



Southern California Association of Governments
Remote Participation Only
September 2, 2021

To: Community Economic & Human Development Committee (CEHD)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Kevin Kane, Senior Regional Planner
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Subject: Regional Growth Forecast Framework and Expert Panel

RECOMMENDED ACTION FOR CEHD:

Information Only - No Action Required

RECOMMENDED ACTION FOR RC:

Receive and File

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy. 3: Be the foremost data information hub for the region.

EXECUTIVE SUMMARY:

Among the first steps in developing SCAG’s next long-range regional plan is determining for whom we’re planning. The regional growth forecast is used as a key guide for developing regional plans and strategies mandated by state and federal authorities. This report describes the purpose and overview of the regional growth forecast and the expertise and tools needed to conduct it; discusses how the forecast process acknowledges and embraces uncertainty inherent in long-range projection; and discusses how the regional forecast leads toward a forecasted regional development pattern. This report also includes a summary of key points from the advisory panel of experts meeting.

BACKGROUND:

Purpose and Overview

The regional growth forecast reflects recent and past trends, key demographic and economic assumptions, and local, regional, state, and national policy. It is a major analytical underpinning of much of the policy work associated with regional planning.

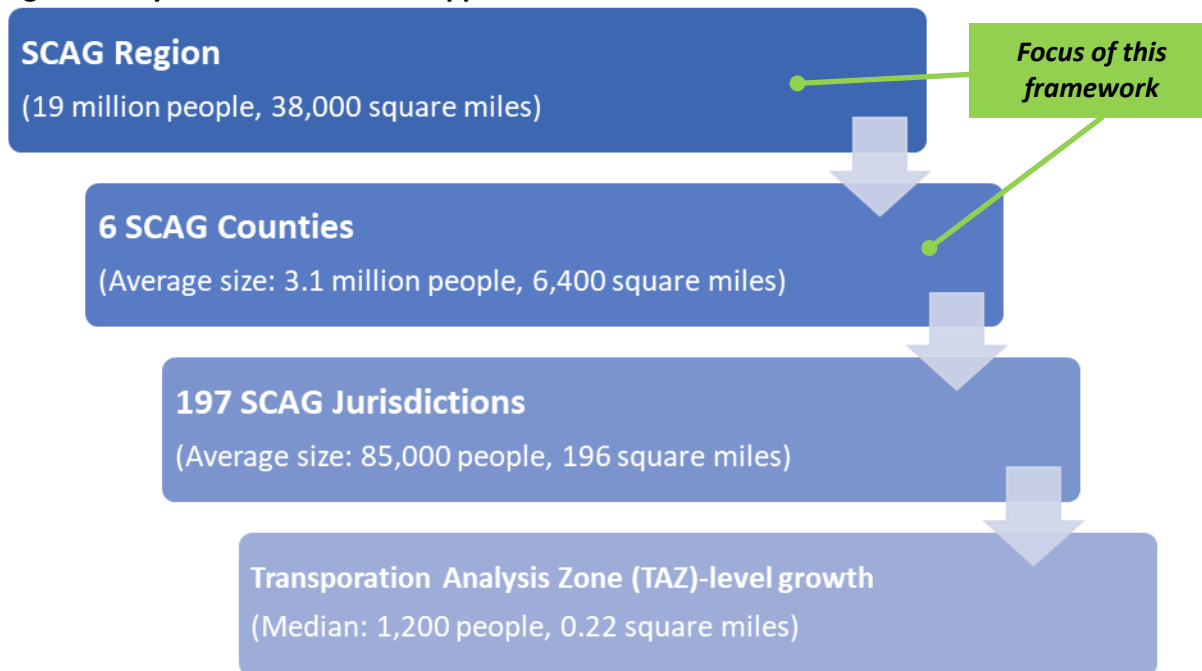
It is used as a key guide for developing regional plans and strategies mandated by federal and state governments, principally the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). As such, the objective of the forecast is to project reasonably foreseeable future growth over a long-range time horizon of approximately 30 years. Travel demand, transportation-related per-capita greenhouse gas (GHG) emissions, and other outcomes are rooted in the regional forecast. The preliminary regional growth forecast thus undergirds the ambitious and achievable set of coordinated regional strategies, which will become the 2024 RTP/SCS.

The regional forecast acknowledges and embraces uncertainty by assessing a range of possible regional growth totals. However, due to technical and statutory requirements, the forecast must ultimately demonstrate a single growth trajectory. Staff anticipates developing regional and county-level forecasts by early 2022.

In addition to the regional growth forecast, the RTP/SCS will ultimately yield a forecasted regional development pattern that integrates historical, local, and policy data, sustainable communities strategies, and feedback from a wide array of regional stakeholders to allocate regional forecast totals to the jurisdiction and fine-grained Transportation Analysis Zone (TAZ) levels. Regional and county population, household, and employment forecast totals are used as controls for these “small areas,” meaning that county, jurisdiction, and TAZ-level projections will each sum up to the regional total (see Figure 1). Following a broad formal public outreach and comment process, growth at the small area levels will inform the forecasted development pattern for the region that integrates with the transportation network and other transportation measures and policies to be included in the 2024 RTP/SCS to reduce per capita GHG emissions (see Figure 2).

This report describes the objectives and timeline of developing the regional growth forecast and its relationship to other modeling and planning work associated with SCAG’s 2024 RTP/SCS. Frameworks describing forecasting at the small area levels and the local data exchange process are forthcoming.

Figure 1: Key Forecast Levels and Approximate Sizes



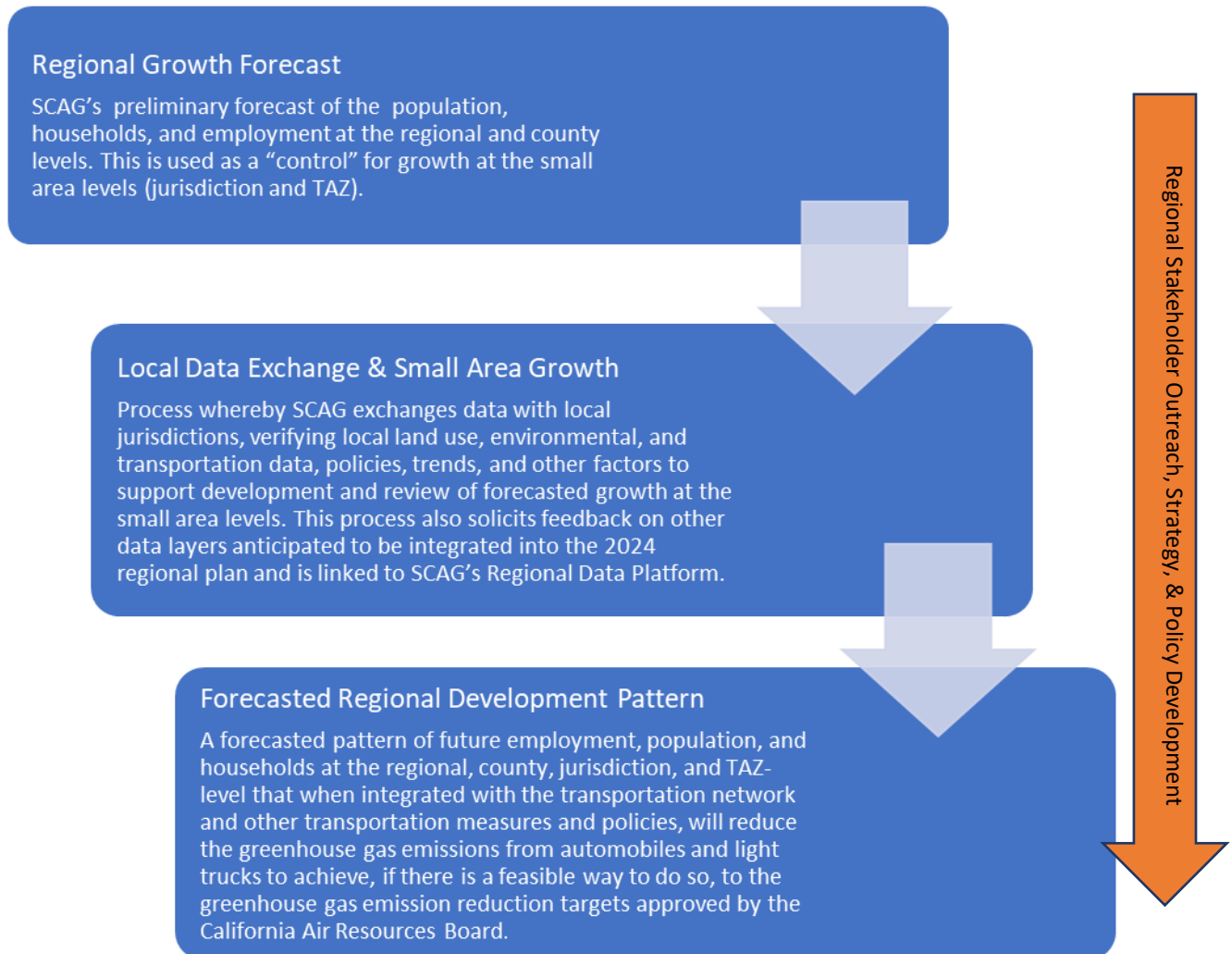
Source: Connect SoCal, 2016. Area includes non-urbanized land.

