Chico's Housing Crisis ... How We Got Here and Where We Go From Here

Let's Start With What We Can Agree On

Before we debate what should happen next, perhaps we can begin by recognizing what we all want for our community.

We may disagree about policies, priorities, and how we arrived at this point ... but surely we can find some common ground.

What We All Want for Our Community

- **We want safe streets, parks, and neighborhoods** where everyone feels comfortable and welcome.
- **We want fewer people experiencing homelessness**, not more.
- **We want people to have a safe place to sleep**, access to basic necessities, and opportunities to improve their circumstances.
- **We want housing that working people, families, and seniors can afford**, so longtime residents aren't priced out of their own community.
- **We want our public resources used responsibly**, with measurable results and meaningful progress.
- **We want a community where people are treated with dignity and respect**, whether they have a home or not.

These aren't liberal or conservative goals. They're community goals.

We don't have to agree on everything to begin working together.

And perhaps the first step toward finding solutions is to understand how we arrived at our current situation ... without pointing fingers or assigning blame.

But accountability matters. We cannot learn from our past decisions unless we're willing to examine them.

Chico's Housing Crisis ... 10 Points on How We Got Here

Before we discuss more enforcement, let's look at what has happened over the years.

1. We identified the housing need.

California's Regional Housing Needs Allocation (RHNA) process established how much housing Chico needed at every income level, including homes affordable to our lowest-income residents.

These numbers were intended to help our community plan for future housing needs.

We knew that housing affordable to lower-income residents was essential to maintaining a healthy and economically diverse community.

2. We repeatedly fell short.

Chico achieved just **17.6% of its low-income housing allocation in the 2007–2014 cycle** and **30.2% in the 2014–2022 cycle**.

Two consecutive planning cycles ended with substantial unmet needs.

During the 2014–2022 cycle, neighboring Oroville achieved approximately **85% of its low-income allocation** and exceeded its very-low-income allocation.

Oroville faced its own challenges, and the communities aren't identical. But its results demonstrate that substantially greater progress was possible within our own county.

Why did Chico repeatedly fall so far behind, and what can we learn from communities that achieved better results?

3. We built disproportionately for higher-income households.

During the 2014–2022 cycle, Chico produced more than **200% of its above-moderate-income housing allocation** while achieving only 30.2% of its low-income allocation.

We demonstrated that residential development was possible ... but the housing being produced was disproportionately serving higher-income households.

Meanwhile, housing affordability has become increasingly difficult for ordinary residents.

Recent estimates put Chico's median household income at approximately **$67,000 annually**, while the median single-family home sale price has been approximately **$450,000**.

That's nearly seven times the annual median household income.

How can we expect working families, seniors on fixed incomes, and lower-wage workers to remain in a community where housing costs increasingly exceed their means?

4. We lost an important funding source.

California eliminated redevelopment agencies in 2012, taking away a significant source of Chico's affordable-housing financing.

Our city acknowledged that loss but struggled to replace that funding capacity.

Chico's redevelopment program had previously generated substantial annual resources for affordable housing.

Losing that funding presented a genuine challenge.

But after recognizing the problem, what steps did we take to replace those resources? What additional funding opportunities did we pursue, and what alternatives did we consider?

These are questions we should be willing to answer.

5. We considered ... then abandoned ... inclusionary zoning.

This deserves particular attention.

Inclusionary zoning could have required affordable units in qualifying developments or potentially generated additional housing funds through developer contributions, land dedication, or in-lieu fees.

In October 2020, Chico's City Council voted 5–2 to continue developing an inclusionary-zoning policy, including incentives for developers.

But in January 2022, following an Internal Affairs Committee recommendation, the council reversed direction and stopped pursuing the policy.

Chico's subsequent Housing Element acknowledged that the city had not implemented inclusionary zoning because the council was not interested in pursuing it.

This occurred while Chico was repeatedly falling dramatically short of its lower-income housing needs.

Why did we abandon a potentially valuable affordable-housing tool when we already knew our existing approach wasn't producing enough affordable homes?

