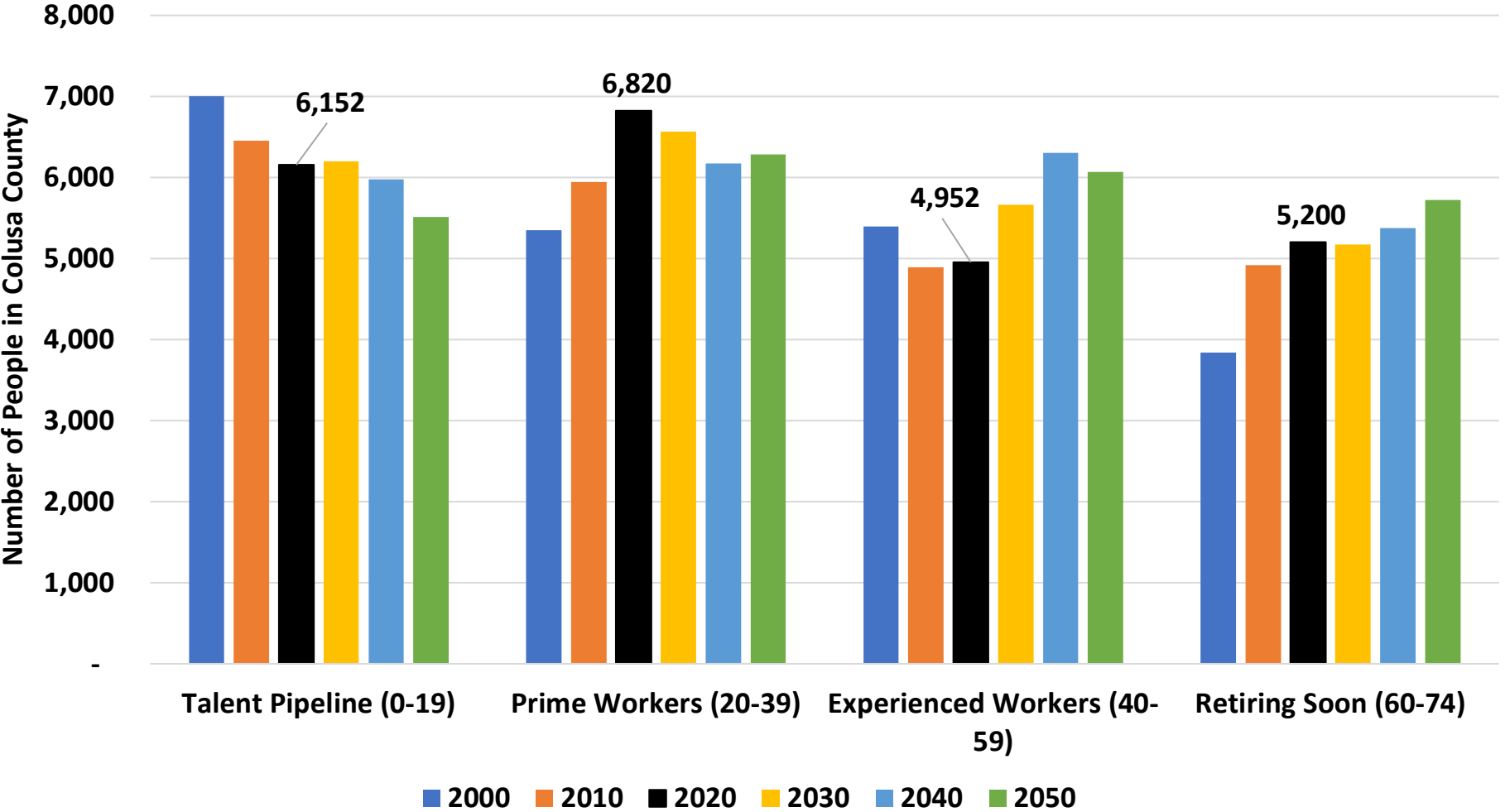
Note: "Other Retail Group" includes primarily internet sales taxed locally but not fitting an industry group

