



Council Forecasts

Setting the quantitative parameters
for long-range planning

If *<forecast>*, then *<plan>*

- Provides a reasonable basis for planning
 - local comprehensive planning
 - regional system planning

If *<forecast>*, then *<plan>*

■ Developing communities

- Undeveloped land available, readied for development
 - Infrastructure going in or coming soon
- Forecast is *not* a lower-limit minimum – but we expect local planning, local infrastructure and services *at the right order of magnitude*
- Forecast is *not* an upper limit maximum – but be mindful of *regional systems capacity*

If *<forecast>*, then *<plan>*

- Central cities and developed suburbs
 - Redevelopment, infill, higher-density intensification of use
 - Again, forecast not a lower-limit minimum – nor an upper-limit maximum – but we expect local planning, local infrastructure and services *at the right order of magnitude*

Planning leadership is shared

- Met Council provides regional services and infrastructure – efficient and planned
- Cities are expected to bring comprehensive plans that accommodate the *expected magnitude of growth* (from the forecast)
- The quantitative parameters for long-range planning are the forecast numbers approved by Met Council

Process structure for Met Council forecast

1. Demographic trends and future scenarios
 - To accomplish a region-level forecast
 - And sub-regional forecasts
2. Geography, but also regional policy
 - To accomplish local allocations
3. Planning and policy
 - Interim revisions keep forecasts in synch with local plans

The forecast cycle

- **2002-04** major revisions were in prep for the 2008 planning cycle
 - and benchmarking to Census 2000
- **2005-06** interim revisions to reconcile RDF forecast *and* system plans *and* local comprehensive plans
- **Late 2000s** major revision to digest and incorporate approved local comprehensive plans
- **Early '10s** major revision to review and reassess policies and assumptions
 - and benchmarking to Census 2010
 - and in prep for the 2018 planning cycle?

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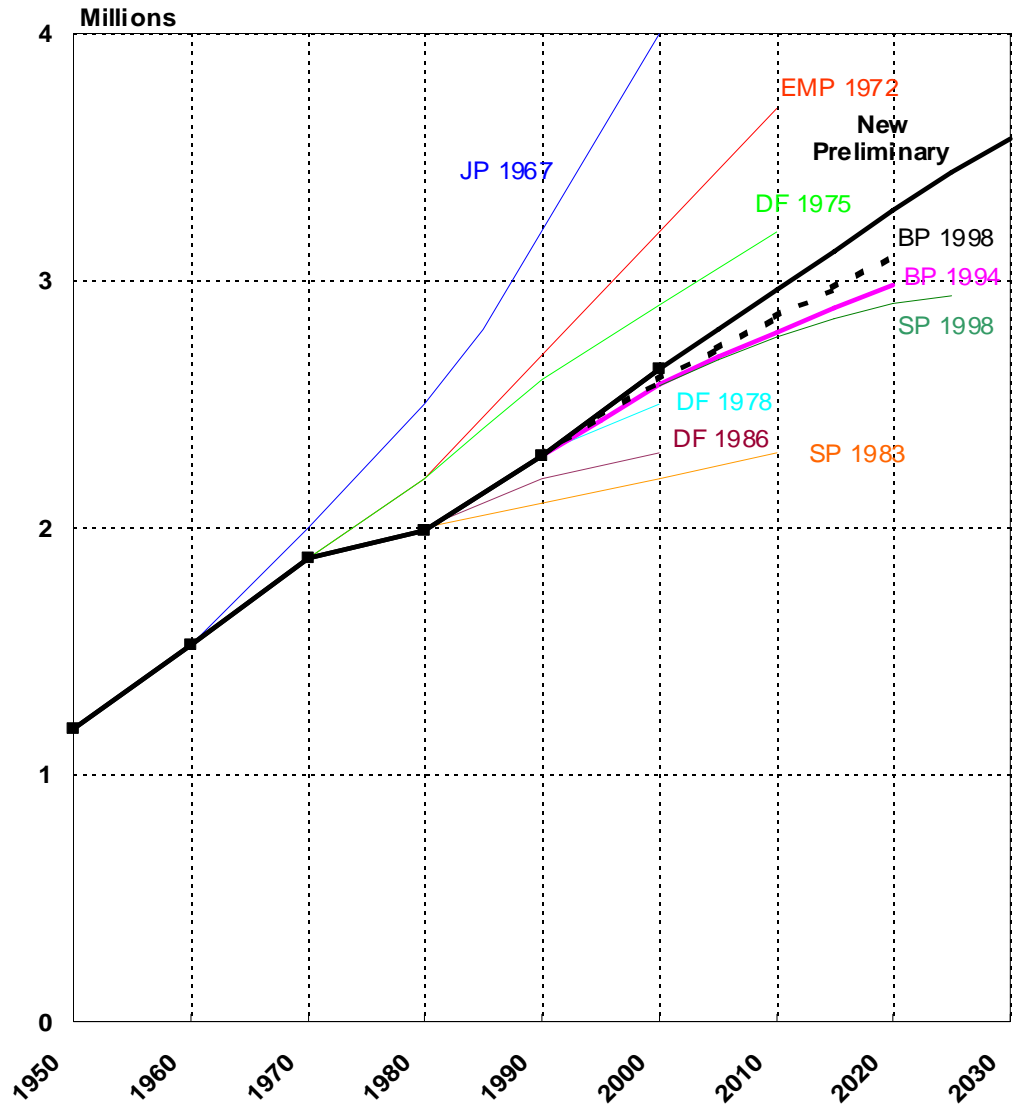
Why forecast?

- Provides a reasonable basis for planning
 - local comprehensive planning
 - regional system planning
- Engages stakeholders in addressing growth issues
- Helps us understand trends and forces
- Forces us to articulate our expectations

Twin Cities Metropolitan Area Historic Population Forecasts, 1950-2030

*Fortune
cookie
wisdom:*

Forecast
certainty is
not possible



Metro Council: BP = Blueprint, DF = Development Framework, EMP = EMIRIC Model input, JP = Joint Program. SP = State Planning. ■ = Census

If the possibilities are infinite...

- We need to reduce consideration from the *possible* to the *probable*
 - Starting assumptions that will constrain the range of possibilities
 - Probability judgments about the most likely trajectories
- Within the sub-set of *probable* futures, policy is what we use to steer our region toward a desired future.