Was the policy financially infeasible? Were there legitimate concerns about its effect on development? What studies or alternatives informed that decision?

And most importantly, **what did we replace it with, and what were the results?**

This isn't about criticizing the people who made the decision. It's about understanding the decision itself and learning from its consequences.

6. We learned that zoning alone doesn't produce affordable homes.

Making land available for housing does not guarantee that developers can finance homes affordable to lower-income residents.

Without adequate financing and incentives, identified housing needs can remain unmet.

Chico's own planning history demonstrates this challenge.

Even when zoning permits smaller homes, duplexes, townhouses, and other forms of middle housing, market conditions do not necessarily encourage developers to build them.

This raises an important distinction between what our community **allows to be built** and what actually gets built.

If our existing policies repeatedly fail to produce the housing we need, we should be willing to examine new approaches rather than simply continue the same practices.

7. We continued developing housing, but not enough at the prices people needed.

Chico did fund and support affordable-housing projects. Those efforts deserve recognition.

However, the completed RHNA cycles show that we did not produce enough lower-income housing to meet our community's identified needs.

At the same time, we began making substantial investments in a different kind of infrastructure.

In November 2017, Chico's City Council unanimously advanced a consolidated homelessness-services concept, bringing existing providers and services together in a centralized

model.

In February 2018, the city approved a formal agreement with the Jesus Center to advance that concept.

The original council direction also called for collaboration with other organizations, including Chico Housing Action Team.

The stated purpose was to improve coordination and help people move toward more stable circumstances.

That was a legitimate objective.

But nearly a decade later, we should be asking what that investment has achieved.

How many people have successfully transitioned into permanent housing?

Have other nonprofit organizations and community-based solutions been given meaningful opportunities to contribute?

Are our policies, funding structures, and partnerships encouraging a broad range of housing solutions ... or have we become increasingly dependent upon an established system of emergency services?

These are questions about outcomes and opportunities, not accusations against the people providing essential services.

8. We declared a shelter crisis.

In October 2021, Chico formally acknowledged that significant numbers of people could not obtain shelter and that the situation threatened their health and safety.

This was an official recognition that our community faced an extraordinary problem requiring additional solutions.

A shelter crisis declaration should remind us of the urgency of meeting people's basic needs.

But declaring a crisis is not the same thing as resolving it.

Five years later, we still need to examine whether everyone experiencing homelessness has access to a safe, appropriate, and realistic shelter option.

And when those options aren't available, where are people supposed to go?

9. We expanded emergency shelter and services.

In 2022, Chico adopted a Shelter Crisis Plan intended to address immediate shelter needs and create pathways into permanent housing.

Millions have been invested in emergency shelters, facilities, services, administration, and enforcement.

These investments have helped people, and many dedicated individuals and organizations provide essential services every day.

We should recognize that work.

But we still need a transparent accounting of how many people successfully transition into stable, permanent housing.

How much are we spending on temporary shelter and ongoing management compared with permanent housing outcomes?

How many people leave the shelter system for permanent homes, and how many simply exit without a lasting housing solution?

Are we measuring success by how many people are served ... or by how many people actually escape homelessness?

We should also examine whether existing vacant properties, underused housing, and short-term rentals offer additional opportunities to expand year-round housing availability.

Not every vacant home is available or suitable for permanent housing. But during a declared shelter crisis, understanding how our existing housing stock is being used should be part of the conversation.

Have we built a system that is better at managing homelessness than ending it?

And if so, how do we change that?

10. Now we're considering expanded enforcement.

With the *Warren v. City of Chico* settlement approaching expiration, Chico is considering changes to its camping ordinances and a new loitering ordinance that would expand enforcement while removing certain existing shelter-related protections.

These proposals would remove local protections tied to shelter availability, eliminate certain shelter-offer requirements before camping enforcement, and introduce additional penalties.

The October 20 City Council meeting is the first reading of these proposals, not their final adoption.

Under the current proposals, the ordinances cannot take effect before January 15, 2027 ... after the Warren settlement expires.

That gives us time to review the proposals, listen to affected residents, and consider their consequences.