Colusa in its Regional Context: Good News Generally

- Colusa has shown resilience and growth since 2020
 - May be based on population change and working families coming to Colusa
 - May be that essential businesses remaining open in 2020 provide foundation for recovery and expansion
- National and State Forecasts and context
 - Inflation fading with the cost of higher interest rates (though interest rates are up, their levels are not closing in on double digits for 30-year mortgages)
 - US and California labor markets showing signs of continued strength, though jobs losses being announced here and there
 - Continued political uncertainty in both US and globally may affect financial markets more than labor markets
 - Construction likely slower in 2023 and 2024 after amazing 2020-2022 period, due primarily to rising costs of construction and interest rates
 - Agriculture may get some relief from recent rainfall, but drought not over, and rising commodities prices a mix of effects on farmers

The Future:
Labor Market and Housing Forecasts

Thinking about Workforce Development Labor Force in Colusa County, 2000-2050

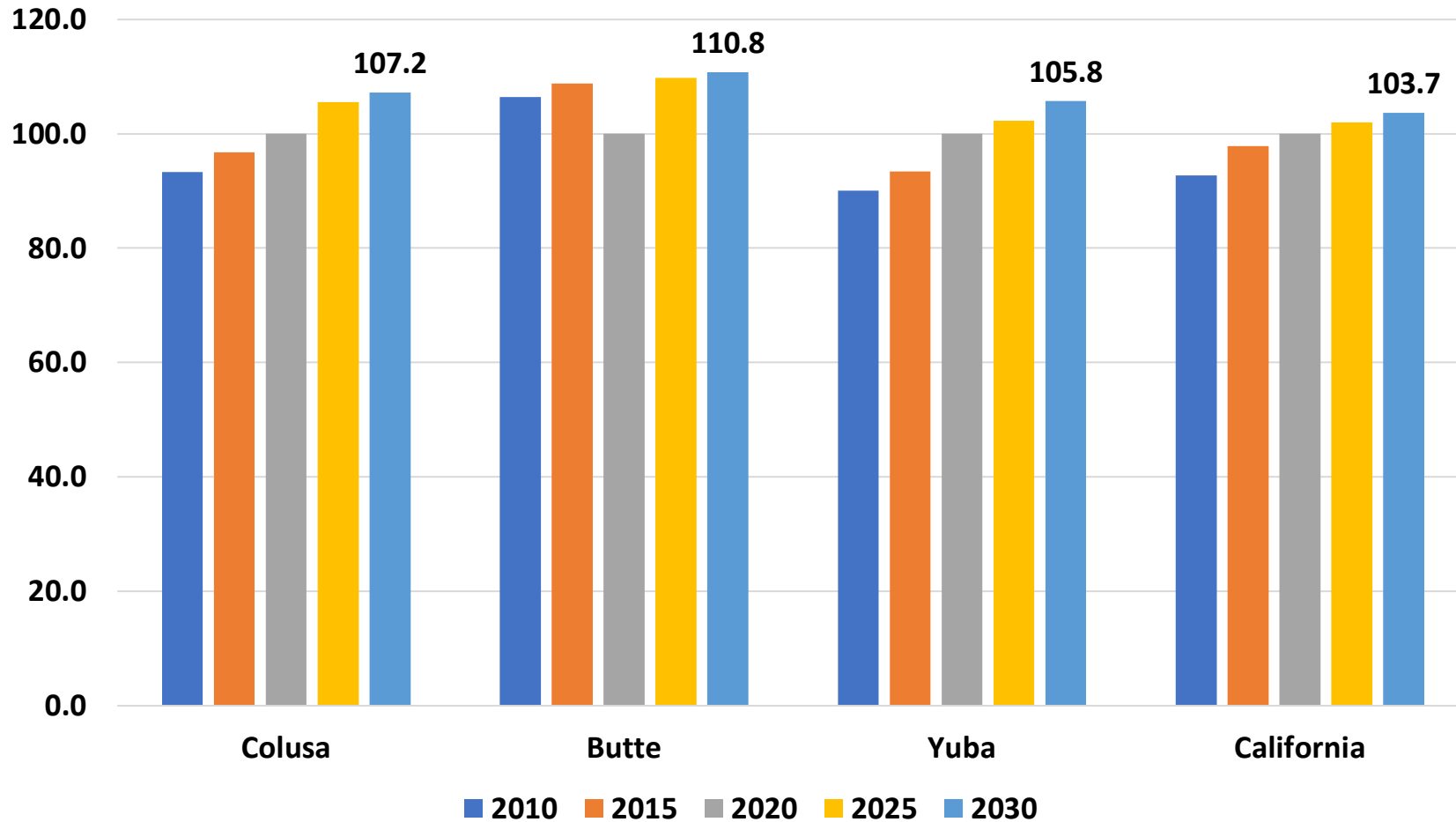


- Labor Force can be seen as having four components:
- Talent Pipeline (really about working families in the area)
- Prime Workers, including new HS and college grads and college students
- Experienced Workers (parents of the talent pipeline)
- Retiring Soon (more senior workers)
- Loss of Talent Pipeline suggests demographic change in many ways

Sources: California Department of Finance and EFA

Labor Force (LF) Actuals and Forecasts, 2010-2030

LF Defined as Pop Aged 18 to 74, Aggregated by County and compared to CA, Jan 2020 = 100

