

Preliminary Local Forecasts to 2040

October 3, 2013



About the Council's forecasts

- Forecasts of population, households and employment in 10-year increments
- Forecasting what development will happen based on market demand
- *Minnesota Statutes 473.146 and 473.859*
- Shared expectations of a common future to inform regional and local planning

Forecasting: Key Dates

2012	2013	2014	2015	2016	2017	2018
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Regional Forecasts

★ April 2012



Preliminary Local Forecasts

★ September 2013

Opportunities to Revise Forecasts

Final Regional and Local Forecasts

★ Adopted with *Thrive MSP 2040*

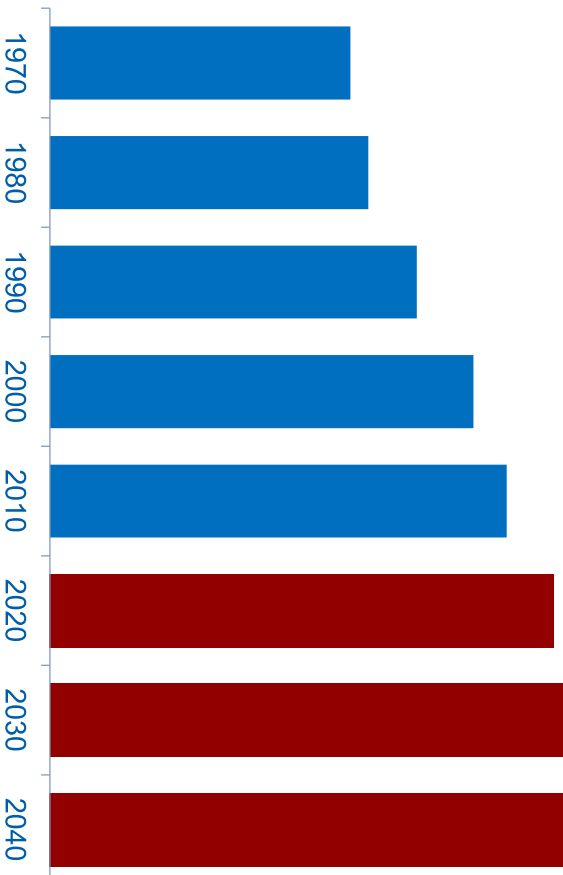
Systems Statements Forecasts

★ Adopted with Systems Statements

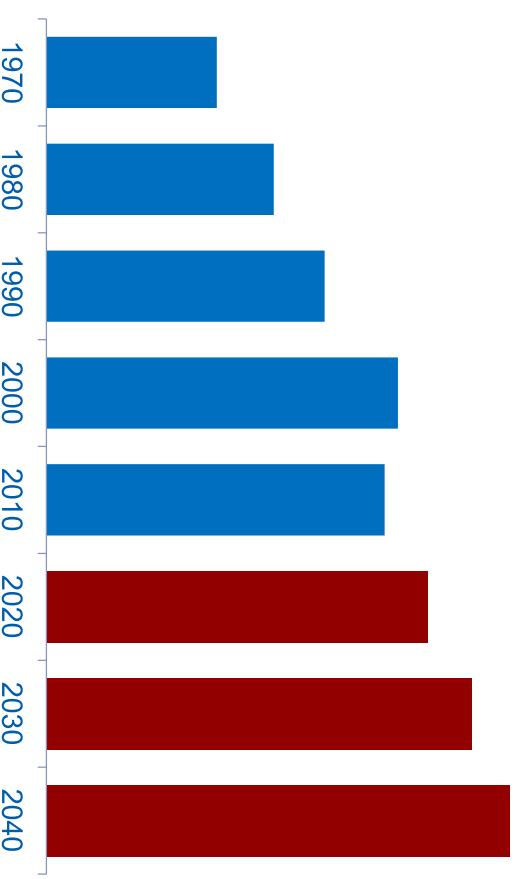
Local Comprehensive Planning

Regional forecast: Continued growth and prosperity

**Population:
31 percent growth**

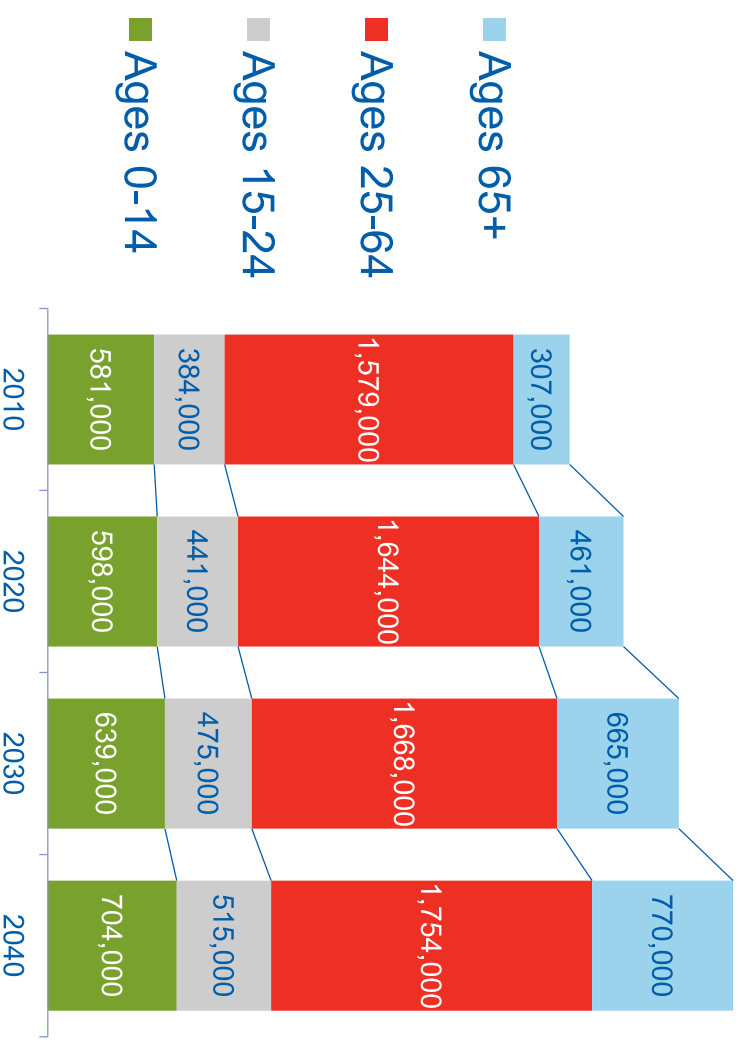


**Employment:
37 percent growth**

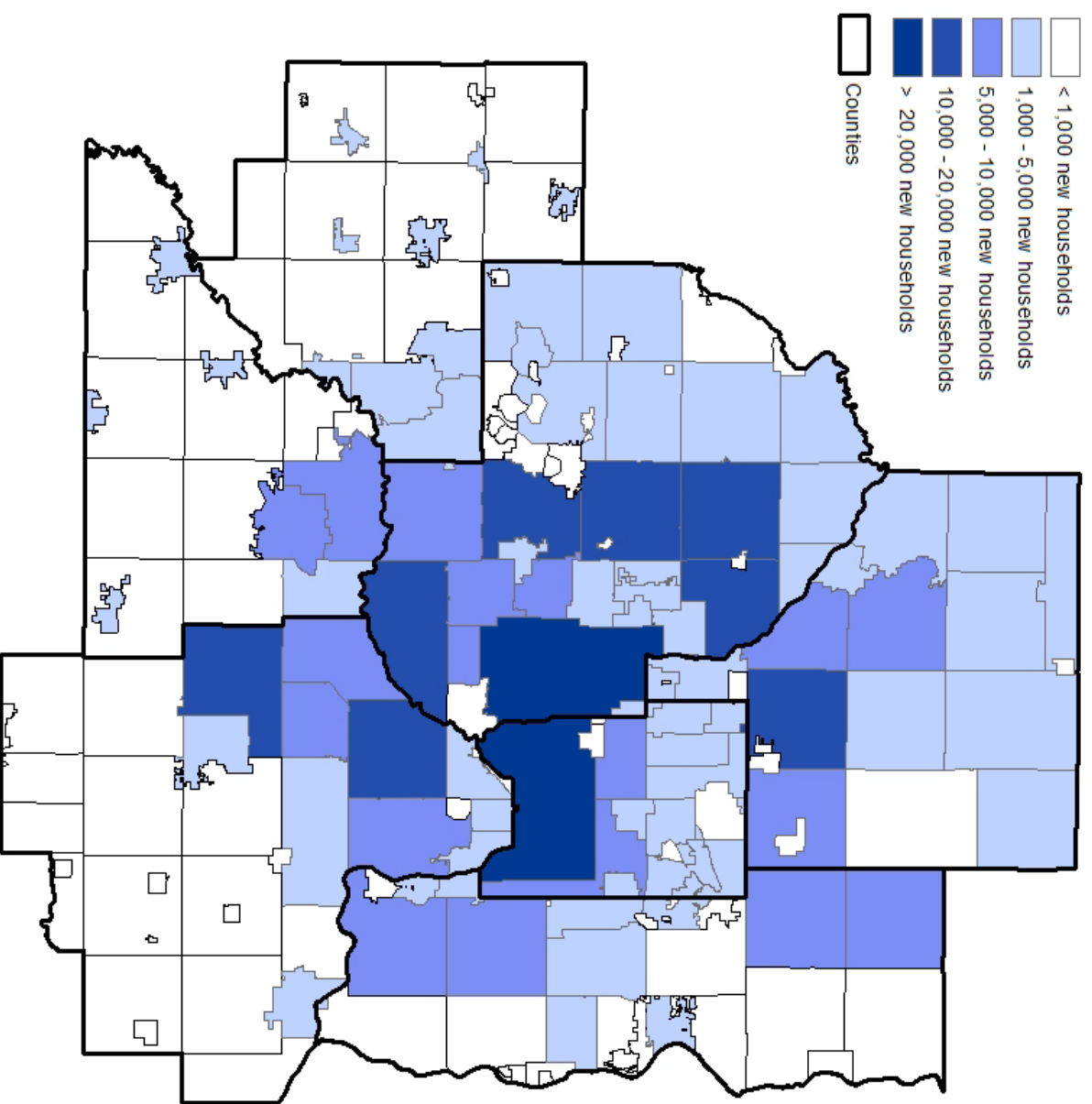


What's new? Future demographics

- More seniors
- More smaller households
- More people of color
- Millennial generation in the real estate market