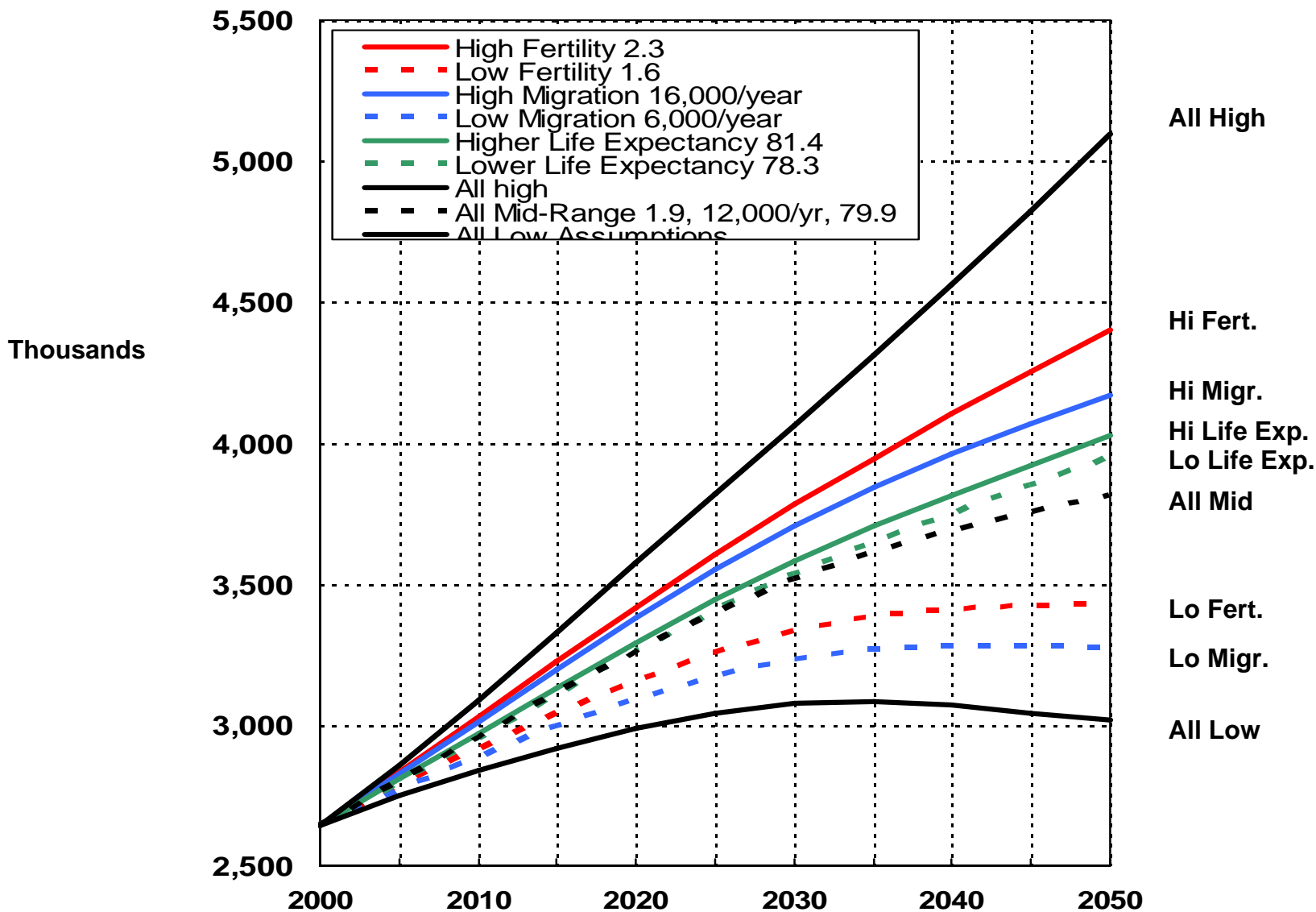
Basic starting assumptions

- No major wars or disasters
- No major behavioral changes regarding:
 - Marriage and divorce rates same as recent
 - Labor force participation (by age and sex)
 - Retirement age (depends on solvency of Soc Sec, Medicare, health care)
 - No major changes in the U.S. economy
- Metro area social and economic change will parallel nation

Probability judgments

- Even after asserting constraints on the range of possibilities – there are still more issues...
 - Birth rates? Life expectancy?
 - Migration? Immigration?
- The answers to these questions can add or debit the forecast by 100,000s !

Twin Cities Population Possibilities Range



1. Demographic trends and future scenarios

- Regional population forecasts
 - Birth rates and death rates
 - Migration rates by age and sex
 - Regional population stepped down from U.S. forecast as a check
- Convert to regional household forecast
 - Using regional age distributions
- Forecast of housing demand by housing type
 - Regional age distributions matrixed by housing preferences
- Regional employment forecasts stepped down from U.S. forecast

Back to probability judgments

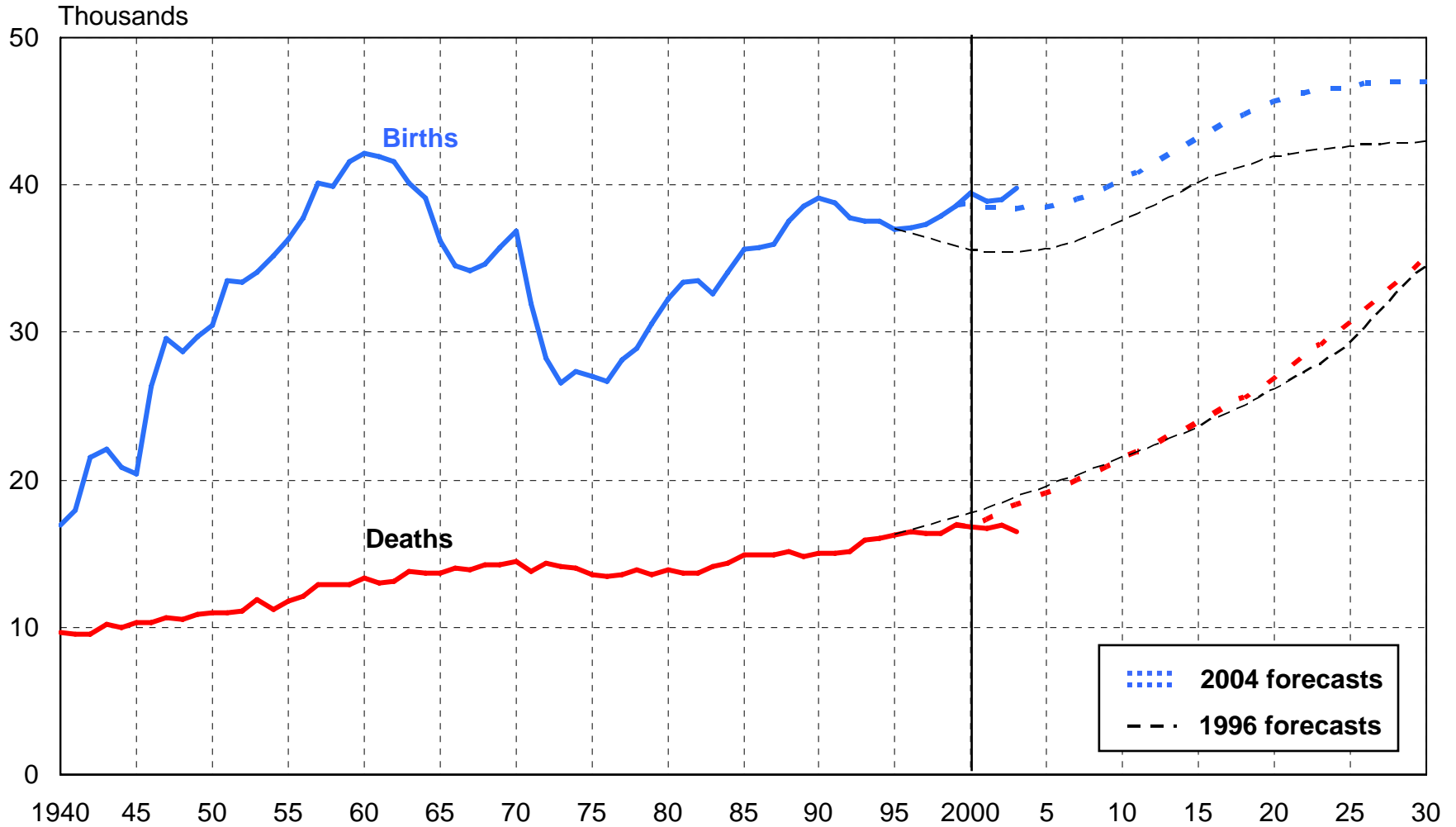
- Birth rates? Death rates?
- Migration? Immigration?
- Region's share of the national growth?

Most likely trajectory

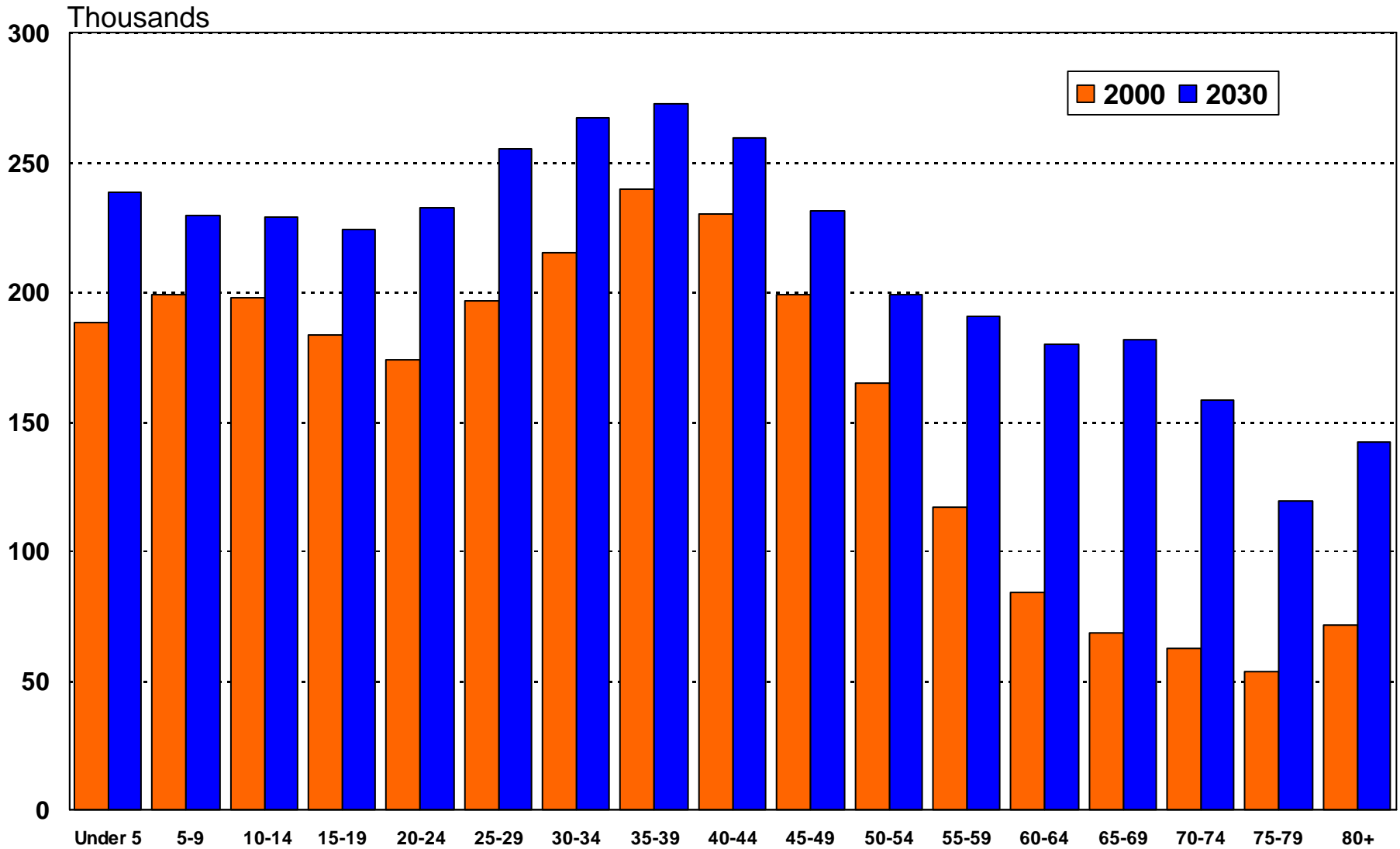
- Mid-range assumptions for births, deaths
- Optimistic, but reasoned, assumptions for migration
- Housing mix influenced by age composition