Some have argued that the Warren settlement has held Chico back for nearly five years.

But Warren restricted certain enforcement practices. It did not prevent us from developing affordable housing, pursuing additional funding, or expanding appropriate shelter alternatives.

Before removing existing protections, shouldn't we first account for what we've accomplished, what remains unfinished, and what happens to the people who still have nowhere appropriate to go?

We all want safer neighborhoods and public spaces.

But citations, arrests, and encampment removals do not create affordable housing.

And people who cannot access the limited shelter options available do not suddenly have somewhere else to live because we change an ordinance.

We cannot solve a housing shortage by punishing the people experiencing its consequences.

These proposals deserve careful consideration alongside the continuing shortage of affordable housing and appropriate shelter alternatives.

Where Do We Go From Here?

This isn't about blame. It's about learning from our history and finding a better way forward ... together.

Some decisions were made under difficult financial circumstances. Some approaches haven't delivered the results we hoped for. Some options were never pursued, while others have made meaningful contributions.

We should acknowledge all of it ... the successes, the shortcomings, and the lessons we've learned.

But acknowledging our history must also mean being willing to ask difficult questions.

We need accountability ... not accusations.

We need to understand why affordable-housing targets were repeatedly missed, why certain policies were abandoned, how our funding priorities developed, and whether the systems we've invested in are achieving the outcomes we intended.

We don't need a conspiracy or evidence of deliberate wrongdoing to recognize that a system may be producing the wrong results.

And we don't need to question anyone's intentions to question whether our existing policies are working.

Perhaps most importantly, **we need to lower the temperature of the conversation surrounding people experiencing homelessness.**

Somewhere along the way, the discussion has become increasingly divided into *us versus them*.

Neighbors against neighbors. Businesses against people sleeping outside. Advocates against elected officials. People experiencing homelessness portrayed as the source of the problem rather than fellow community members experiencing its consequences.

We need to move beyond that division.

People experiencing homelessness are not all the same. They have different backgrounds, circumstances, challenges, and needs. Many are longtime residents of our community who lost their housing through circumstances beyond their control.

Some face addiction or mental-health challenges and need appropriate treatment and support.

Others are working people, seniors, people with disabilities, or longtime residents who simply cannot afford housing.

We can recognize the legitimate concerns of residents and businesses while also recognizing the humanity and needs of those living without shelter.

Compassion and public safety are not opposing goals.

We can work toward both.

We also need to recognize that permanent affordable housing takes time to develop. People experiencing homelessness have immediate needs that cannot wait years for construction projects to finish.

That means working together on practical solutions:

- Expanding safe, accessible, lower-barrier shelter and temporary housing options.
- Supporting community organizations willing to help provide additional alternatives.
- Improving access to sanitation, basic necessities, outreach, and supportive services.
- Finding additional funding and removing barriers to permanent affordable housing.
- Reexamining inclusionary zoning and other affordable-housing policies that were previously considered but not adopted.
- Reviewing our housing and homelessness expenditures to ensure permanent housing outcomes remain a central priority.
- Measuring success by how many people achieve lasting housing stability.
- Giving affected residents, service providers, advocates, businesses, and community members meaningful opportunities to participate in decisions.

There is room for everyone to contribute.

We don't need to agree on a single solution. In fact, different people may need different solutions.

What we need is a shared commitment to making progress.

Let's Begin With Accountability and Cooperation

I believe our City Council has an opportunity to bring people together by openly examining our housing history and creating a shared plan for the future.

That should include answering several important questions:

Why did Chico repeatedly miss its lower-income housing targets?

Why did we abandon inclusionary zoning, and what alternative policies were adopted?

How much have we invested in managing homelessness compared with producing lasting housing outcomes?

What opportunities have we provided for other community organizations to contribute new solutions?

And where are people supposed to go when they cannot afford housing and cannot access an appropriate shelter?

These questions deserve public answers.

Not because we want to blame anyone ... but because we cannot make better decisions without understanding the consequences of the ones we've already made.

Regarding Tuesday's Council Meeting

As we consider changes to Chico's camping and loitering ordinances, let's give the community adequate time to understand the proposals, discuss their consequences, and contribute constructive alternatives.