Expertise and Tools

SCAG Staff is developing the regional growth forecast in consultation with the Population Reference Bureau (PRB) and the Center for the Continuing Study of the California Economy (CCSCE). A Panel of Experts, which met on August 5th and 11th, 2021, provides expert guidance to Staff. A summary of key points discussed by the panel is attached. SCAG also receives input from SCAG’s Technical Working Group (TWG), SCAG’s Community, Economic, and Housing Development (CEHD) policy committee, and ultimately the Regional Council.

SCAG’s coupled regional economic-demographic forecast process is shown in Figure 3. SCAG projects regional **population** growth using a **cohort-component model**. This model computes population at a future point in time by adding to the existing population the number of group quarters population, births, and in-migrants during a projection period and subtracting the number of deaths and out-migrants. Age, sex, and race/ethnicity-specific population forecasts are multiplied by a set of household formation (headship) rate assumptions to generate a disaggregated forecast of households.

Figure 2: Key Steps Culminating in a Forecasted Regional Development Pattern



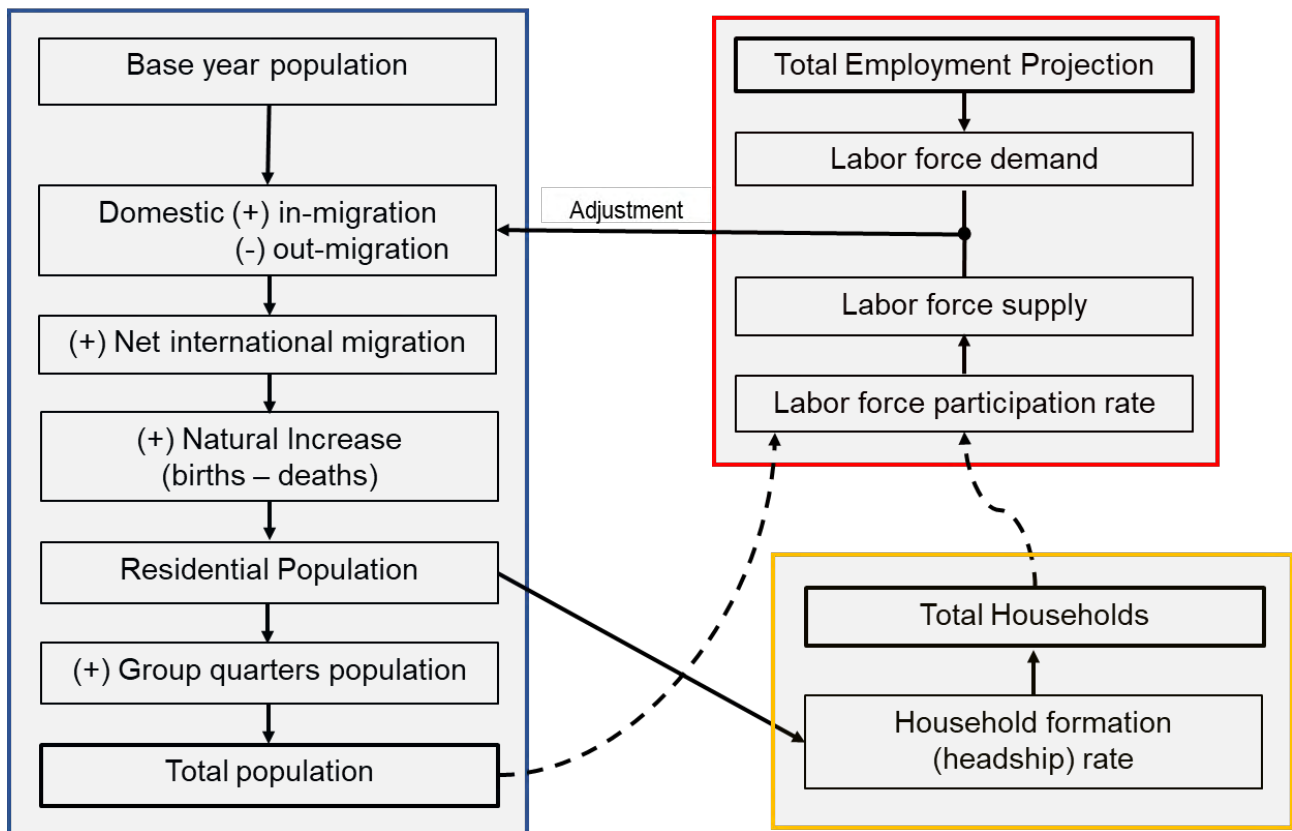
SCAG projects regional **employment** using a **shift-share model**. This model computes employment by industry sector at a future time using a region’s share of the nation’s employment. The regional employment forecasts are based on a set of national employment forecasts that provide total job projections and projections by sector. Regional jobs depend on national jobs as well as their distribution across various industries. The number of forecasted jobs and the labor force participation rate determine the pattern of migration into and out of the region, yielding a combined forecast of population, households, and employment.

SCAG’s regional forecast development relies heavily on regional and local expertise rather than national demographic assumptions or model-based predictors of land use change. The regional

forecast process does not directly utilize an equilibrium-based input-output model such as REMI; however, REMI forecasts and expert assumptions are consulted. Additionally, a comprehensive land use modeling software such as UrbanSim is not relied upon to integrate regional forecasts with small area information; rather, the local data exchange process facilitated in part by SCAG’s Regional Data Platform ensures the most up-to-date local land uses and plans inform the forecast. County-level forecasts are generated using the same overall modeling framework as the region-level forecast.

SCAG’s activity-based travel demand model (ABM), described separately, uses an extension of the above-described regional growth forecast involving smaller spatial scales and more detailed socioeconomic variables to project future travel demand.

Figure 3: Regional Economic-Demographic Forecast Process



Acknowledging and Embracing Uncertainty

Due to the various federal and state planning requirements that drive SCAG’s regional planning and the technical requirements of the ABM, the regional forecast is conducted to reflect reasonably foreseeable future growth over a time horizon of approximately 30 years.