Twin Cities Metropolitan Area Births and Deaths, 1940-2030

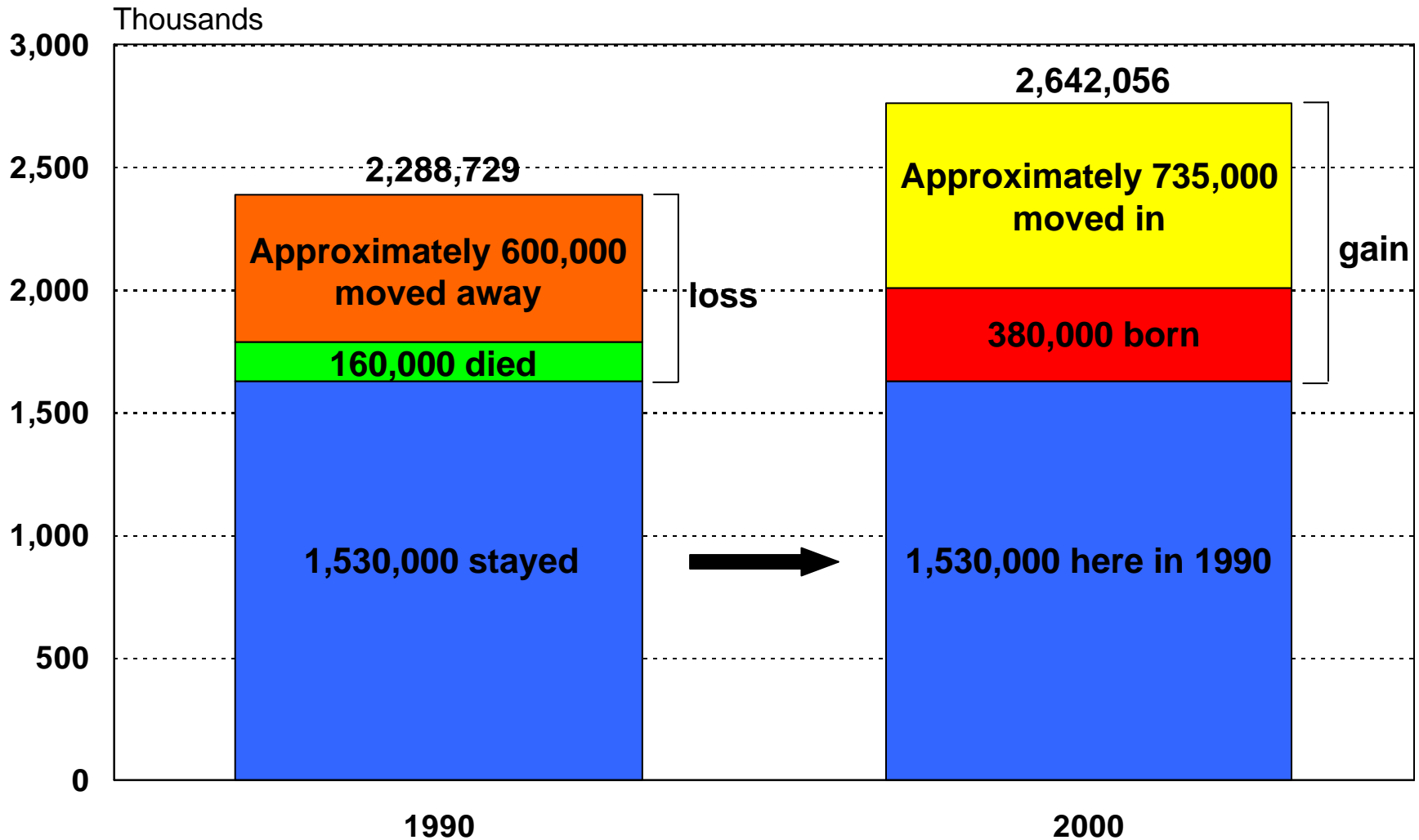
Comparison of 1996 Blueprint and 2004 Framework Forecasts



Twin Cities Metropolitan Area Age Forecasts, 2000 and 2030

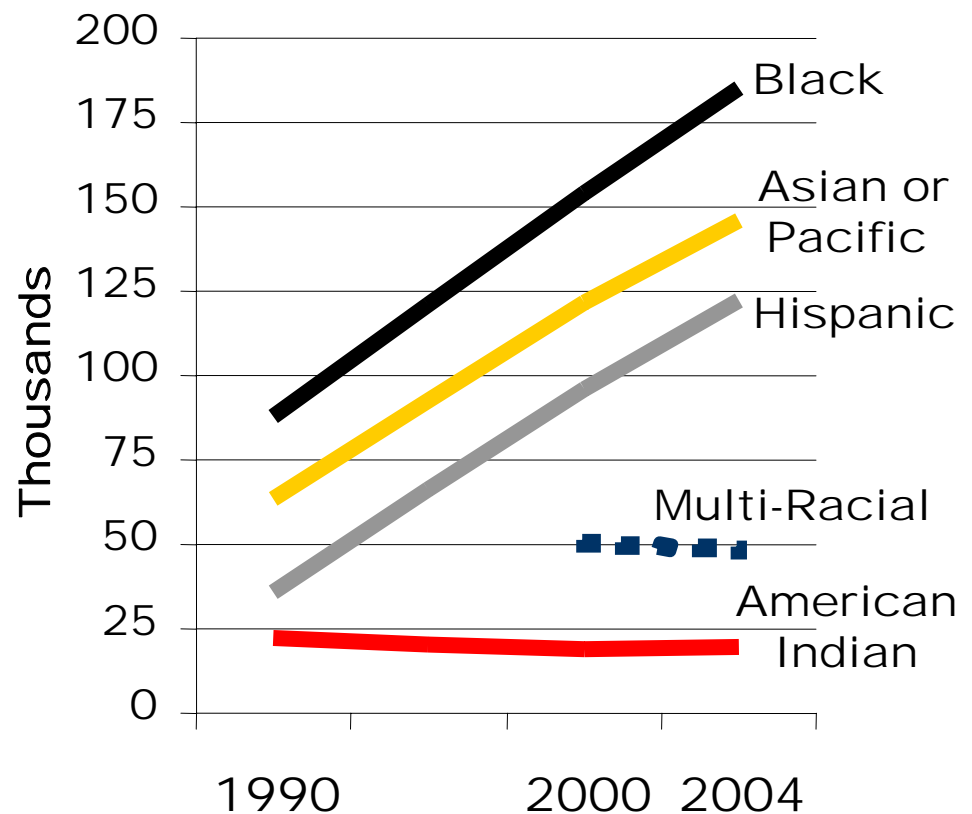


Twin Cities Metropolitan Area Components of Population Change, 1990 to 2000



Dramatic gains in ethnic diversity

- Minority population in Twin Cities was 522,000 in 2004
- Minority share was 9% of region in 1990
- 17% in 2000
- 19% in 2004