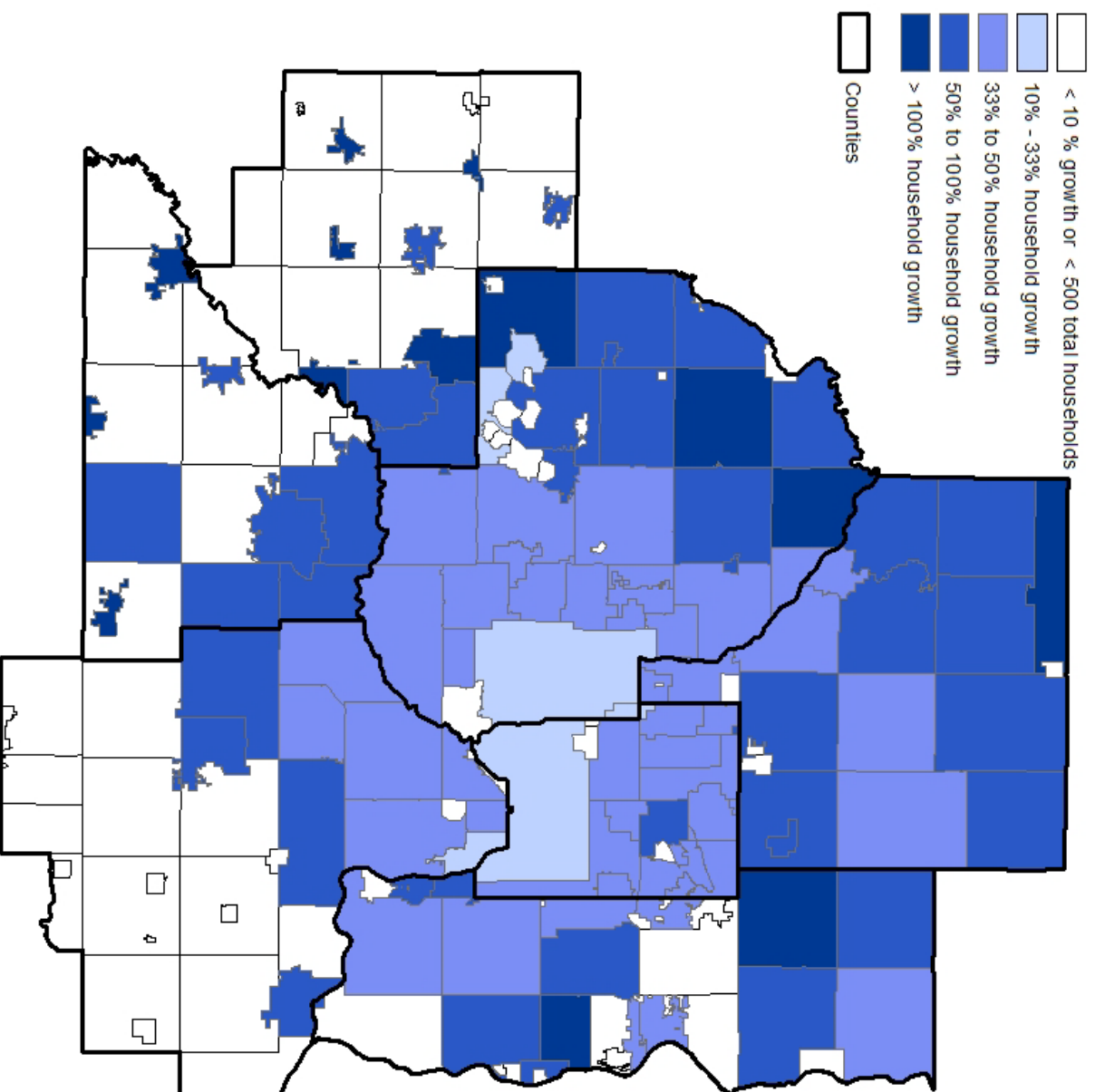
Household Growth, 2010-2040



Largest forecasted gains:

1. Minneapolis
2. St. Paul
3. Maple Grove
4. Bloomington
5. Plymouth
6. Blaine
7. Lakeville
8. Eagan
9. Brooklyn Park
10. Minnetonka