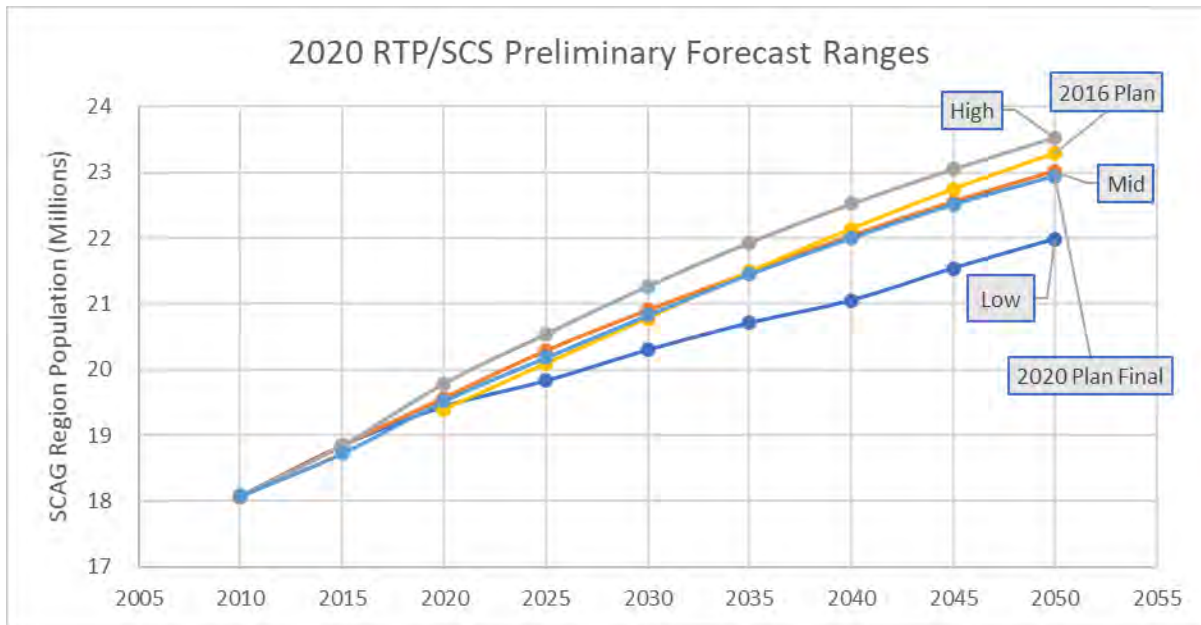
In addition, the preliminary regional growth forecast provides a basis for the ambitious and achievable vision for Southern California, which will become the 2024 RTP/SCS. The 2024 RTP/SCS is grounded in expert assessments of the demographic and economic underpinnings of long-range growth (e.g., fertility, migration, household formation, economic factors).

The region's adopted 2020 RTP/SCS developed low, middle, and high versions of the preliminary regional growth forecast based on different future employment scenarios to assess the reasonableness of aggregated local input on future growth. Figure 4 compares these three ranges for population alongside the previous (2016) plan and the final, adopted 2020 RTP/SCS. The population growth trajectory used in the final plan, which followed local review and feedback, was lower than the previous plan and slightly lower than the middle series. All three measures of population, households, and employment used in the final plan were well within the low and high ranges.¹

This regional economic-demographic scenario exercise will be expanded for the upcoming regional growth forecast by modifying additional population and household assumptions to foster discussion on how a range of demographic and economic input assumptions may yield different growth trajectories for Southern California by 2050.

Figure 4: 2020 RTP/SCS Preliminary Forecast Ranges

¹ See https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_demographics-and-growth-forecast.pdf



While this scenario exercise is not intended to be programmatically comprehensive and is limited to region-level growth, it can serve as a helpful framing of how various drivers of regional growth and change may impact the region’s growth trajectory. These may include impacts of:

- Climate risk on migration patterns;
- Housing availability on family formation; and
- Technological change or federal immigration policy on regional employment.

Housing and Household Forecasting

State legislative changes over the last several years have resulted in the evolution of the relationship between long-range forecasts of employment, population, and household growth and the housing planning target envisioned in the 6th cycle (2021-2029) Regional Housing Needs Assessment (RHNA). In past RTP/SCS cycles, SCAG produced an integrated forecast with household growth totals matching RHNA housing unit allocations.²

² SCAG forecasts households using the household formation rate method described above. Households are often referred to as occupied housing units, suggesting that the total housing units in an area equals the sum of households plus vacant units. This relationship can vary over time and place and is generally less stable at smaller geographic scales—the American Community Survey identifies seven different types of vacancy (Table B25004). While household formation rates are treated as an input assumption and are associated with behaviors such as multigenerational living and doubling up, they are heavily affected by housing supply. The total household formation rate in the SCAG region dropped from 46.7% in 1980 to 40.0% in 2017. Without additional housing units available through vacancy or new construction it is not possible to form new households. As such a household formation rate assumption must consider the anticipated future level of net housing production to some degree.

However, new laws have mandated that the state Department of Housing and Community Development (HCD) include explicit measures of existing housing needs—most notably household overcrowding and cost burden—in their determination of the SCAG region’s housing needs. These measures, which are not direct inputs to a regional growth forecast process, now comprise the majority of the total RHNA need determination of 1,341,827 units.

SCAG’s 2020 RTP/SCS represents a coordinated set of regional strategies surrounding transportation, land use, and sustainability. The Plan reflects a gradual increase in new households compared with recent past trends—an average of 56,000 per year for the Plan’s 29-year horizon. As such, implementation of the 2020 RTP/SCS and subsequent plans including the 2024 RTP/SCS Plan would generally be understood to reduce latent housing demand in the region.

While overcrowding and cost burden are not generally considered inputs of a forecasting process, the household formation (headship) rate has a close relationship to overcrowding and can indicate, among other things, latent housing demand. While domestic migration is modeled primarily as a response to regional employment growth (see Figure 3), many regional models such as REMI also consider it to be a result of the ratio of the region’s housing costs to the nation, i.e., a disequilibrium between regions.

SCAG’s forecast process is an expert-derived assessment of reasonably foreseeable future growth and integrates existing and likely future policy, which includes the impact of the 6th cycle RHNA on components of growth. This includes expert assessment of which underpinnings of regional growth (e.g., fertility, migration, household formation, economic factors) might be most responsive to existing and likely future policies. In particular, the collective impact of local 6th cycle housing element updates (due in October 2021) and any rezoning necessary to accommodate such updates (due three years thereafter), to the extent data are available, would be assessed in terms of potential impacts on the region’s reasonably foreseeable future growth trajectory.

While an integrated forecast is not anticipated due to the uncertainty surrounding future conditions, the policy objective of alleviating the region’s housing shortage is shared between the SCS and RHNA processes. In addition, substantial local pro-housing efforts are currently underway in Southern California, which are likely to be reflected in the input assumptions of the regional growth forecasts and explored further during the uncertainty exercise described above. We anticipate that the 2024 SCS will reflect strategies for addressing latent housing demand that are ambitious and achievable.

Next Steps Toward the 2024 RTP/SCS Forecasted Regional Development Pattern

The regional growth forecast's control totals provide a shared understanding of how Southern California's demographic and economic conditions will impact future population, households, and employment. Local data are then relied upon in order to link this understanding to smaller areas. A perpetual strength of SCAG's forecast process is its reliance on a standardized method of understanding land use and land use plans across all local jurisdictions. Since 2008, SCAG has developed a standardized land use coding system and solicited and received input on a quadrennial basis. SCAG's under-development Regional Data Platform will provide opportunities for more continuous two-way data exchange between SCAG and localities in general, with the intent of streamlining data collection and data validation for the 2024 RTP/SCS in particular. More detailed frameworks outlining the local data exchange process, forecasting at the smaller area levels, and their integration with policy development is forthcoming.

FISCAL IMPACT:

Work for this project is covered under item 055-4856-01, Regional Growth and Policy Analysis.

ATTACHMENT(S):

1. 2021 Panel of Experts Meeting Summary
2. SCAG Census 2020 PL94 Quick Comparison
3. PowerPoint Presentation - RegGrForecast_Fmwk_CEHD_Sept2021_KK

Memorandum

Date: August 16, 2021
From: Beth Jarosz, PRB
To: SCAG Community, Economic, and Human Development Committee
Subject: Considerations in Projecting SCAG Region Employment, Population, and Households to 2050 as informed by the Demographic Panel of Experts

In two sessions held on August 5, 2021 and August 11, 2021, SCAG convened a forecast Panel of Experts to review trend predictions and assumptions for the regional growth forecast. Panelists included economists and demographers representing industry, academia, and government. (See Table 1.) The panel also included expertise across each of the six SCAG counties. Two outside experts, Beth Jarosz of the Population Reference Bureau and Steve Levy of the Center for Continuing Study of the California Economy, moderated along with SCAG staff.