Metro Council Population, Household and Employment Growth Forecasts Development Framework Forecasts, January 14, 2004

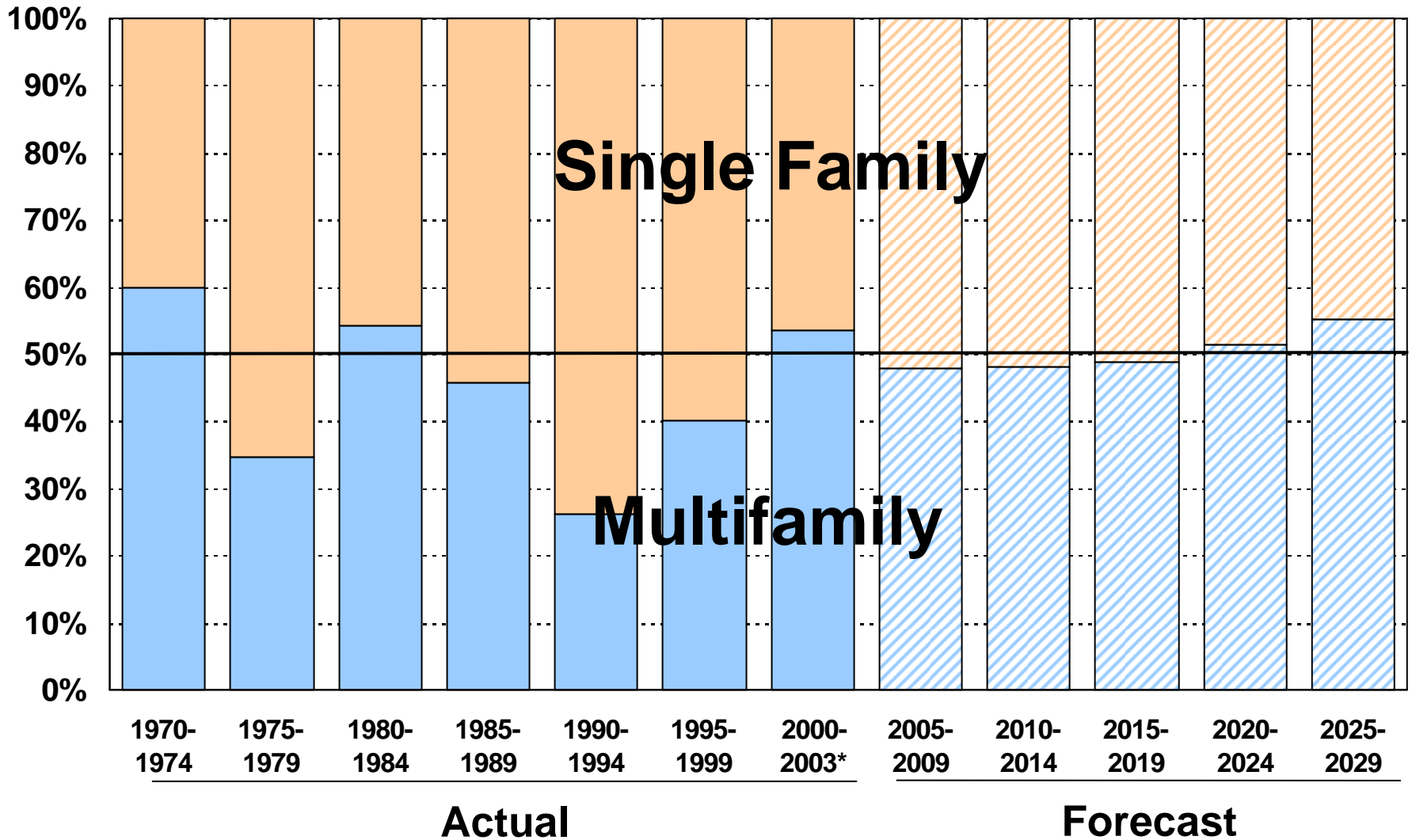
Year	Population	Households	Employment
2000 Census*	2,642,056	1,021,454	1,565,100
<u>Growth</u>			
2000 to 2020	692,000	340,000	427,000
2000 to 2030	966,000	470,000	561,000
2030 Forecast	3,608,000	1,492,000	2,126,000

*Sources are US Census Bureau, Census 2000, and MN Department of Employment and Economic Development

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Twin Cities Metropolitan Area Housing Growth by Type, 1970-2029

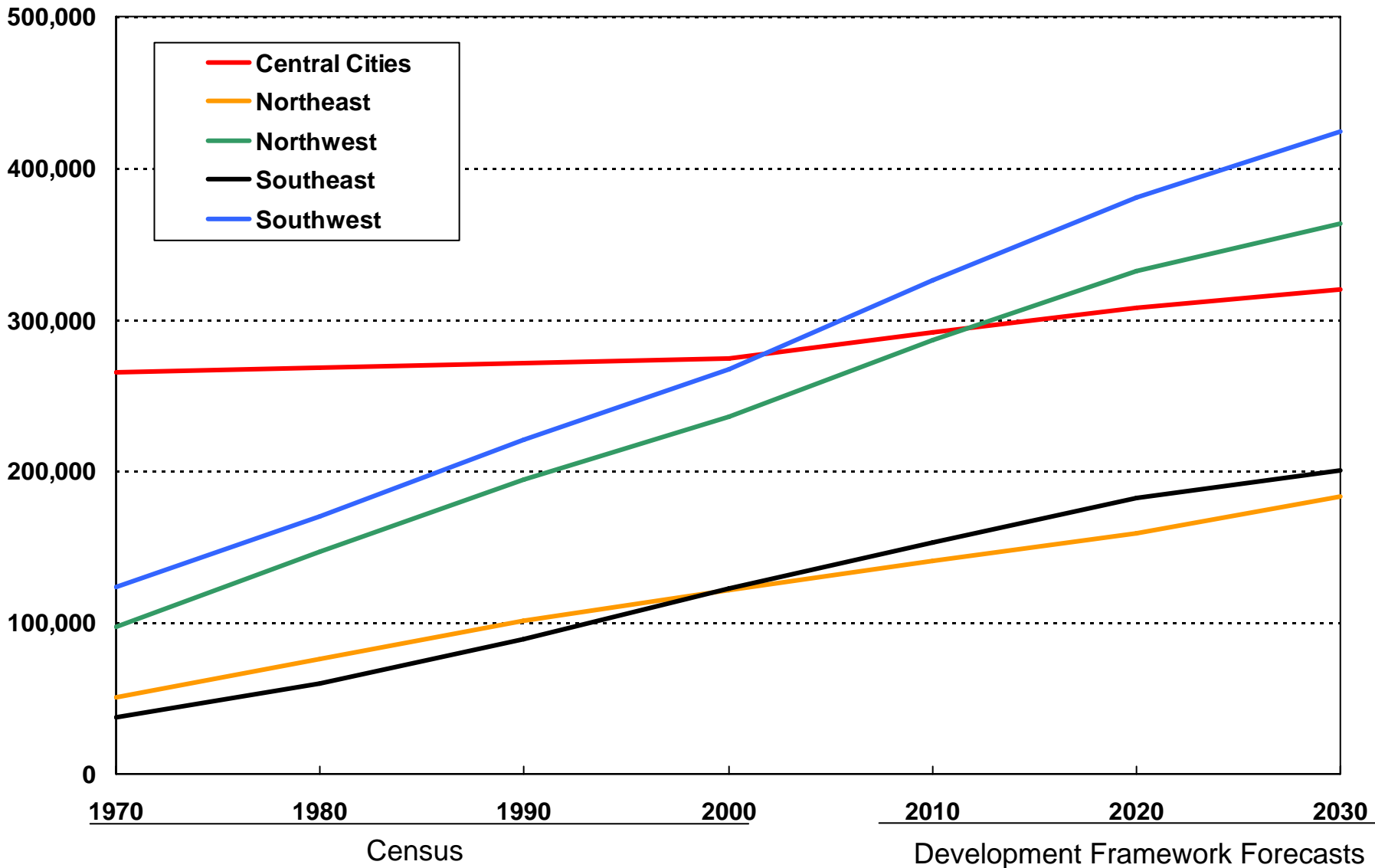


*2003 data is preliminary.