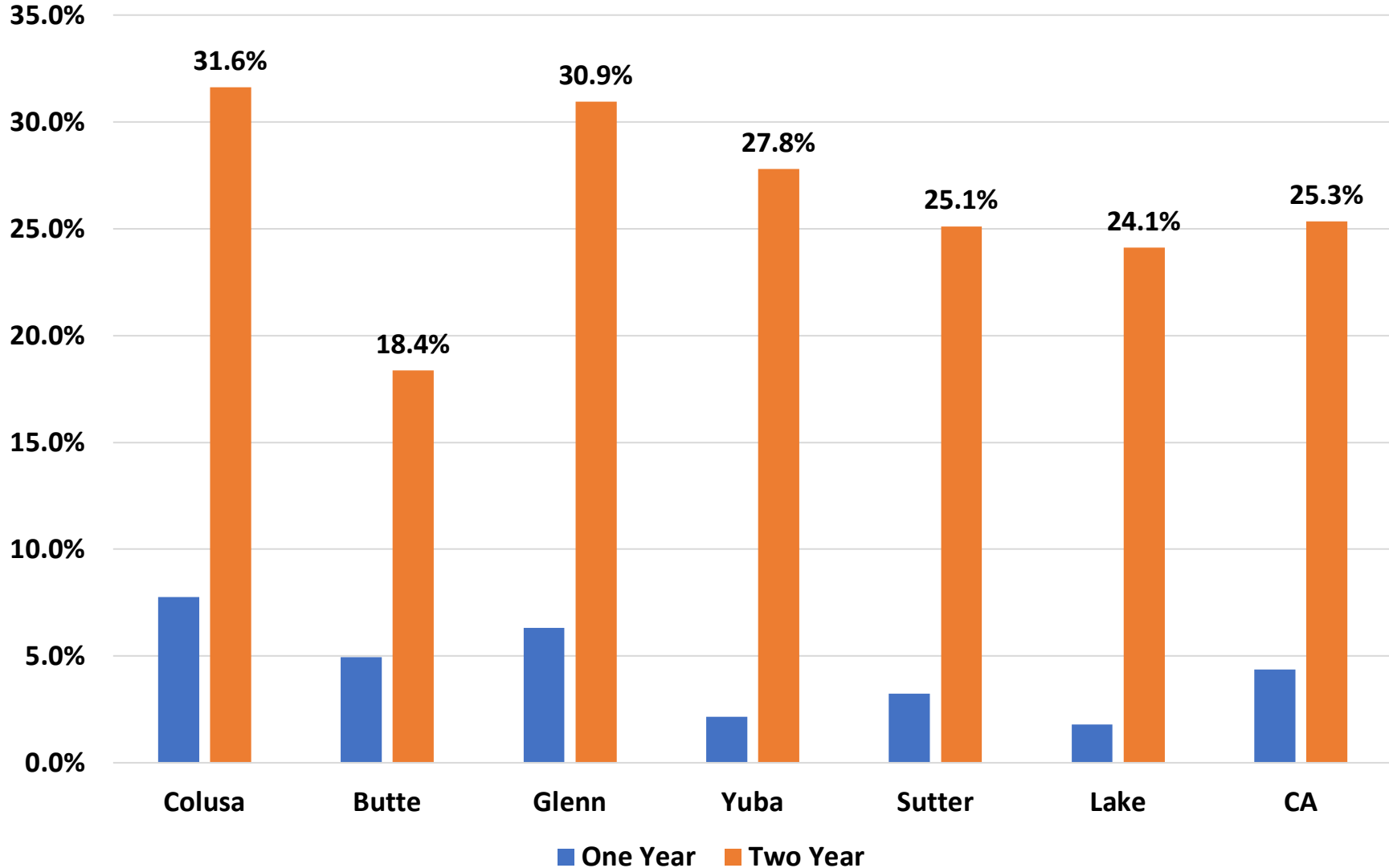


Colusa Labor Force predictions are following statewide forecasts versus Butte County.

2018 fire in Butte County and subsequent migration patterns remain an issue in Butte County's labor market.

Migration to Colusa County likely to continue to provide workers to 2030, as it ages slightly slower than before 2020.

Housing Market: % Change Median Home Price Looking Back One Year and Two Years, from December 2022



Colusa County Median Home Price, Dec 2022:

\$362,880

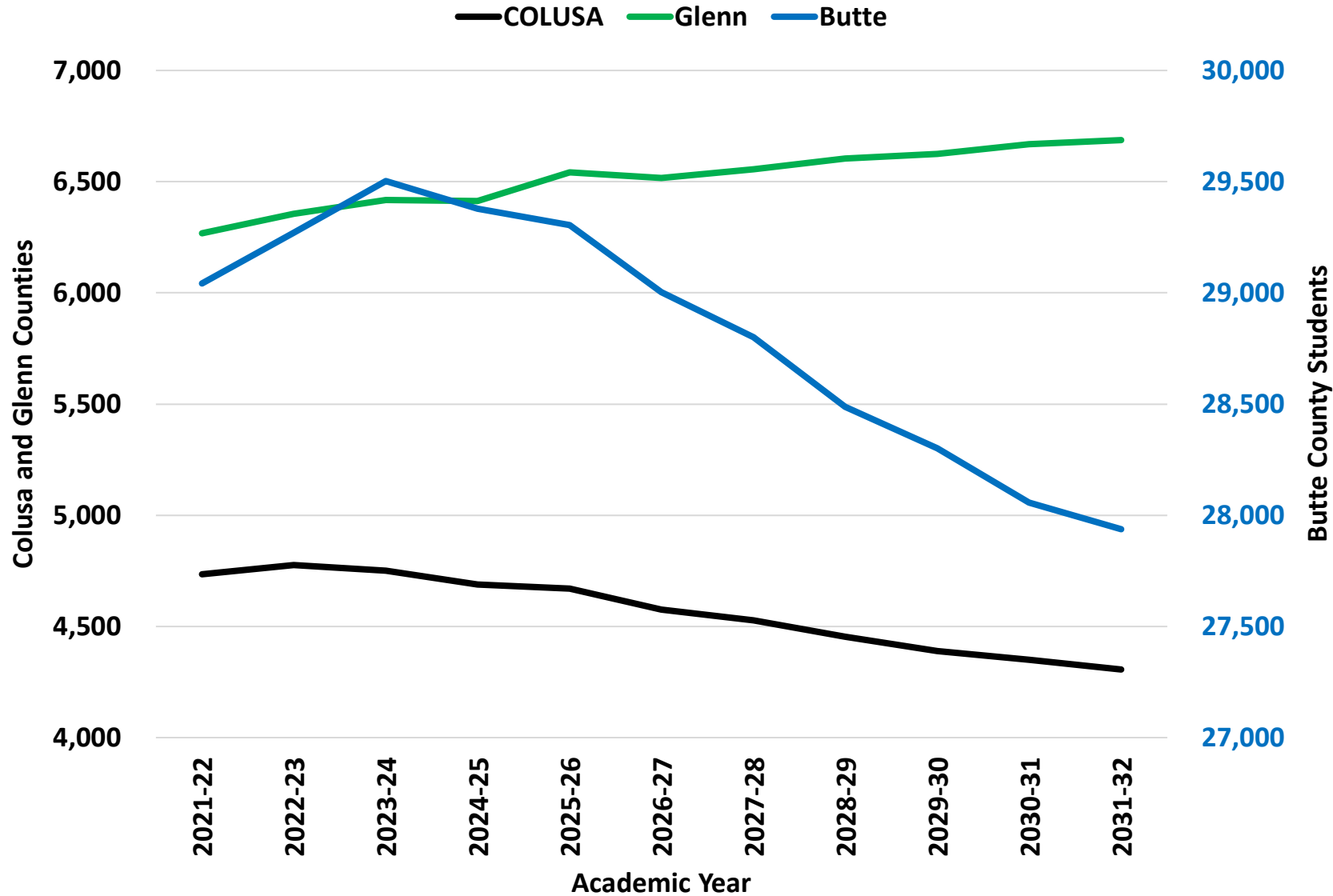
Dec 2019 = \$268,105

Dec 2022: Median \$

Butte	\$414,100
Glenn	\$363,000
Yuba	\$400,100
Sutter	\$442,100
Lake	\$340,400
CA	\$760,600