Table 1: List of Panelists

Name	Affiliation
Billy Leung	Regional Economic Models, Inc.
Dan Hamilton	California Lutheran University
Deborah Diep	Cal State Fullerton, Center for Demographic Research
Dowell Myers	University of Southern California
Jerry Nickelsburg	UCLA Anderson Forecast
John Husing	Economics & Politics, Inc.
John Weeks	San Diego State University
Mark Schniepp	California Economic Forecast
Michael Bracken	Development Management Group, Inc.
Richelle Winkler	Michigan Technological University
Simon Choi	Chung-Ang University
Somjita Mitra	California Department of Finance, Economics Research Unit
Wallace Walrod	Orange County Business Council
Walter Schwarm	California Department of Finance, Demographic Research Unit

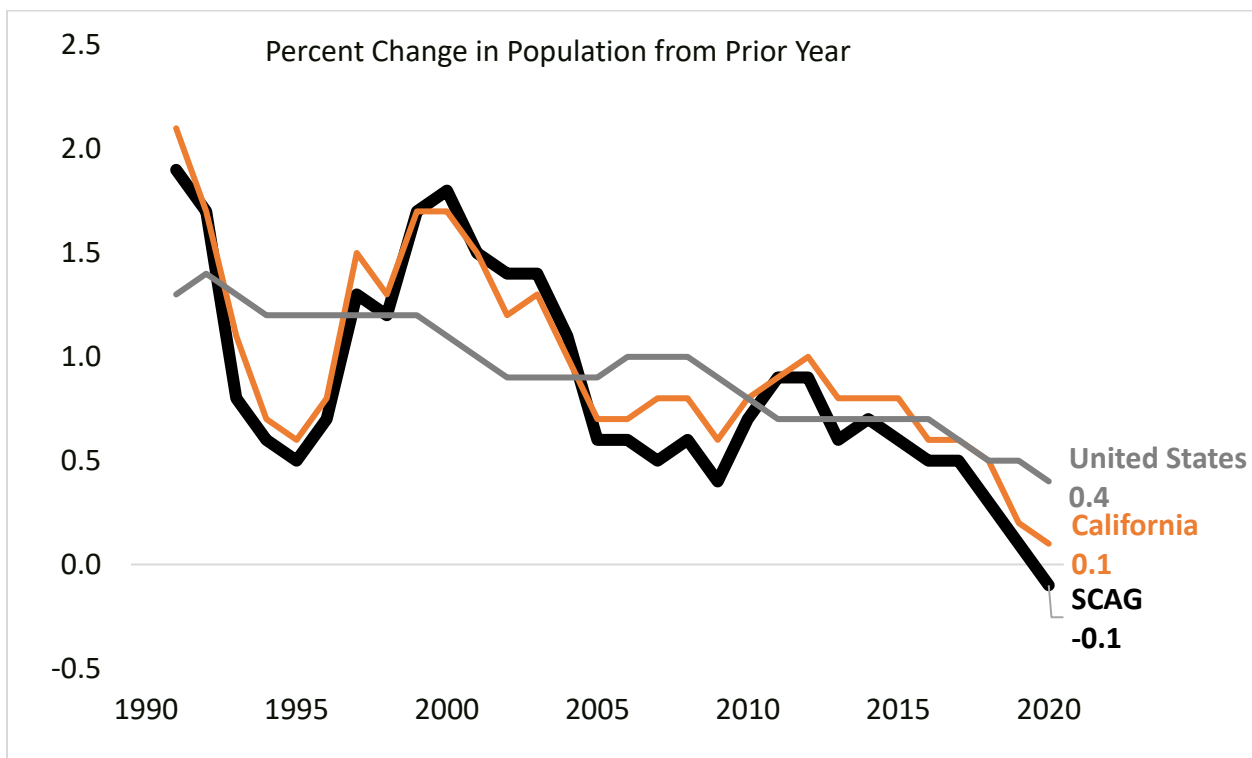
In addition to the panel meetings, panelists participated in a pre-meeting survey to solicit expectations about future growth. Results from both the survey and meeting discussions are summarized below.

What follows is a brief summary of key themes on jobs, households, and population growth. More detailed panelist responses regarding input assumptions will be included alongside the preliminary growth forecast as it is developed.

Background Data

Before the onset of the COVID-19 pandemic, the rate of population growth had been slowing in the SCAG Region, reflecting broader demographic trends statewide, nationwide, and globally. (See Figure 1.) Looking ahead, projections from the U.S. Census Bureau and California Department of Finance (DOF) suggest that population growth will continue slowing in the coming three decades, with DOF showing that SCAG region population may peak before 2050.

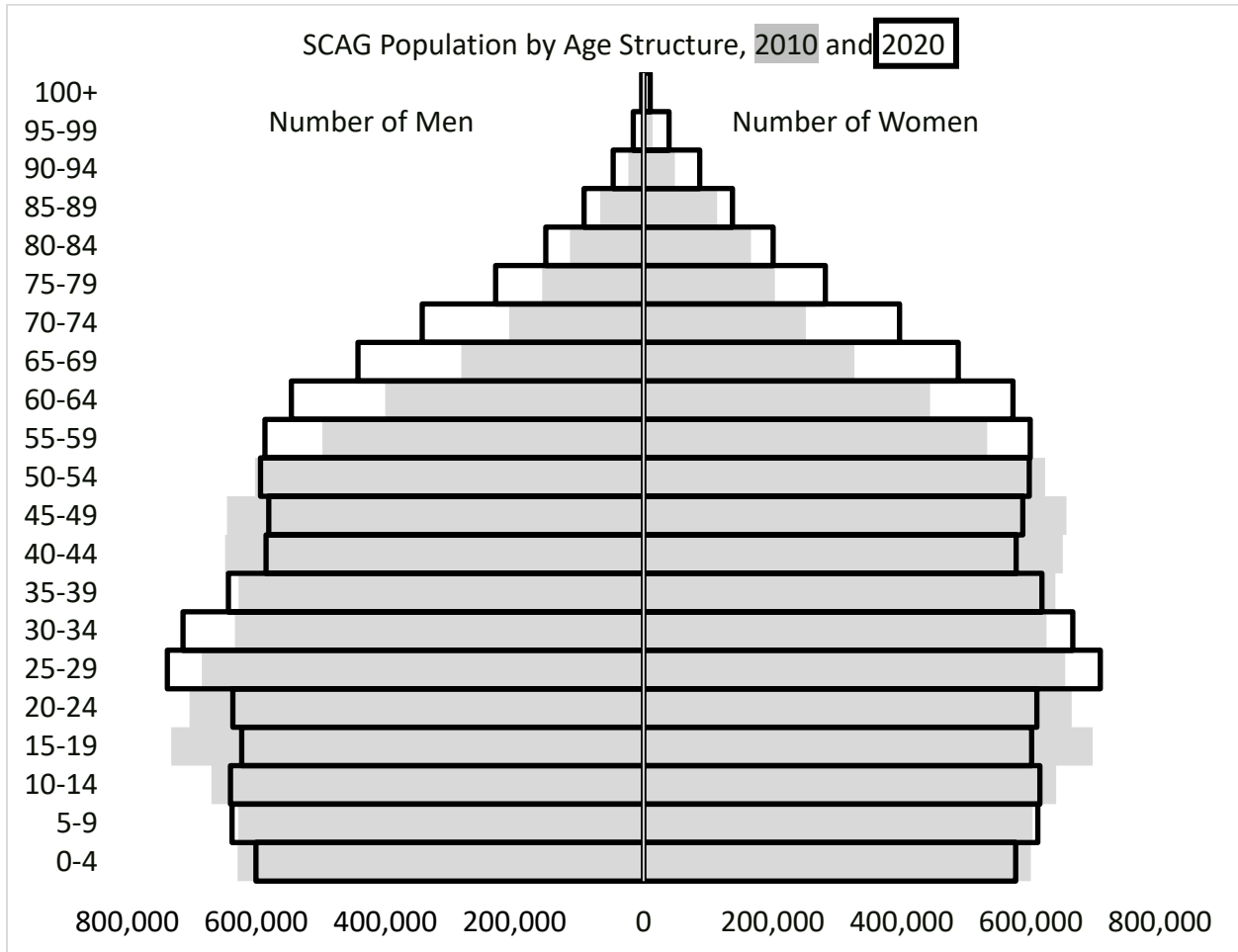
Figure 1: Slowing Rate of Population Growth in SCAG Region, California, and U.S.