2.1. Geography...

- Household allocation to sub-region quadrants
 - Start with base year (we know 2000)
 - Households, not pop – better correspondence with development and land consumption
 - Allocation of *households growth* to 5 quadrants is based on stable historical trends
 - *2nd round* allocation into 4 *policy area* groupings of cities/towns within NW, SW, NE and SE
- Employment allocation to sub-region quadrants
 - Similar process

Twin Cities Metropolitan Area Households by Quadrant

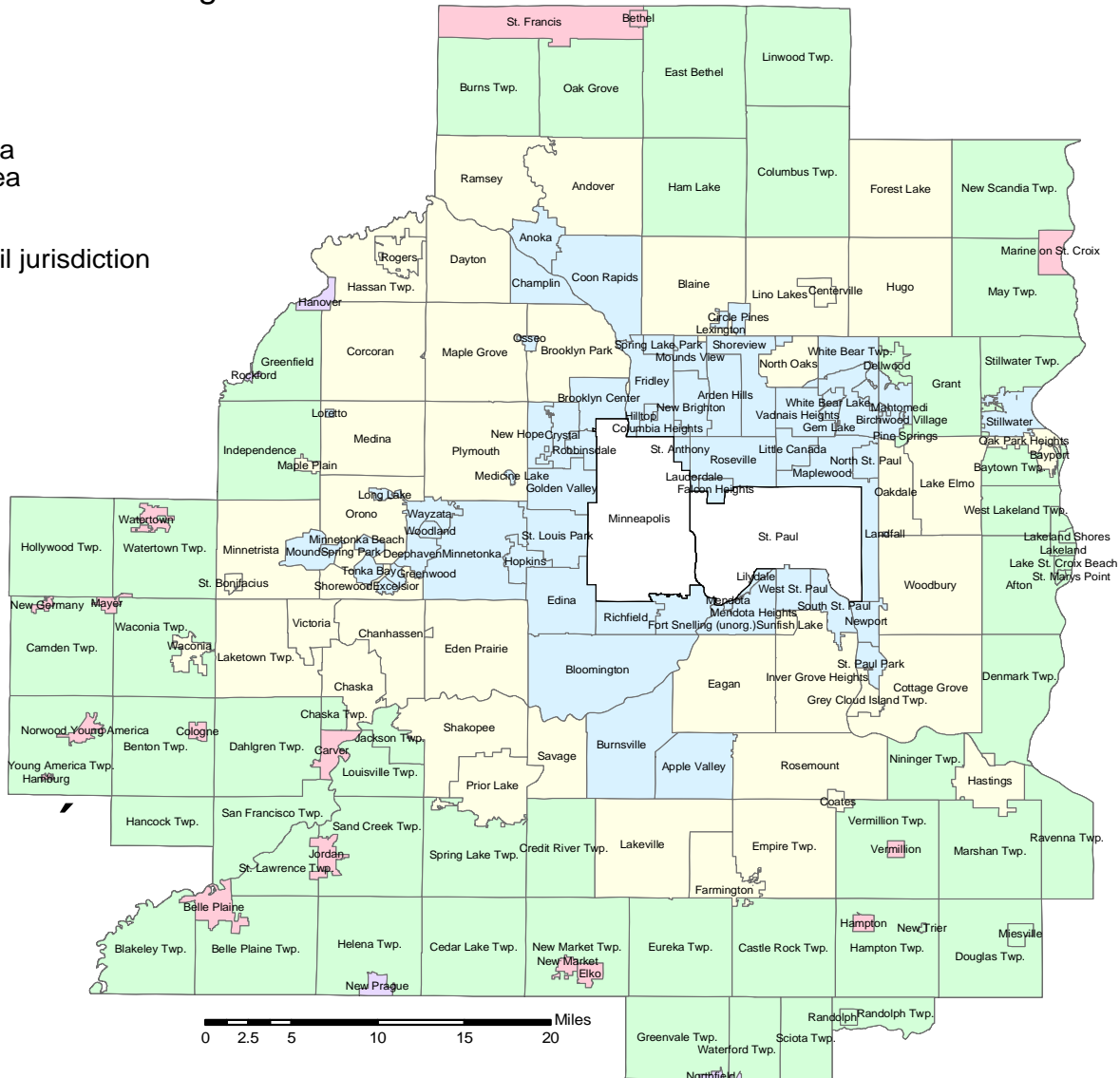


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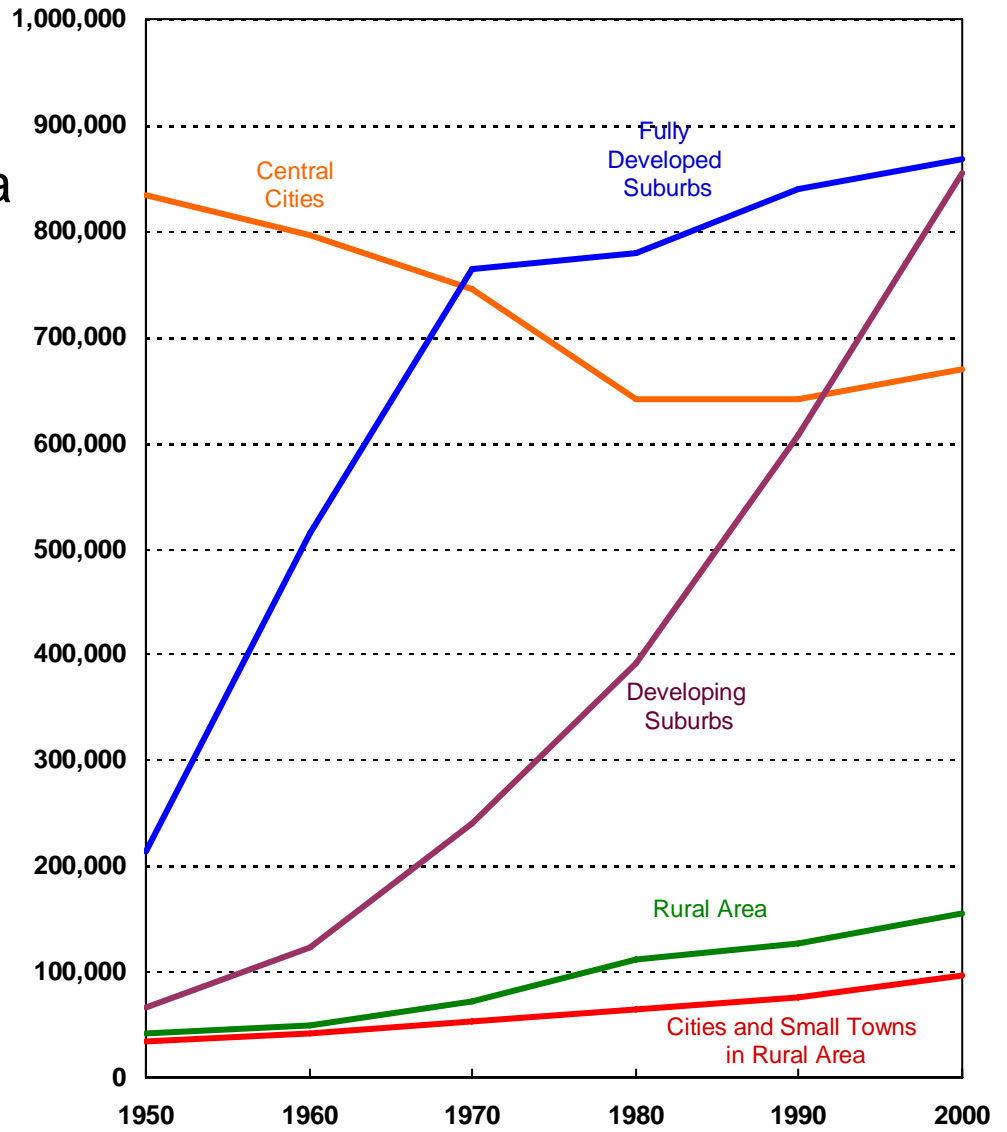
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Twin Cities Metropolitan Area Regional Framework 2030 Planning Areas

- Central Cities
- Developed Area
- Developing Area
- Rural Centers
- Rural Area
- Outside Council jurisdiction