This is the beginning of the ordinance process, not the end.

There is still an opportunity to hear from service providers, homeless advocates, residents, businesses, and the people who will be most directly affected.

We're not asking Chico to delay solutions ... we're asking Chico to work together on solutions that address the underlying problem.

We have an opportunity to replace conflict with cooperation, frustration with understanding, and division with a shared sense of responsibility.

Scapegoating people experiencing homelessness for a housing shortage and shelter crisis they did not create will only push us further apart.

We cannot solve a housing shortage by punishing the people experiencing its consequences.

Let's stop asking who's to blame and start asking what we can do together.

We all share this community. We all have a stake in its future.

And surely we can agree that a Chico with fewer people experiencing homelessness, more affordable housing, safer neighborhoods, and greater compassion for our neighbors is a Chico worth working toward.

Let's find that common ground ... and get to work.

November 3, 2026 | Factual Supplement to the Original October Report

The original eight-page report follows unchanged in this combined packet (pages 1-8). The pages below are an update to the October 2026 account, not a replacement for its history, ten arguments, requests for accountability, or closing recommendations. This supplement describes information available before the November 3 Council meeting. The October report's references to an approaching October 20 first reading are historical; this dated supplement supplies the current procedural status.

1. What happened October 20, and what is before Council November 3

On October 20, the Council considered three separated ordinance amendments. The park-rules language in Chapter 12.18 advanced unanimously. The public-property camping ordinance (Chapter 9.20) and park-camping ordinance (Title 12R) advanced on 4-3 votes. A separate proposed loitering ordinance was returned to the City Attorney for revision rather than moving forward. The votes were ordinance introductions, not final adoption. [1, 2]

For November 3, the published agenda places final reading and proposed adoption of the park rules and park camping measures at **Items 2.1 and 2.2** on the consent agenda, and the public-property camping measure at **Item 5.1** on the regular agenda. These are proposals for adoption, not ordinances already adopted as of this writing. [1]

The Warren settlement is expected to expire **January 14, 2027**. The City's new strategic plan is proposed for **November 17** consideration, while a community town hall is scheduled for **November 4, 6-8 p.m.** That sequence leaves a serious public-policy question: why finalize restrictions before obtaining the public input intended to shape the overall response? [1, 3, 5]

2. The draft plan identifies the scale of the problem

Chico's draft Unhoused Strategic Plan (2027-2031) gives these **2025 Point-in-Time count** figures: **1,065** people experiencing homelessness in Chico, including **705 sheltered** and **360 unsheltered**. The plan itself cautions that a Point-in-Time count is a one-day estimate and likely an undercount. [3]

The plan's principal five-year numeric reduction goal is **at least 25% fewer people counted as unsheltered** by the 2031 count, starting from 360. In arithmetic terms, that is **90 fewer people counted as unsheltered**. It is **not** a promise to permanently house 90 people, and it says nothing by itself about the housing needs of the remaining people or those who may become homeless during the next five years. [3]

The draft also proposes improving permanent-housing exits, reducing returns to homelessness, and reporting outcomes. But rather than setting an initial number of permanent placements or units to deliver, it calls for future Year 1 baselines and program-level targets. **What are the concrete five-year housing outcomes, and how will progress be judged if the targets have not yet been set?** [3]

The Housing Shortage Must Be Part of the Plan

3. The RHNA comparison ... the central historical imbalance

The original report's two-cycle comparison remains central. Chico met only **17.6% of its low-income Regional Housing Needs Allocation (RHNA)** in 2007-2014. In its completed 2014-2022 planning period, Chico's official Annual Progress Report shows **194 low-income units credited toward a target of 643 (30.2%)**. In the same report, **3,492 above-moderate-income units** were credited toward a target of **1,638 (213.2%)**. These are RHNA progress / permit figures, not a count of occupied affordable residences. [4]

30.2% at the low-income level versus more than 213% above-moderate ... in the same cycle. This is evidence of a major mismatch between where development activity occurred and where the measured need was greatest. It does not suggest Chico built no affordable housing; it shows that the balance of production did not match identified lower-income need.