Source: Zillow^M Research

K-12 Attendance Forecast



Colusa County drop approximately 9% over 10 academic years

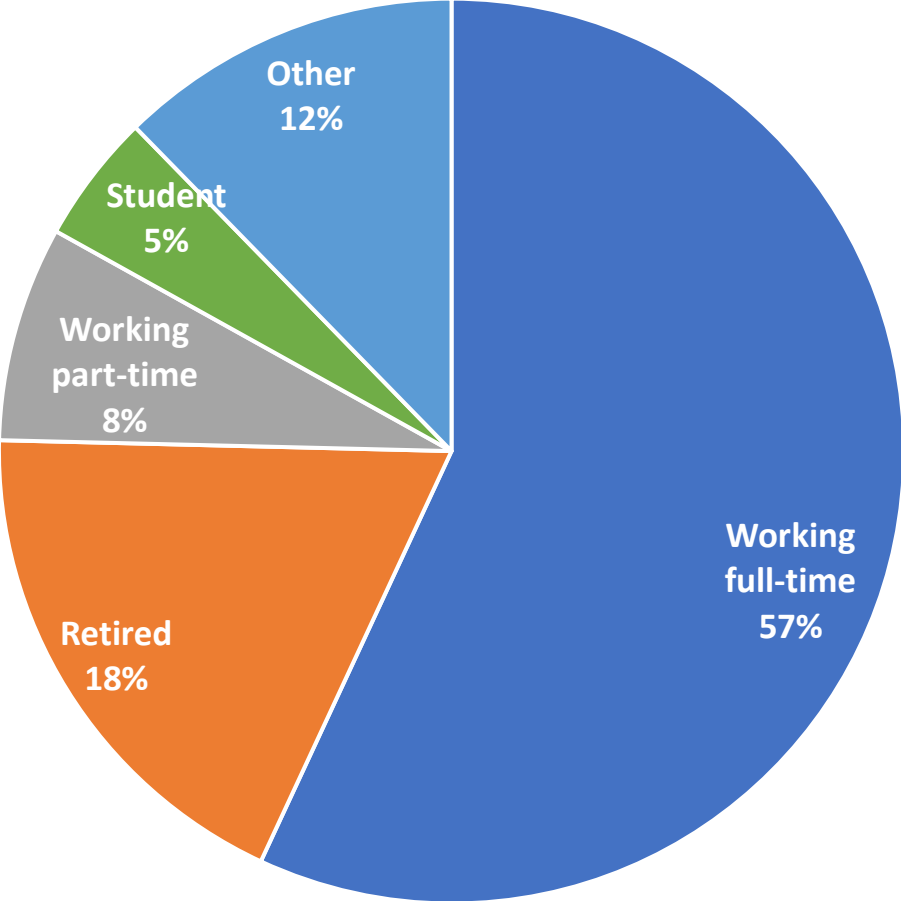
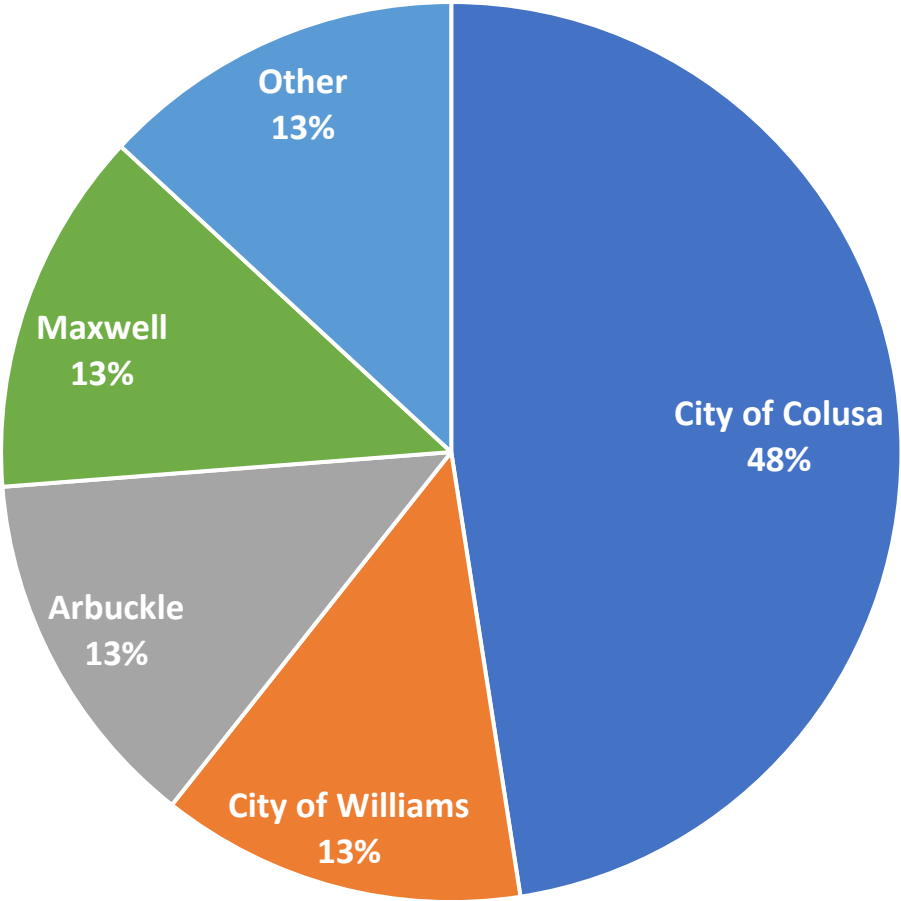
- Butte County = -3.8%
- Glenn County = +6.7%
- Yuba County = +7.2%
- Sutter Count= +21.3%
- California = -8.9%

The drop for Colusa a function of an aging population, the predicted % change in Butte County is similar to Colusa, but many more workers.