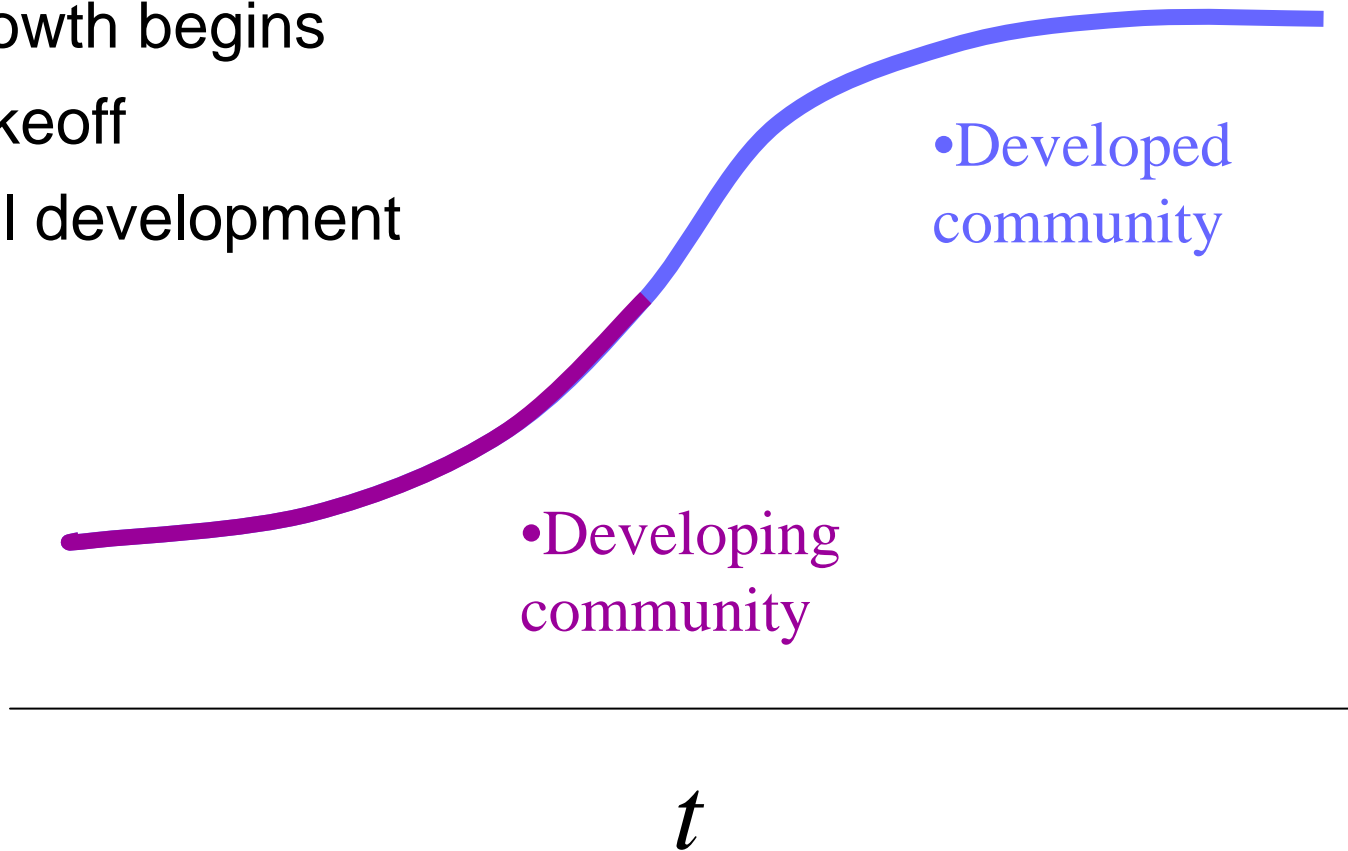


Twin Cities Metropolitan Area Population Trends by Development Rings 1950-2000



The sigmoid curve

- Growth begins
- Takeoff
- Full development



2.2. Geography: Local allocation

- 3rd round allocation of quadrant + planning area forecasts to specific communities
 - Past development trends
 - Household growth capacity
 - Land supply and planned land use mix
 - Housing type (multi-family brings big leverage!)
 - Density
 - Redevelopment and intensification
 - Regional policy

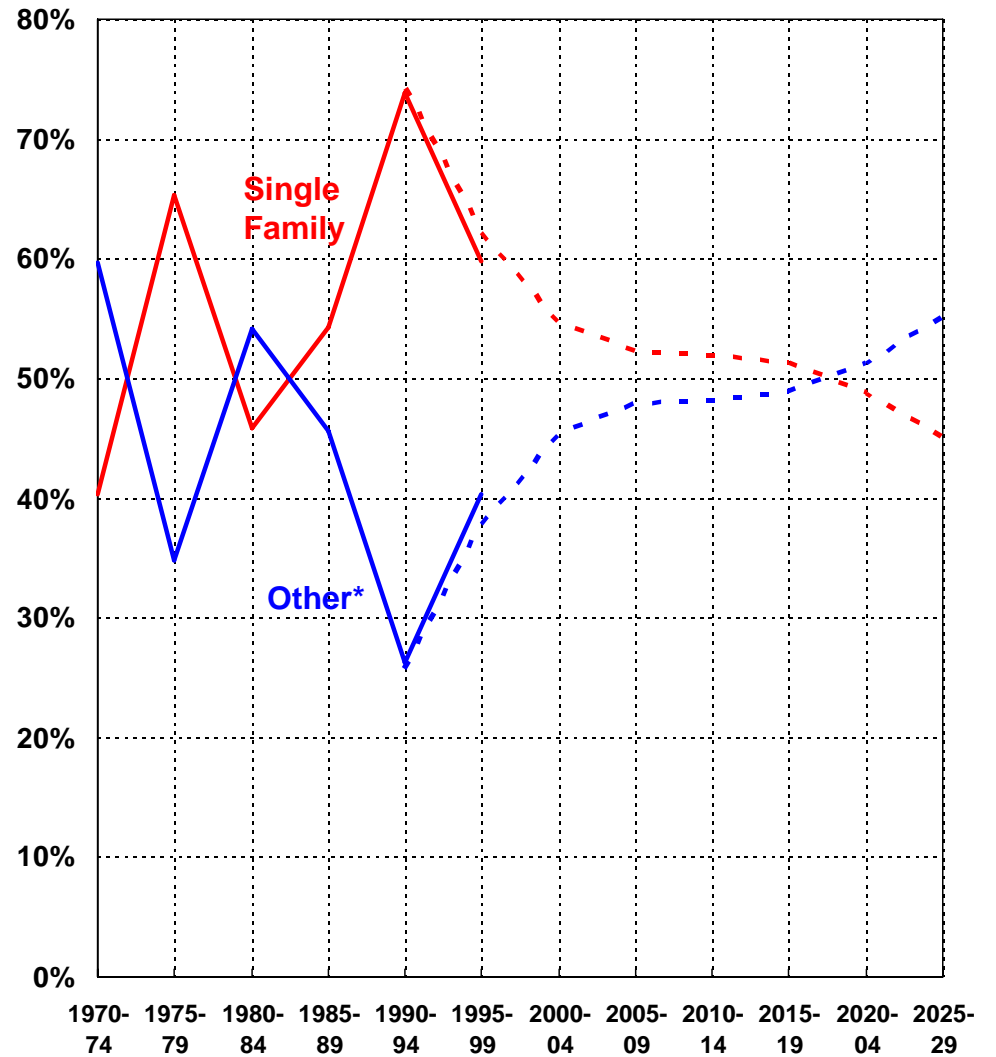
The details – getting to household growth capacity

- Land supply – how much land available?
 - Twice/decade land use analysis
- Planned land use mix – from local plans
- Housing type
 - Multi-family brings big leverage!
- Density – standardized multipliers
- Redevelopment and intensification
 - Proportionate to base year (start-point), with policy area control
 - Policy target is a policy judgment call

Land Use and Residential Development Assumptions For MUSA and Rural Growth Concentrations

Planning Area	Percent residential (in 2000)	Percent single family detached 2000 to 2030	Density (units per acre)		Percent of growth redev or infill 2000 to 2030
			SFD	Multi- family	
Central Cities	n. a.		n. a.	n. a.	100%
Fully Developed	62%	70%	3	10-15	50%+
Developing Suburbs	64%	40%	2.5	7-10	0-10%
Rural Centers	62%	35%	2.5	8-10	10-20%
Other Rural Area	n. a.	100%	0.1	n. a.	0%
<i>Region Overall</i>		49%			30%

Twin Cities Metropolitan Area Housing Type Trends and Forecasts 1970-2030



*Other includes townhouse, duplex and mobile homes, and apartments with 3 or more units in the structure.