Sources: U.S. Census Bureau, Population Projections (Vintage 2017); California Department of Finance, Population Projections (Vintage 2017 and 2021).

The panel of experts expect the SCAG region population to age considerably in coming decades. Figure 2 shows the age structure in 2020 (black outline bars) compared to the age structure in 2010 (gray bars). The shrinking bars at the bottom of the population pyramid reflect a declining child population. For example, the population ages 0-4 in 2020 is smaller than it was in 2010. This changing age structure is consistent with more than a decade of falling birth rates regionally and nationally. The region’s age structure will be an important factor for migration, mortality, labor force participation, and household formation in the coming decades..

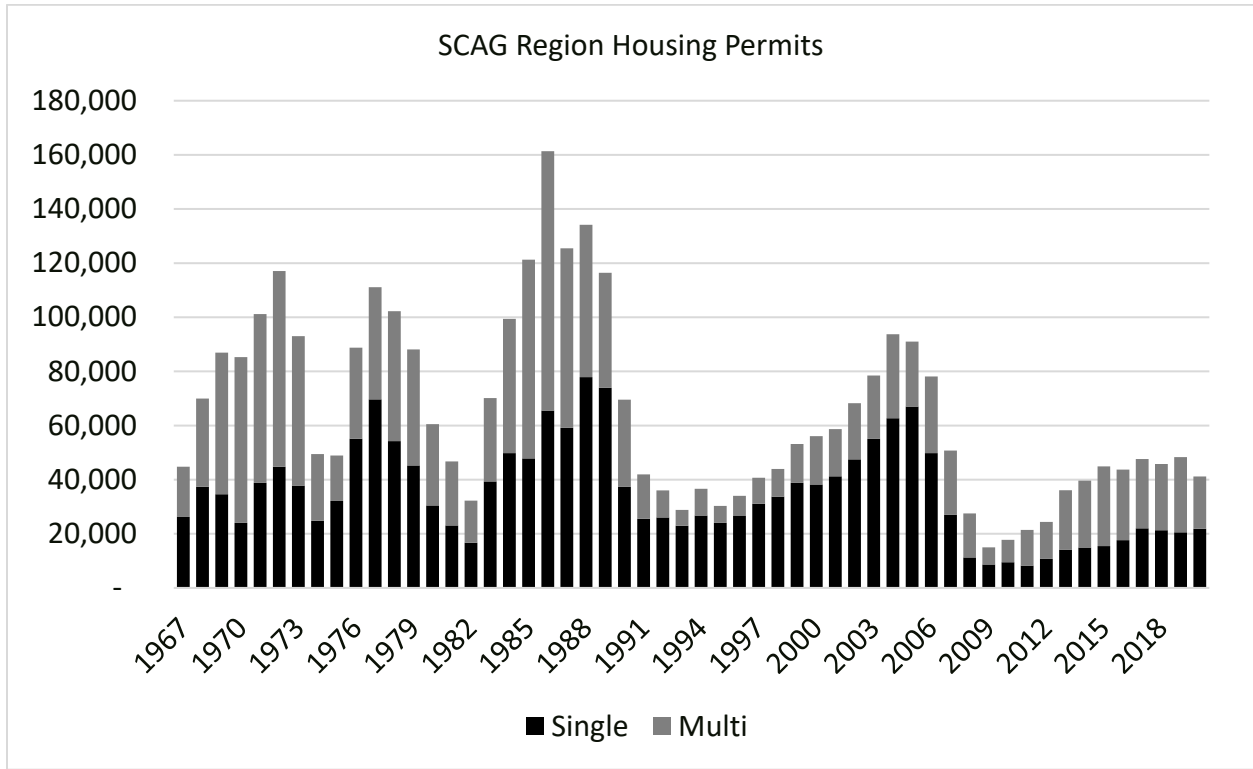
Figure 2: SCAG Region Population Age Structure Suggests Continued Population Aging



Source: California Department of Finance, Population Projections (Vintage 2021).

While population growth has slowed steadily, housing production has typically been cyclical. (See Figure 3.) Housing permits peaked at just over 160,000 per year in the 1980s, fell dramatically in the wake of the Great Recession, and have rebounded to 40,000-50,000 per year in recent years.

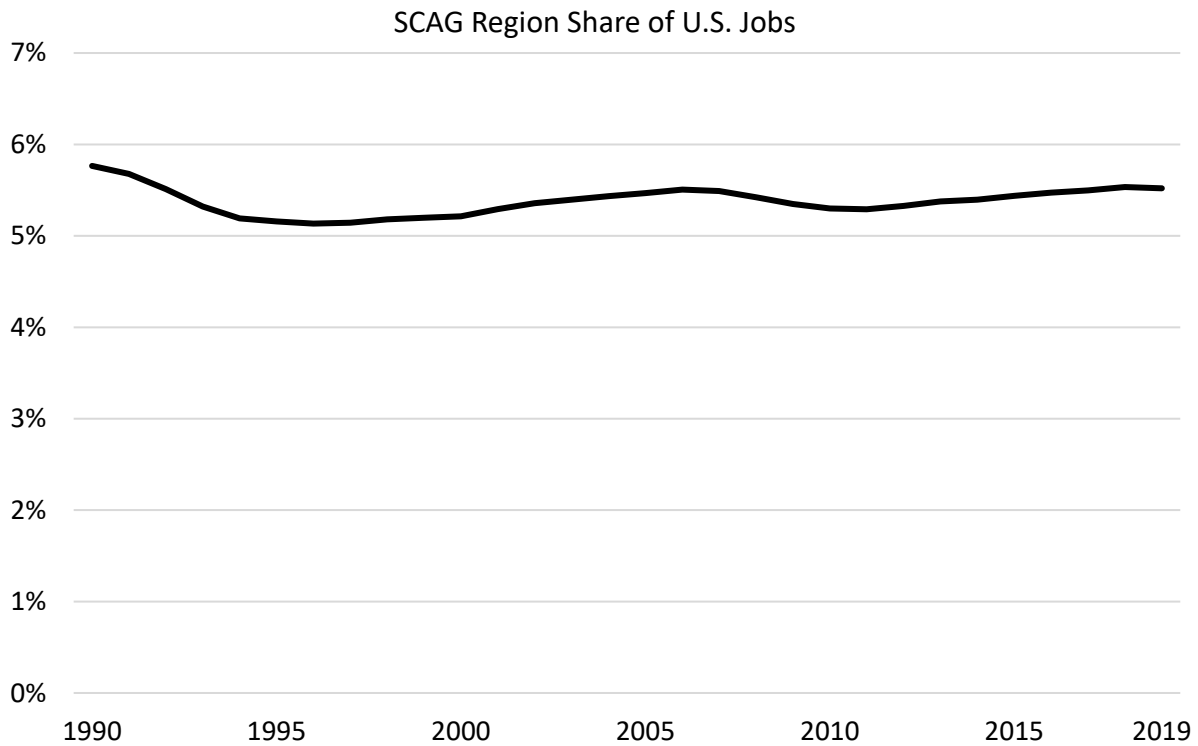
Figure 3: Housing Permits Peaked at 160,000 in the 1980s and Are Considerably Lower in Recent Years



Source: SCAG analysis of CIRB Building Permit Data

While population growth has slowed in the SCAG region, high labor force participation rates have allowed for robust job growth to continue. The region has maintained a stable share of jobs relative to the nation. (See Figure 4.)

Figure 4: SCAG Region Share of U.S. Jobs Has Remained Fairly Stable



Source: CCSCE

What effects will slower population growth and population aging have on the labor force and job growth? How might housing supply affect migration into or out of the SCAG region? Will job growth continue to attract migrants to the region from other parts of the U.S. and worldwide, or will housing cost concerns lead people to move elsewhere? These questions formed the basis of discussion at the of Panel of Experts meetings.