Initial SWOT



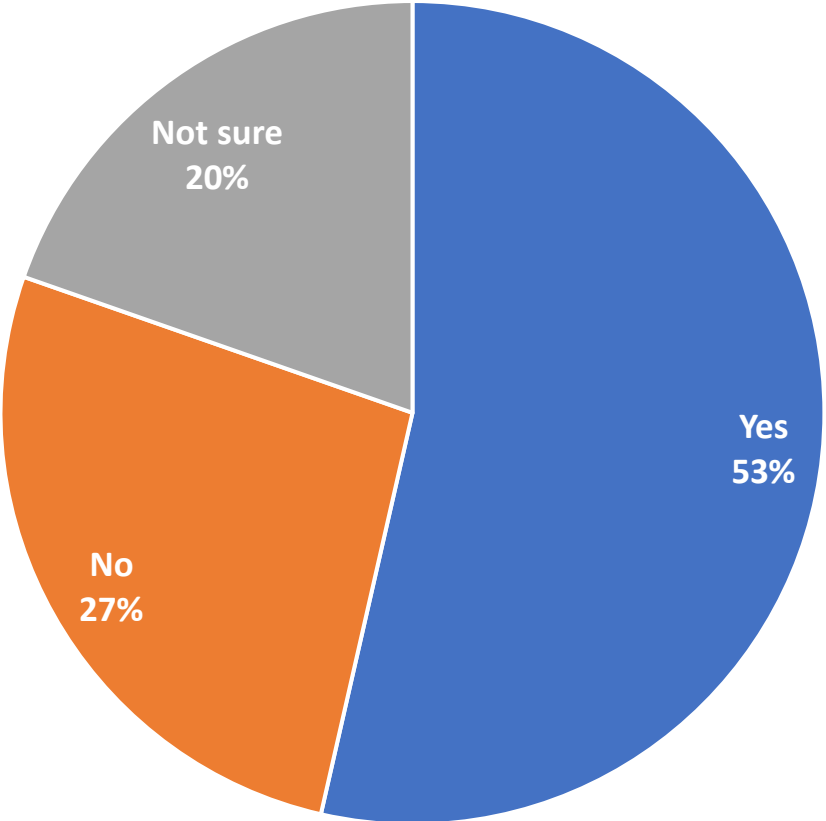
Demographics of Survey Participants



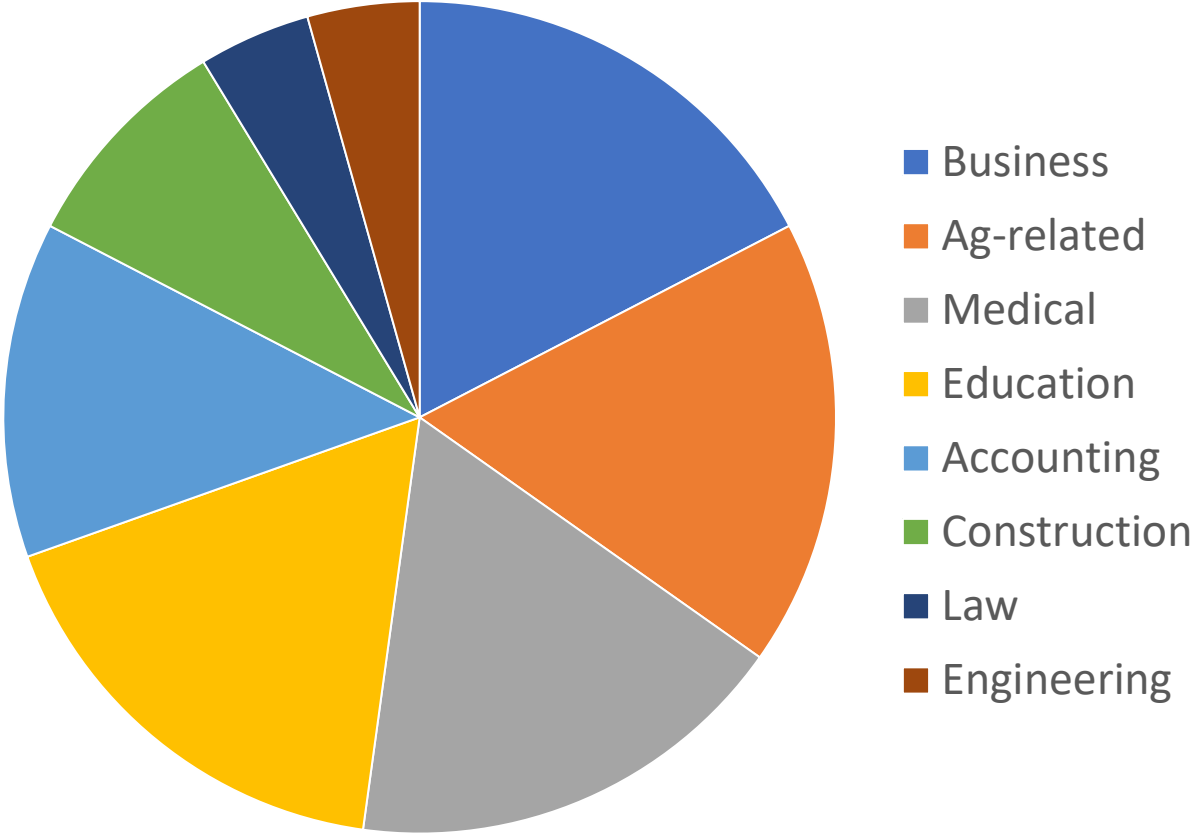
61% commuting less than 30 minutes

Underemployment

Do you have work experience or special training that qualifies you for a better-paying job than the one you currently have?



Areas of Studies



Assets & Opportunities

*Numbers are for reference only,
do not reflect priority*

1. Small town, safe, rural atmosphere
2. Downtown charm, local businesses
3. Sacramento River, Nature Preserve, open space
4. Community events, parks, theater
5. Playground, community pool
6. Historic, craftsman style homes
7. Courthouse
8. Ag and livestock industry
9. Smart growth, allow change
10. More public access to state and federal land for rec
11. Encourage cultural diversity



Challenges

*Numbers are for reference only,
do not reflect priority*

1. More and diverse industries including tourism, recreation, manufacturing, supporting ag industry
2. More jobs and better-paying jobs
3. Retain population
4. Housing, affordable options
5. Water, storage & flood protection (for ag & recreation)
6. Infrastructure, roads, broadband & cell service
7. Regulations, costs
8. Retail leakage, big box competition
9. Improve schools, expand curriculum, skills training
10. Municipal revenue stability
11. Clean-up, fix-up, noise control
12. Improve access to medical, senior services
13. Access to childcare
14. Homelessness



CEDS Goals

Compiled from Colusa County General Plan

1. Create sustainable long-term economic growth that provides high-paying jobs, reduces unemployment, and diversifies the county's economic base
2. Increase available resources to implement economic development strategies
3. Maintain and enhance agriculture as the county's most critical land use, economic sector and resource
4. Provide a multimodal road and highway system that supports the safe and efficient movement of goods and people to and from the county
5. Improve livability in the county through land use and transportation options
6. Protect the rural qualities that make the county and its communities distinct from others in California
7. Conserve and enhance the elements that contribute to a favorable quality of life
8. Increase opportunities for recreational activities in open space, in and around existing communities



Next Steps

CEDS TIMELINE	
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MAY	<ul style="list-style-type: none">• Possible Public Revisions• Deliver to EDA for 30-day review• Possible EDA revisions

Thank You!