Case study: Maple Grove, MN

Undeveloped acres <i>less</i> “yard space”	$5,350 - 692 =$ 4,658 acres	
SF undeveloped <i>less</i> “yard space”	$2,949 - 692 =$ 2,257 acres @ 2.5 units/ac	5,641 units
Multi-family undeveloped acres	838 acres @ 7 units/ac	5,863 units
Mixed use acres	871 acres	
→ Medium density mixed use	50% @ 4 units/ac	1,743 units
→ High density mixed use	30% @ 10 units/ac	2,614 units
Housing on undeveloped land (conservative)		15,861
Redevelopment or intensification as share of total net growth (average = 2%)	@ 4%	600
Total net growth 2000-2030		16,500

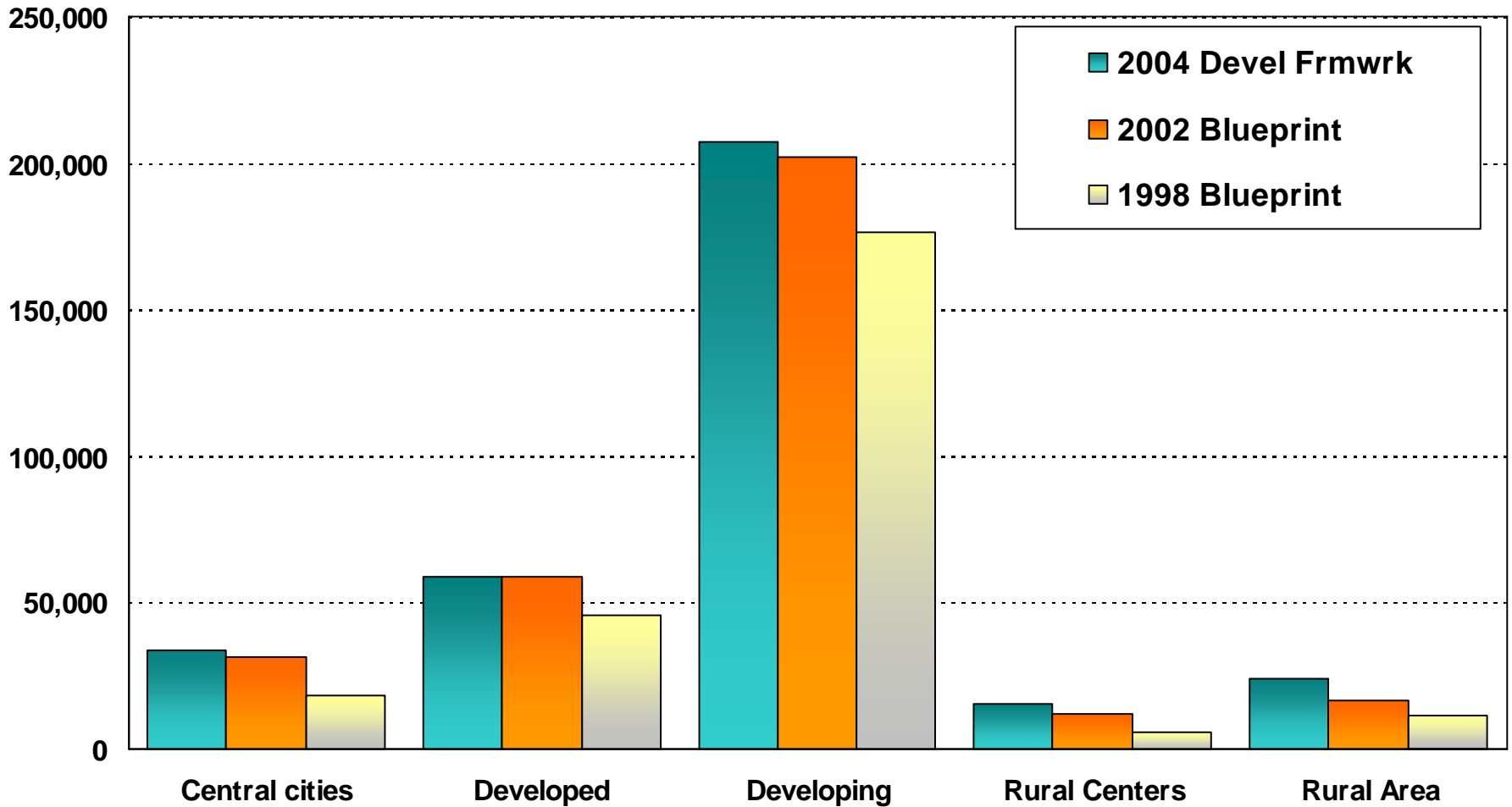
Case study: Roseville, MN

Undeveloped acres <i>less</i> “yard space”	333 – 38 = 295 acres	
SF undeveloped <i>less</i> “yard space”	111 – 38 = 73 acres @ 3 units/ac	217 units
Multi-family undeveloped acres	35 acres @ 11 units/ac	384 units
Mixed use acres	26 acres	
→ Medium density mixed use	10% @ 4 units/ac	10 units
→ High density mixed use	60% @ 15 units/ac	231 units
Housing on undeveloped land (conservative)		843
Redevelopment or intensification as share of total net growth (average = 53%)	@ 56%	1,060
Total net growth 2000-2030		1,900

Yes, policy is embedded in forecasts

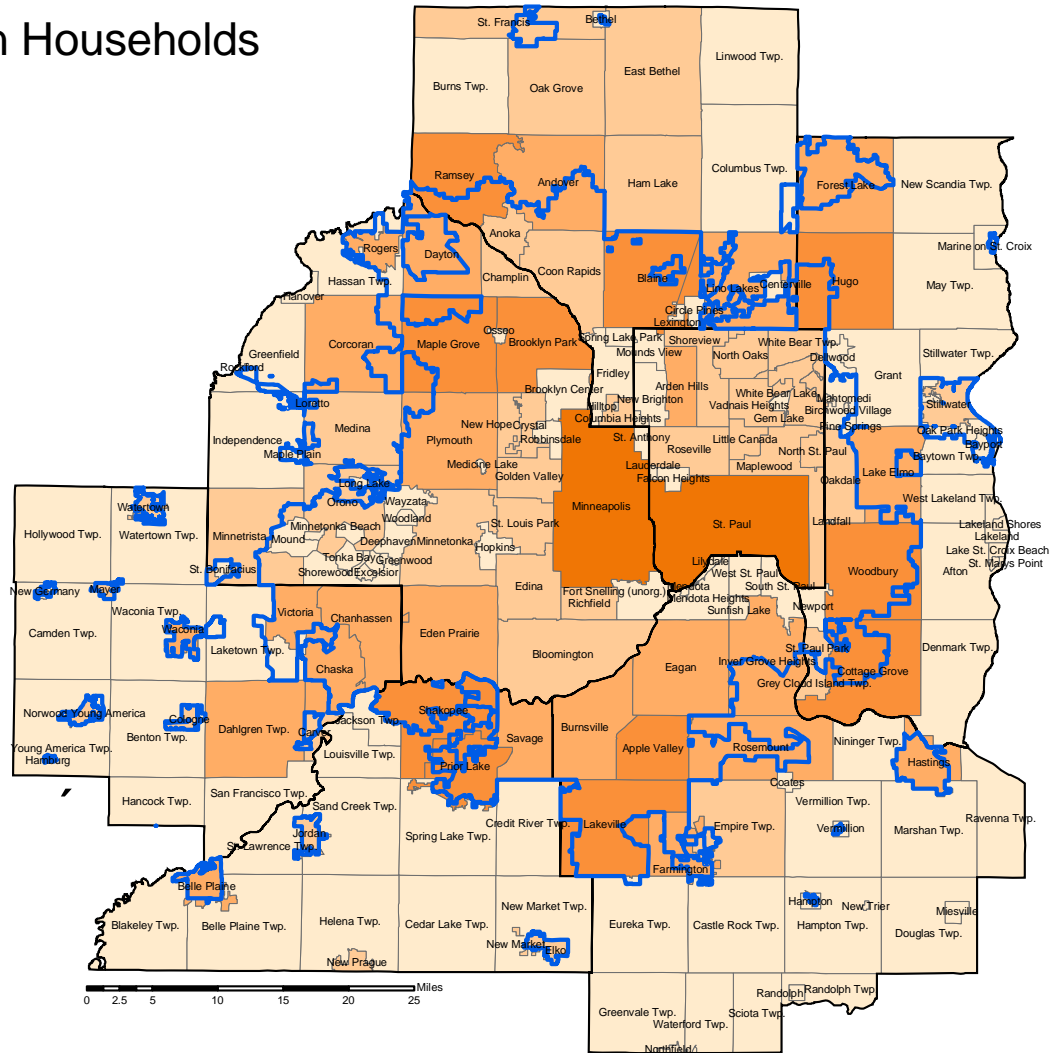
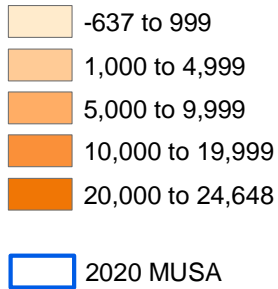
- How development occurs → land consumption
 - Case study: Current decade vs. 1990s
 - Policy: Developing means 3-5 units/acre *minimum*
 - Policy: Rural means Rural
- Density
 - Affects ultimate capacity of cities and timing of outward spread
 - “Winds of the housing market” are currently blowing the right way !

