

## Metropolitan Council

Meeting date: September 11, 2013

For the Metropolitan Council meeting of September 11, 2013

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**Subject:** Preliminary local forecasts to 2040

**District(s), Member(s):** ALL

**Policy/Legal Reference:** *Minnesota Statutes* 473.146 and 473.859

**Staff Prepared/Presented:** Dennis Farmer (602-1552), Todd Graham (602-1322) and Libby Starling (602-1135)

**Division/Department:** Community Development / Regional Policy and Research

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### Proposed Action

Discussion of preliminary local forecasts of 2040 population, households and employment.

### Background

The Metropolitan Council updates its 30-year regional and local forecasts of population, households and employment at least once a decade. Consistent with *Minnesota Statutes* 473.146 and 473.859, these regional and local forecasts provide a shared foundation for coordinated, comprehensive planning aligned between the Council and local governments.

Regional Policy and Research released the preliminary regional forecast on April 18, 2012. On September 11, 2013, staff will present the preliminary local forecasts of population, households and employment for 2040 to the Council. These local forecasts reflect an analysis of real estate market supply and demand, the future regional transportation network, regional land use policies and local comprehensive plans.

The preliminary local forecasts are intended as a work in progress for comment by local government officials. Council staff will work with local officials in coming months reviewing local level assumptions and data inputs. The Council will formally adopt revised and updated regional and local forecasts to 2040 with the adoption of *Thrive MSP 2040* in April 2014.

Council staff will revise and update the regional and local forecasts for Council approval in summer 2015 prior to the distribution of Systems Statements. Staff propose the following timeline:

- September 2013: Initial release of preliminary local forecasts
- October-November 2013: Workshops for local government officials and staff on proposed *Thrive* policies and preliminary local forecasts
- December 2013: Deadline for local governments to comment and provide additional information regarding expected future development, local planning and other factors that could affect future population, households and employment
- April 2014: Adoption of regional and local forecasts with *Thrive MSP 2040*, updated and revised to respond to local government input
- September 2015: Adoption of updated local forecasts prior to the release of Systems Statements to local governments; the Council will update both the regional and local forecasts to reflect the most current data available and regional policy defined by the *Thrive* systems and policy plans

- December 2015: Conclusion of the 60-day period during which local governments can appeal their Systems Statements, including local forecasts
- December 2018: Deadline for local governments to submit their local comprehensive plan updates to the Council

The Council's forecasts reflect how the demographics of the region are changing; the choices that our region's residents, businesses and institutions are making; and the futures that local governments are already planning. Among the market and demographic forces at work:

- Our residents are aging. The number of residents age 65 and older will grow by 150 percent by 2040. Their demand for life-cycle housing in convenient, accessible locations will substantially affect future home building.
- The real estate market is changing. People are making housing choices that reflect new location preferences rather than anticipated investment returns.
- Preferences for urban living and growth of demand for urban real estate are promoting infill and redevelopment in the central cities and fully developed suburbs. Developing communities will also share in the growth, particularly in areas that are most accessible to jobs and destinations.

The forecasts recognize that the region's prosperity and competitiveness continue to drive ongoing growth.

### **Rationale**

Consistent with *Minnesota Statutes* 473.146 and 473.859, the regional and local forecasts are intended as a statement of future expectations and will reflect regional and local planning and policies.

### **Funding**

The regional and local forecasts are a regular part of the Community Development workplan.

### **Known Support / Opposition**

None.