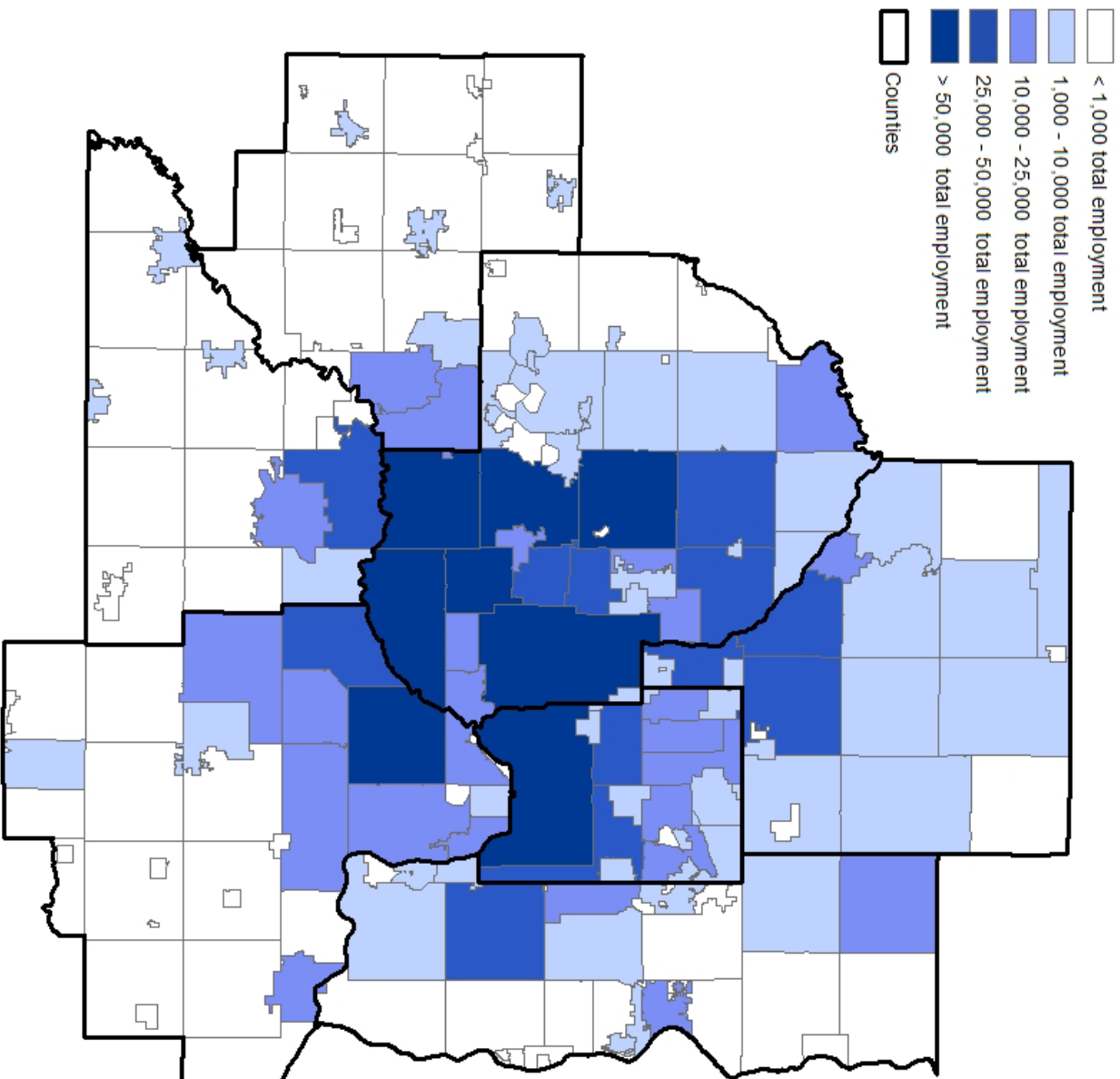
Percent Growth, 2010-2040