Twin Cities Metropolitan Area Comparison of 2000-2020 Household Growth Trends by Development Framework Planning Area*

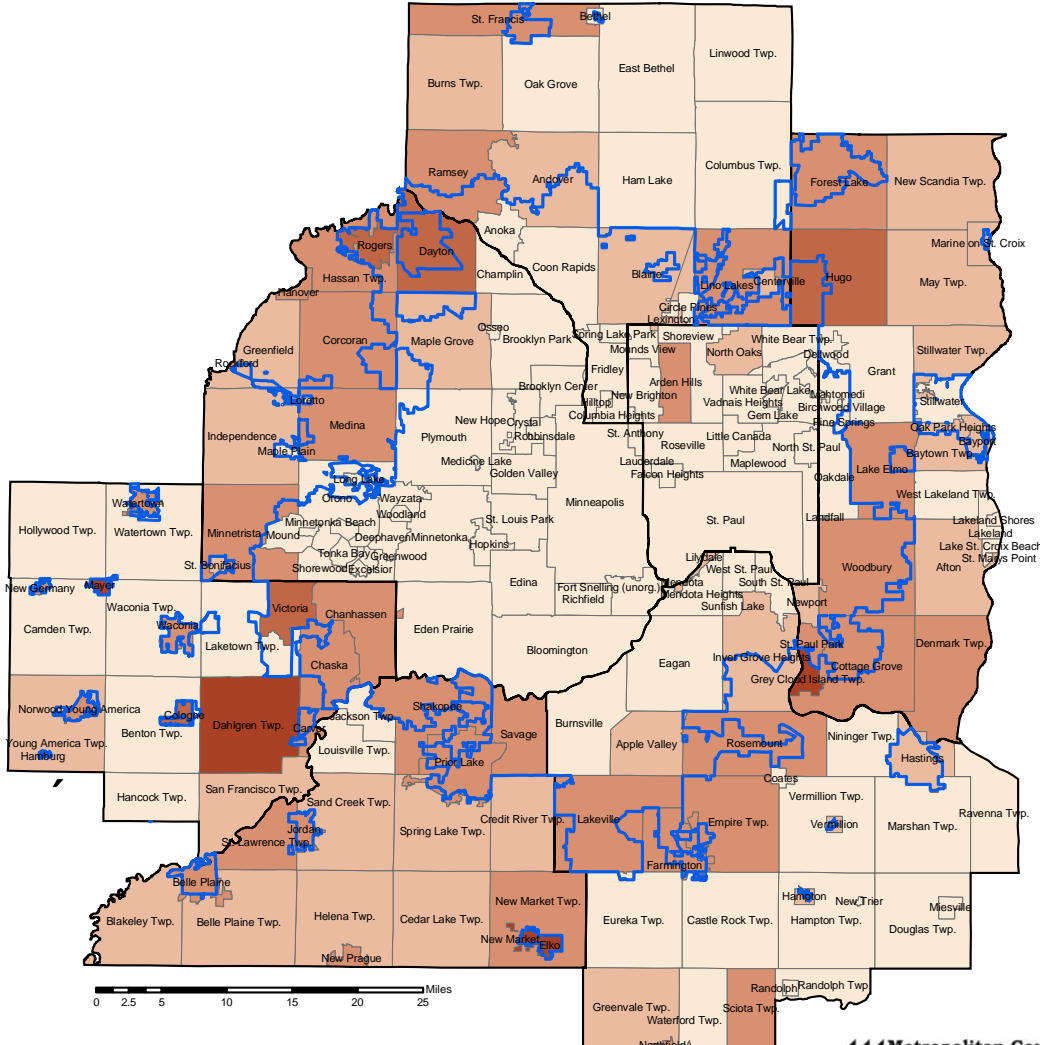
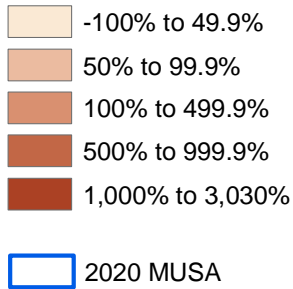


*Aggregation of whole cities to Development Framework 2004 Planning Areas. Increased growth in rural area due to expected annexation. Excludes a small amount of growth in 4 cities that are part in the seven counties but not under Council authority.

Twin Cities Region Forecasted Change in Households 2000 to 2030



Twin Cities Region Forecasted Percent Change in Households 2000 to 2030



2.3. Geography: Additional considerations

- Regional system plan considerations
- Complete the exercise – convert household forecasts into population numbers
- Local review and dialogue – putting the ball in your court
 - Protect and preserve natural resources?
 - Guide more land for affordable housing needs?

Segmenting forecasts for wastewater planning

	2000	2020	2030
Lakeville, MN	13,609	28,400	33,500
<i>Households Total</i>			
<i>Seneca WWTP</i>	1,200	2,391	3,245
<i>Empire WWTP</i>	11,852	25,609	30,255
<i>Unsewered/private</i>	557	400	0

Subregional and local trends

- Trend-based forecasts have been explicit choice
- North/south and east/west splits are relatively stable
- 60% of the region's growth in the developing suburbs
- Residential dev and employment both moving outward
 - Employment tends to follow residential, but...
 - Employment tends to concentrate.
- Some Rural places will want to become developing.
 - But otherwise, growth is mostly under control in Rural places
- * Don't forget about forecast uncertainty
 - Development trends will be altered by housing and demographic trend breaks and trend re-routes

3. Planning and policy

- Interim revisions keep forecasts in synch with local plans and regional system plans
 - *Not* starting over at step 1 – instead making adjustments to specific individual cities
 - Summer 2005 revisions, mostly minor, in preparation for System Statements
 - Winter 2005-06 revisions as resolutions of System Statement-related questions, requests, “challenges”
 - Since March 2006, additional revisions per Council actions on specific comp plan amendments

3. Planning and policy

- Comprehensive plan amendments and updates
 - Do plan changes (new development expectations) incur changes to forecasts?
 - Or are the new development expectations already accounted in the System Statement forecasts?
- The Council action on your plan amendment (or update) is a planning authorization.
 - If the CPA is approved, then forecast is also addressed: Change or no change

CPA Submittal Form -- Section 2: Forecasts

Does the plan amendment change the population, household and employment forecasts that appear in the Metropolitan Council's published forecast tables?

- No: no change in community-level forecasts
- Yes: identify changes to community-level forecasts due to the plan amendment:

Net Changes to Community-level Forecasts (Additions or reductions due to the amendment)

	2010	2020	2030
Households	+ 200	+ 600	+ 1,000
Population	+ 400	+ 1,400	+ 2,100
Employment	+ / -	+ / -	+ / -

For all amendments that propose land use or forecast changes, please complete questions #10 (land use), #11 (housing), #12 (trip generation), #20 (sewer flow) and #30 (water supply).

So where are the 2000-30 regional forecasts now?

- Published at www.metrocouncil.org/metroarea/stats.htm
 - Households expected to grow +492,000, reaching 1,513,000 in 2030
 - Population forecast to grow +1.05 Million, reaching 3,692,600 in 2030
 - Employment forecast to grow +583,000, reaching 2,146,000 in 2030
- Re-evaluate all this with major revisions in 2008 (Part 1) and incorporating 2008 Plans (Part 2)

The next go-round

- Major forecast revisions anticipated in late 2000s and early '10s
 - Forecasts to 2040 !
 - Incorporate Census 2010 and Land Use 2010
- Our procedure, now in place, is to carry over constraints, assumptions, planning... and our promises from the previous cycle.

Process structure for Met Council forecast

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Summary

- We know long-range forecasting is not a one-time event.
- Both local and regional forecasts are concerns.
 - Local growth in regional context → a fair distribution of regional systems!
 - We can all expect local planning and investment at the right order of magnitude

Summary

- Council's forecasts are quantitative parameters for local planning
 - Cities and towns invited to discuss forecasts with us
 - The ideal: Forecasts that meet regional needs and fit with local vision



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