4. What the new strategic plan does ... and what it omits

The draft acknowledges important work: it reports **1,117 affordable units completed since 2020** at varying income levels and **276 more under construction**. It proposes using City housing funds for extremely low-income and permanent supportive housing; landlord engagement; master leasing and shared housing where feasible; a public dashboard; and performance-based contracting. These are useful commitments to strengthen, not dismiss. [3]

Yet, in the 27-page draft, the terms **"RHNA"** and **"Housing Element"** do not appear. The plan does not connect its five-year actions with Chico's State-recognized lower-income housing targets or offer a quantified, citywide five-year commitment to place people into permanent housing. This is a substantive omission in a strategy whose stated goal is reducing homelessness. [3, 4]

Ask: How will this plan be aligned with the Housing Element, RHNA production and pipeline, and the actual number of permanently affordable homes needed for households exiting homelessness? How many very-low- and extremely-low-income homes will be available, to whom, and by when?

5. Shelter outcomes should be measured alongside placements

At the May 19, 2026 Council meeting, City staff reported **783 people assessed**, **758 accepted Genesis shelter placements**, and **46 people who had moved into permanent housing** since Genesis opened in 2022. These are different program measures and should **not** be divided into a simplistic success-rate calculation without knowing the denominators, repeat entries, and time frames. [6]

The Council should request yearly figures for unique people served, exits to permanent housing, exits without housing, returns to homelessness, housing retention, and cost per lasting housing outcome. Without these measures, money spent and beds filled cannot by themselves prove that homelessness is ending.

Where We Go From Here ... Updated Requests

6. Specific actions the Council can take

1. **Put housing production and exits at the center.** Connect the Unhoused Strategic Plan to the Housing Element and RHNA, publish permanent-housing placement targets, and report progress each year.
2. **Protect realistic alternatives.** The draft calls for closing the Alternative Camping Site after the settlement expires. Identify a safe, workable option for every affected person who cannot obtain an appropriate shelter placement before closing it.
3. **Support more than one type of shelter.** Continue examining low-barrier, small-scale, non-congregate, and community-operated options, including proposals from North State Shelter Team. Account for disability, pets, couples, seniors, personal safety, and individual circumstances.
4. **Make participation meaningful.** Involve people with lived experience in designing and evaluating the strategy; seek independent Housing First, street medicine, behavioral health, housing development, and homelessness-system expertise before finalizing practice.
5. **Publish clear spending and outcomes.** Itemize contract costs, prevention funding, shelter expenditures, outreach, enforcement, and permanent housing placements in an accessible public dashboard. A service referral is not the same as a housing exit.
6. **Make room for community disagreement.** Public safety, environmental protection, access to parks, and basic human necessities matter together. Enforcement may change where people sleep; it does not create homes.

7. Questions for Council before final adoption

What safe option is available to a person for whom Torres, Genesis, or another shelter is full, inaccessible, unsafe, or unsuitable? What is the City's specific, budgeted housing-exit goal for 2027-2031? If the City acknowledges 1,065 people experiencing homelessness, why is the only explicit citywide reduction target a change of 90 in the unsheltered Point-in-Time count? Why does the strategic plan omit RHNA and the Housing Element? Why not hear the November 4 town hall input before final adoption of new camping restrictions?

Housing is the issue ... homelessness is the outcome. The original eight-page report supplies the history and rationale. This supplement supplies the latest public figures and the decisions now in front of Chico.

Sources consulted (links to primary records)

[1] Nov. 3, 2026 City Council agenda: Items 2.1, 2.2 and 5.1

[2] Oct. 20, 2026 draft Council minutes (included with Nov. 3 agenda)

[3] City of Chico, proposed Unhoused Strategic Plan 2027-2031, 27 pages

[4] City of Chico, 2022 Annual Progress Report (2014-2022 RHNA Table B)

[5] City of Chico, Community Input / Nov. 4 town hall announcement

[6] May 19 City Council meeting and staff discussion of Genesis