Job Growth

In the pre-meeting survey, panelists were divided in their expectations about future job growth. When asked, “Over the next 30 years, what trend do you expect for SCAG region jobs, population, and households...” relative to SCAG region trends and national trends, panelists leaned toward slower growth, but there was no clear consensus for the expected direction.

When asked to discuss the region’s competitive advantages and disadvantages, the panel listed numerous advantages, including being a hub of innovation—as evidenced by the region’s considerable share of national venture capital funding, growth in high-tech sectors, and world-class institutions of higher education. They also noted the region’s quality of life, amenities, and welcoming culture as a draw for both population and jobs. In addition, panelists noted that the port and proximity to the Pacific Rim will continue to be advantages for the region. The region

also enjoys size advantages: a large labor market and consumer market as well as diversity across economic sectors.

Among disadvantages, panelists noted the region's high cost of housing/cost of living, regulations and taxation, and other regions' efforts to lure away California companies and workers. Panelists also noted some skills and education mismatches between workers and jobs as well as an increasing bifurcation of the workforce, and that it would be important for the region to invest in education to help reduce those gaps.

Regarding industry-specific predictions, panelists were optimistic about high tech and innovation sectors (especially artificial intelligence, automation, and space travel), fulfillment and distribution, and skilled manufacturing. They were pessimistic about retail.

We asked panelists about their expectations for labor force participation rates (LFPR). The general consensus among the panelists was that total labor force participation will continue to be higher in the SCAG region relative to the U.S. as a whole. Reasons for this include the need for multiple incomes within a household to support a relatively high cost of living. In addition, the region has a relatively high share of immigrants, who tend to have higher LFPR. A combination of better health and (for some) low savings is likely to increase LFPR at older ages. Panelists expect women's labor force participation to increase, especially at older ages, and women's LFPR could increase further with childcare-supportive policies. Panelists also thought that automation, including automated transportation, was more likely to cause shifts across industries rather than overall decreases in jobs or the labor force.

Housing and Household Growth

In the pre-meeting survey, most panelists reported that they anticipate slower household growth. When asked "Over the next 30 years what trend do you expect for SCAG region jobs, population, and households..." relative to SCAG region trends and relative to national trends, panelists leaned strongly toward slower growth. But panelists noted that household formation is both a demographic and economic process. Housing production could rise to address latent demand—and thus increase the rate of household formation, or could remain low—and thus constrain household formation. Panelists also noted that water resources could be a constraint to future housing production, but that there are innovations (such as reuse and desalination) that could meet future demand.

At several points throughout the discussion, panelists noted that the region's high housing costs could be a drag on future growth. The overall sentiment was that if the region does not build enough housing, price differentials relative to the U.S. will worsen, which will reduce population growth—through lower net domestic and international migration as well as lower birth rates. If that trend occurs, it could reduce the region's economic growth.

Several panelists expected that statewide housing policies or innovations would eventually change the trend, resulting in more housing production. Experts did not reach consensus on an

expected future level of growth—expectations ranged from 40,000-100,000 units per year. But all agreed that a level of housing production equivalent with that of the most recent decade (thought to not be keeping pace with demand) could help staff frame a “low” forecast scenario.

Population Growth

In the pre-meeting survey, panelists reported strong expectations of slowing population growth. When asked “Over the next 30 years what trend do you expect for SCAG region jobs, population, and households...” relative to SCAG region trends and relative to national trends, panelists were unanimous in expecting population growth slower than the region’s historical average. In addition, most panelists expected growth slower than the national average.

Population change occurs through three processes: births, deaths, and migration. We asked panelists to provide their expectations on each factor.

Panelists expect birth rates to be very low through 2022 and expect the region’s total fertility rates to eventually stabilize between 1.5-2.0 births per woman. Those rates would be higher than other high-income countries but considerably lower than historical levels. Some panelists noted that future state or federal policies to support childcare might impact family formation and labor force participation, however, the overall effect on population growth was not clear.

Panelists were generally pessimistic about future improvements in life expectancy, suggesting that the wave of increased mortality that has been occurring nationwide is “just getting started” in California. Panelists also indicated that divergent outcomes by socioeconomic status remain a challenge for the region, state, and nation.

Panelists generally expect that international migration is likely to remain fairly robust. Despite policy uncertainty at the federal level, the SCAG region is a historically strong landing point for immigrants with a strong and diverse job base—including the reliance on immigration for the region’s labor force. These factors suggest that international migration to the region will continue to be strong.

Within the international migration discussion, panelists noted that the mix of origin countries is changing and will continue to change. Panelists expect considerably less migration from Mexico and more from China and India as well as continued flows from Central and South America. Panelists also noted that countries in Africa (Kenya, South Sudan, Eritrea, Nigeria) may account for a bigger flow of migrants—but east coast destinations may be more likely initial destinations for those migrants. Shifts in international migration may also affect birth rates.

Panelists suggested that housing cost and job growth will play a leading role in net domestic migration but did not agree on expected future levels.

A first look at the SCAG region from Census 2020

- The SCAG region’s population grew by 4.3% between 2010 and 2020. This is lower than California and the US as a whole. Only Riverside County exceeded the national growth rate.
- Eight SCAG cities increased in total population by more than one-fourth: Irvine (+44.9%), Beaumont (+43.8%), Imperial (+37.3%), Lake Elsinore (+35.6%), Menifee (+32.3%), Santa Clarita (+29.7%), Calimesa (+27.2%), and Desert Hot Springs (+25.3%)
- The under 18 (child) population share dropped from 25.6% to 21.8%, more than the state and the nation, suggesting less family formation or out-migration of those seeking family formation though differences across counties were minimal.
- Housing units grew more slowly than households (+5.1% vs. +7.0%). This was reflected in a tightening of the total vacancy rate (7.6% down to 5.9%). This trend is similar to the state and appears partially reflective of the absorption of Inland Empire housing stock which had been built up early in the Great Recession.
- Race/ethnicity continues to evolve:
 - Shares increased for each of Asian (12.0% to 13.7%), Hispanic (45.3% to 46.7%), and Two or more races (2.1% to 3.3%) alongside a decrease in White, non-Hispanic share (33.4% to 29.2%)
 - Hispanic share increases and White, non-Hispanic share decreases were most pronounced in the Inland Empire, while the Asian share increased most in Orange County
 - The share of population identifying as two or more races is increasing everywhere and more than doubled nationwide, which could reflect both mixed family formation and changing trends in self-identification.
- To some extent, this compares a major recession (2010) with a global pandemic (2020). And, that the US experienced greater demographic shifts than California indicates that the nation is “catching up” to transitions already experienced in the state and region.

Prepared by Kevin Kane, PhD on August 18, 2021 following the release of the Census Bureau’s PL-94 redistricting file. (kane@scaq.ca.gov). The California Department of Finance’s Demographic Research Unit has processed and posted numerous comparison tables using this data release which can be found at https://www.dof.ca.gov/Forecasting/Demographics/2020_Redistricting_Data/.