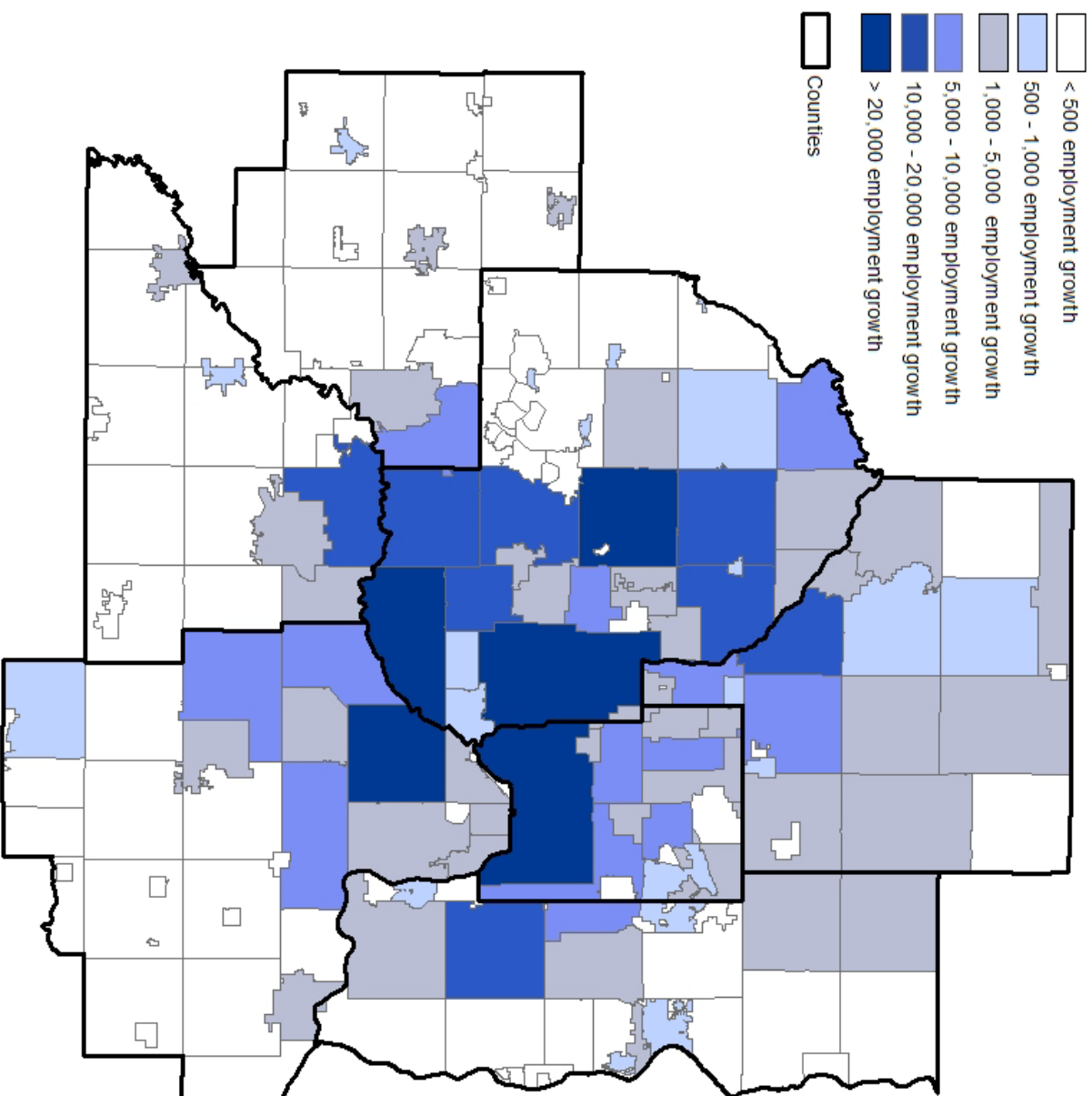
Highest growth rate
among cities gaining
500+ households:

1. Mayer
2. New Germany
3. Cologne
4. Elko New Market
5. Norwood Young America
6. Carver
7. Minnetrista
8. West Lakeland Twp
9. Belle Plaine
10. Corcoran

Total Employment, 2040



Employment Growth, 2010-2040



Largest forecasted gains:

1. Minneapolis
2. St. Paul
3. Plymouth
4. Bloomington
5. Eagan
6. Minnetonka
7. Eden Prairie
8. Edina
9. Brooklyn Park
10. Coon Rapids

What's behind the forecasts?

- Regional economic model used to forecast region-level employment and population.
 - Basis in regional economic theory
- Local forecasts consider *locations within* the larger region, and reflect real estate market supply and demand, the future transportation network, regional policies, and local plans.
 - Basis in real estate economics
 - Informed by local data and assumptions

**The local forecasts are a work
in progress**

They will be revised.

What We've Heard So Far:

- Forecasts too low for some developing suburbs and rural centers
- Forecasts too high for some developed suburbs

Plan to Evaluate Low Forecasts

What Cities Can Do:

- If forecasts appear too low – by how much?
- Option to verify Council’s data inputs
 - Council will provide link to download data
- Provide information about:
 - Recent (post-2010) development projects
 - Development projects likely to break ground by 2020
 - For mixed use, likely split between residential and nonresidential
 - Any other information about why forecasts might be too low

Council Will:

- Better capture growth in areas with no prior development:
 - Post-2010 building permit data
 - Plat monitoring data
- Verify the latest planned land use and available land, including:
 - Planned land use data acreages, allowable housing types, and densities
 - Check assumptions about housing densities used in forecasts

Plan to Evaluate High Forecasts



METROPOLITAN
COUNCIL

What Cities Can Do

- If forecasts appear too high – by how much?
- Option to verify Council’s data inputs
 - Council will provide link to download data
- Provide Information about:
 - City estimations about maximum housing
 - Density of housing, and allowable housing types
 - Planned redevelopment areas
 - Any other information about why forecasts might be too high

Council Will:

- Verify and refine data on land use and available land, including assumptions about:
 - Planned land use
 - Housing densities
 - Potential of undeveloped land and redevelopment areas

Local forecasts use:

