

Metropolitan Council

Meeting date: March 25, 2015

Subject: Updated regional forecasts and upcoming revisions to local forecasts

District(s), Member(s): ALL

Policy/Legal Reference: Minnesota Statutes 473.146 and 473.859

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

Division/Department: Community Development / Regional Policy and Research

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.

Council staff have updated the regional forecast for population, households and employment for 2020, 2030, and 2040, revising the numbers adopted on May 28, 2014. Key changes in the inputs include:

- 2% reduction in national employment growth by 2040;
- Reduced Twin Cities' share of national employment growth due to updated data and concern about workforce supply;
- 1% reduction in national population growth by 2040 as a result of lower birth rates.

Together, these factors reduce the Twin Cities' 2040 forecasts of population, households and jobs.

Council staff are preparing an updated set of local forecasts for 2020, 2030, and 2040 that will be used for local and regional planning. The update and improvements to local forecasts include:

- New (lower) regional forecasts;
- A more locally detailed land supply analysis;
- Newer and more detailed data on residential building costs and real estate prices;
- Updates to the future transportation network per the adopted *2040 Transportation Policy Plan*.

The update of both regional and local forecasts will allow the most up-to-date information possible in the System Statements that will kick off the local comprehensive planning process later this year.

Local governments have had multiple opportunities over the last eighteen months to comment on the Council's local forecasts:

- Preliminary local forecasts for 2040 distributed in September 2013;
- Draft local forecasts for 2040 distributed in February 2014 with the *Thrive MSP 2040* plan;
- Draft local forecasts for 2020 and 2030 distributed in August 2014.

Council staff will distribute the latest draft of local forecasts to local governments (and Councilmembers) on April 9, 2015, requesting local government comments and feedback by May 8. Final local forecasts will be presented to the Council for adoption this summer and will be included in System Statements.