	Total Population			Share of Pop. Under 18			Total Housing Units			Occupied Housing Units			Total Vacancy Rate		
	2010	2020	Percent Change	2010	2020	Difference	2010	2020	Percent Change	2010	2020	Percent Change	2010	2020	Difference
USA	308,745,538	331,449,281	7.4%	24.0%	22.1%	1.9%	131,704,730	140,498,736	6.7%	116,716,292	126,817,580	8.7%	11.4%	9.7%	1.7%
California	37,253,956	39,538,223	6.1%	25.0%	22.0%	3.0%	13,680,081	14,392,140	5.2%	12,577,498	13,475,623	7.1%	8.1%	6.4%	1.7%
SCAG	18,051,534	18,824,382	4.3%	25.6%	21.8%	3.8%	6,332,089	6,651,919	5.1%	5,847,909	6,257,617	7.0%	7.6%	5.9%	1.7%
Imperial	174,528	179,702	3.0%	29.3%	26.4%	2.9%	56,067	56,625	1.0%	49,126	52,050	6.0%	12.4%	8.1%	4.3%
Los Angeles	9,818,605	10,014,009	2.0%	24.5%	20.5%	4.0%	3,445,076	3,591,981	4.3%	3,241,204	3,420,628	5.5%	5.9%	4.8%	1.1%
Orange	3,010,232	3,186,989	5.9%	24.5%	20.9%	3.6%	1,048,907	1,129,785	7.7%	992,781	1,074,105	8.2%	5.4%	4.9%	0.5%
Riverside	2,189,641	2,418,185	10.4%	28.3%	24.6%	3.7%	800,707	848,549	6.0%	686,260	763,283	11.2%	14.3%	10.0%	4.3%
San Brd'no	2,035,210	2,181,654	7.2%	29.2%	25.3%	3.9%	699,637	731,899	4.6%	611,618	667,836	9.2%	12.6%	8.8%	3.8%
Ventura	823,318	843,843	2.5%	25.7%	22.2%	3.5%	281,695	293,080	4.0%	266,920	279,715	4.8%	5.2%	4.6%	0.6%
	White alone, Not Hispanic			Black alone, Not Hispanic			Asian alone, Not Hispanic			Two or more races, Not Hispanic			Hispanic/Latino		
	2010	2020	Difference	2010	2020	Difference	2010	2020	Difference	2010	2020	Difference	2010	2020	Difference
USA	63.7%	57.8%	-5.9%	12.2%	12.1%	-0.1%	4.7%	5.9%	1.2%	1.9%	4.1%	2.2%	16.3%	18.7%	2.4%
California	40.1%	34.7%	-5.4%	5.8%	5.4%	-0.4%	12.8%	15.1%	2.3%	2.6%	4.1%	1.5%	37.6%	39.4%	1.8%
SCAG	33.4%	29.2%	-4.2%	6.5%	6.1%	-0.4%	12.0%	13.7%	1.7%	2.1%	3.3%	1.2%	45.3%	46.7%	1.4%
Imperial	13.7%	9.4%	-4.3%	2.9%	2.1%	-0.8%	1.3%	1.2%	-0.1%	0.6%	0.9%	0.3%	80.4%	85.2%	4.8%
Los Angeles	27.8%	25.6%	-2.2%	8.3%	7.6%	-0.7%	13.5%	14.7%	1.2%	2.0%	3.1%	1.1%	47.7%	48.0%	0.3%
Orange	44.1%	37.6%	-6.5%	1.5%	1.5%	0.0%	17.7%	21.9%	4.2%	2.4%	3.9%	1.5%	33.7%	34.1%	0.4%
Riverside	39.7%	32.6%	-7.1%	6.0%	6.1%	0.1%	5.8%	6.8%	1.0%	2.2%	3.5%	1.3%	45.5%	49.7%	4.2%
San Brd'no	33.3%	25.9%	-7.4%	8.4%	7.9%	-0.5%	6.1%	8.1%	2.0%	2.1%	3.1%	1.0%	49.2%	53.7%	4.5%
Ventura	48.7%	42.8%	-5.9%	1.6%	1.6%	0.0%	6.6%	7.5%	0.9%	2.3%	3.9%	1.6%	40.3%	43.3%	3.0%

Note: Totals do not sum to 100%; Other races category not shown.

Prepared by Kevin Kane, PhD on August 18, 2021 following the release of the Census Bureau's PL-94 redistricting file. kane@scag.ca.gov

2024 Regional Growth Forecast Framework and Demographic Panel of Experts highlights

Kevin Kane, PhD
Department of Sustainability
September 2, 2021

www.scag.ca.gov



Purpose and Overview

- Recent and past demographic and economic trends
- Key future assumptions
- Reflect local, regional, state, and national policy



- 2024 RTP/SCS
- Roughly 30-year forecast
- Input to travel demand models
- Underpinning of many regional performance measures



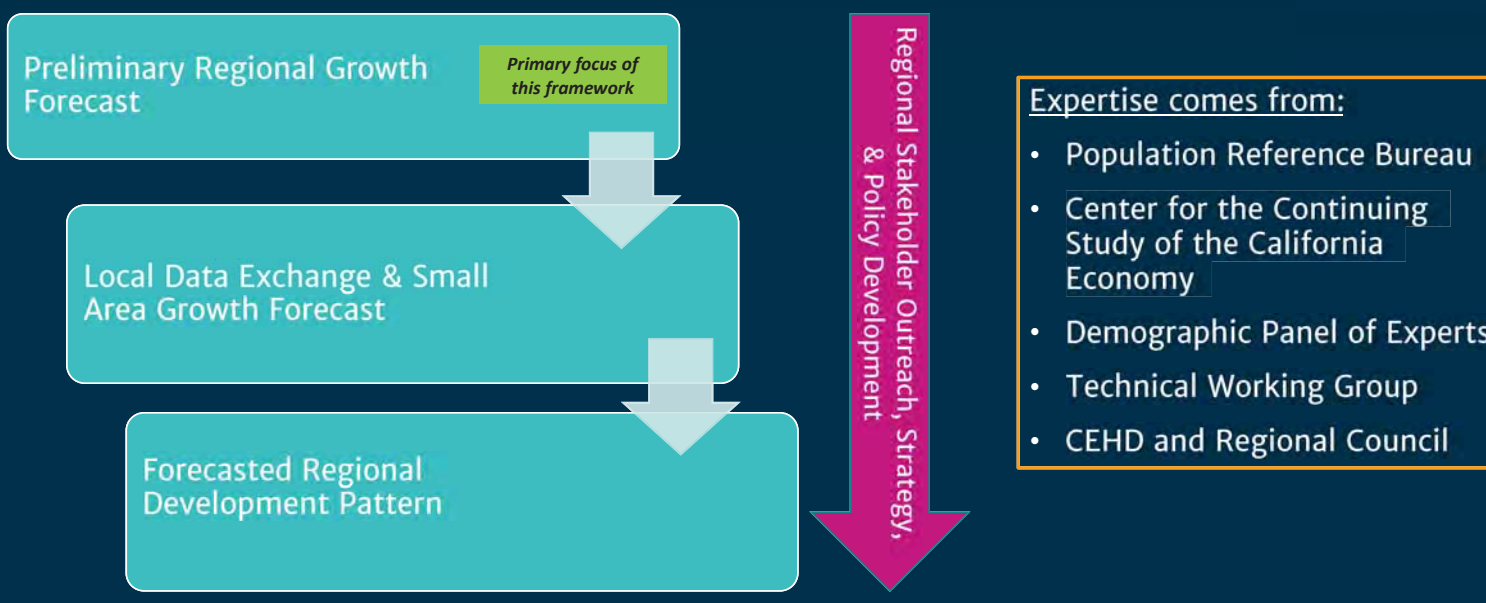
Must forecast reasonably foreseeable future growth, and reflect ambitious yet achievable plan strategies.

Four key forecast scales

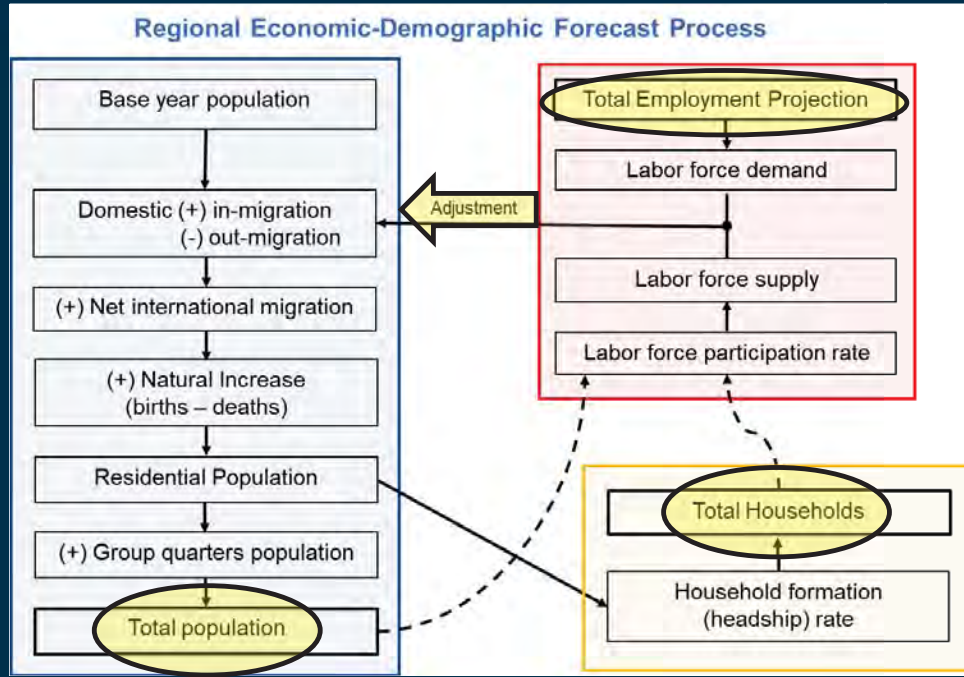


Source: Connect SoCal, 2016. Area includes non-urbanized land.