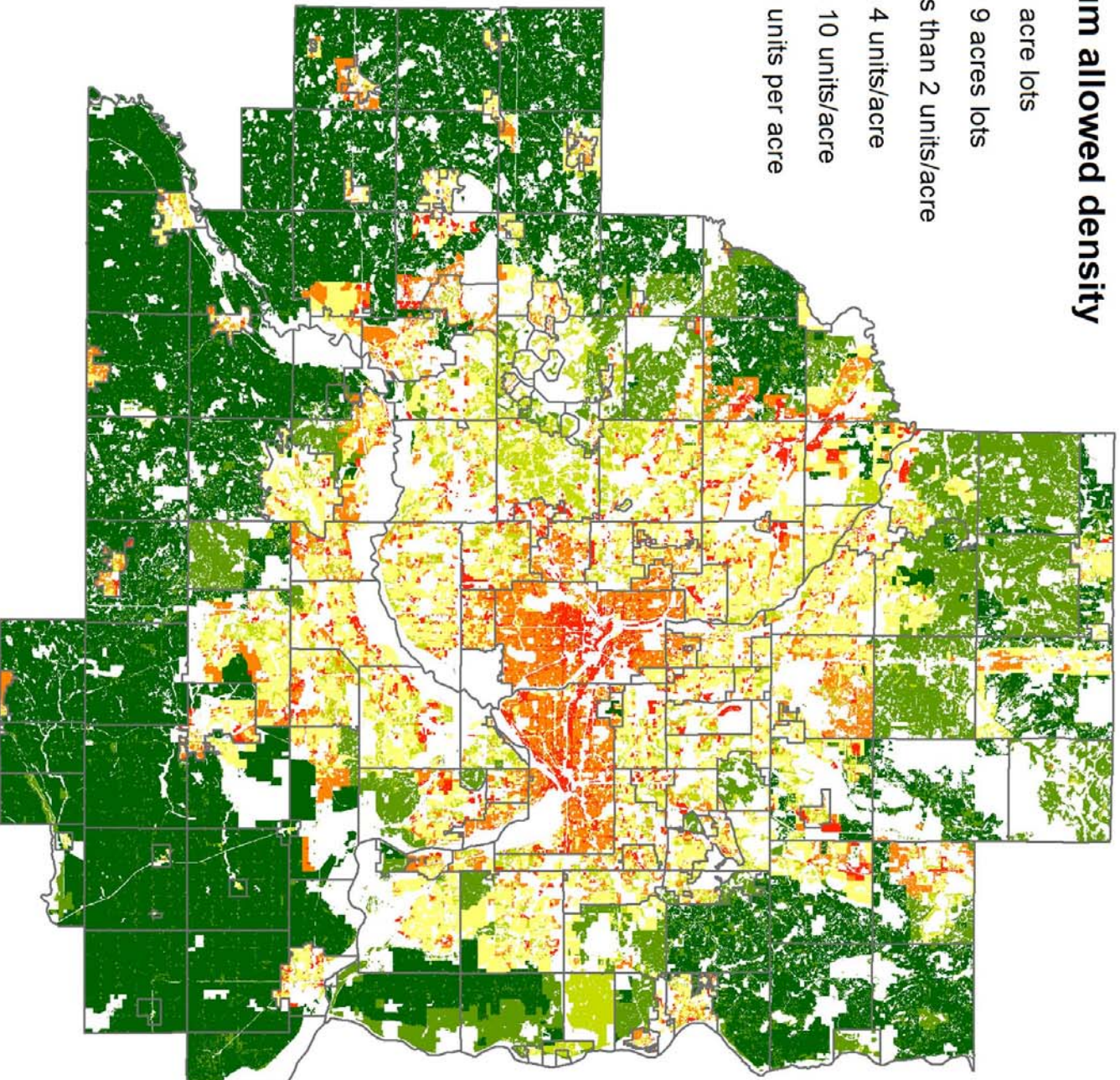
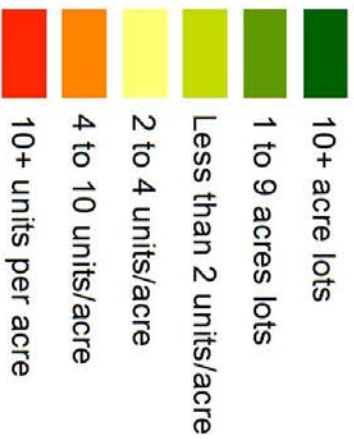
- For each of 1,201 zones
 - Existing land use
 - Existing housing stock – with housing characteristics including size, land consumption, price – for each of 8 housing types
 - Zone population – with socioec details including income, car ownership
 - Nonresidential space – square feet, land consumption, and rent – for 4 real estate types
 - Zone employment – by industry sector

Local forecasts use:

- Planned land use
 - Max allowed housing density
 - What types of housing: single family, townhome, duplex/triplexes, apartments, mobile homes?
 - Land guided for commercial, industrial and institutional use, and mixed use

Housing capacity per 2030 plans

Maximum allowed density



Next Steps

- Workshops: October-November
 - Opportunity for local government comment
 - Validation of local data and assumptions: What information are we missing?
- Revisions to preliminary forecasts in early 2014
- Adoption of 2040 regional and local forecasts with *Thrive MSP 2040* in the spring