Key steps to a forecasted regional development pattern



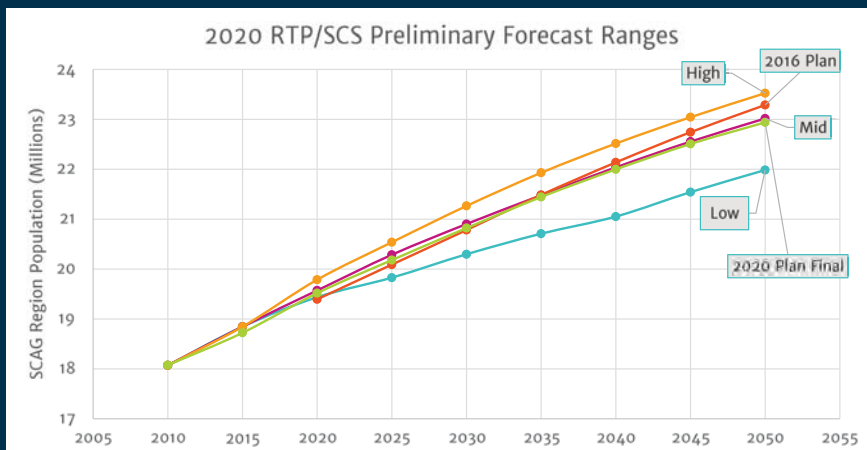
SCAG's Regional Economic-Demographic Forecast Process



Acknowledging and Embracing Uncertainty



Preliminary regional growth forecast development will investigate high, medium, and low scenarios based on varying demographic & economic inputs



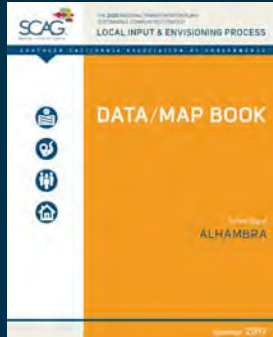
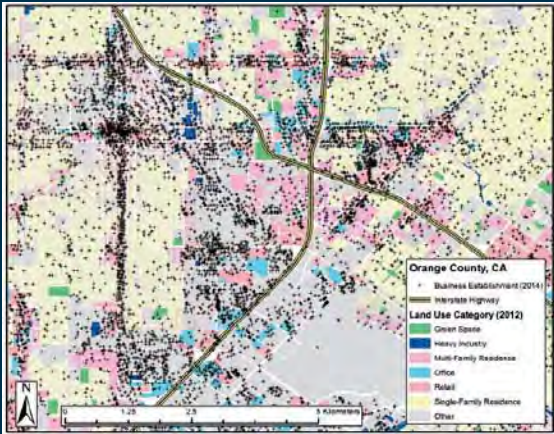
Prior plan cycle used 3 employment scenarios to generate high, middle, and low population & household ranges.

Climate risk → migration?

Housing supply → family formation?

Federal immigration policy → regional jobs?

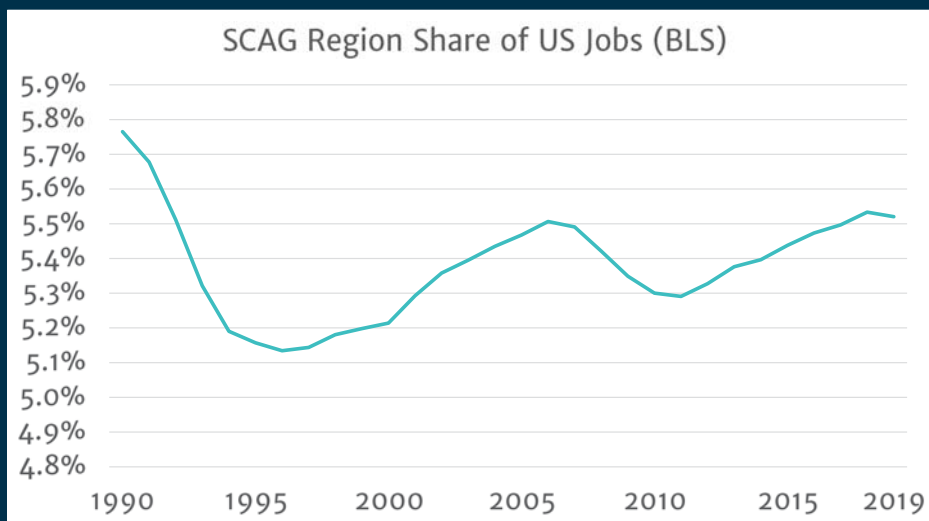
Local Data Exchange



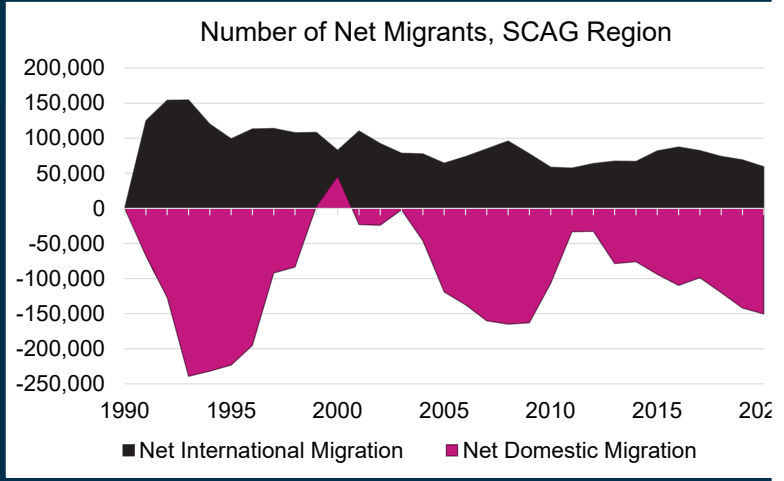
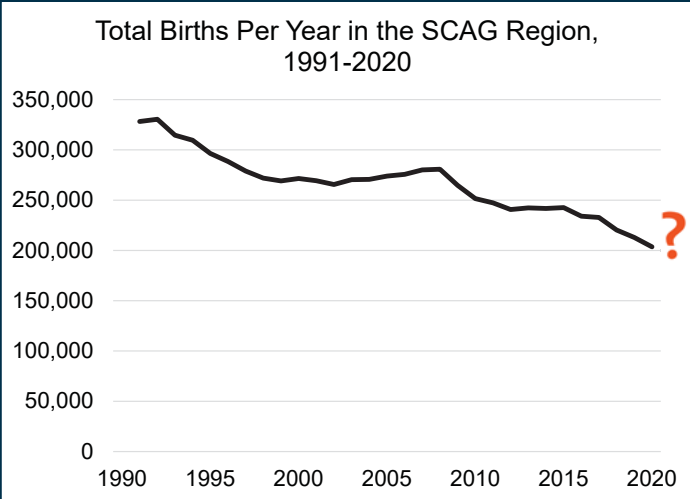
- Preliminary regional forecast completion target: January 2022
- Beginning early 2022: two-way data exchange to translate local visions into the language of a regional plan
- Merging regional forecast with local conditions *into a shared vision which hits regional targets*

Regional Economic and Demographic forecast – review of trends

- Demographic Panel of Experts held August 5th–11th



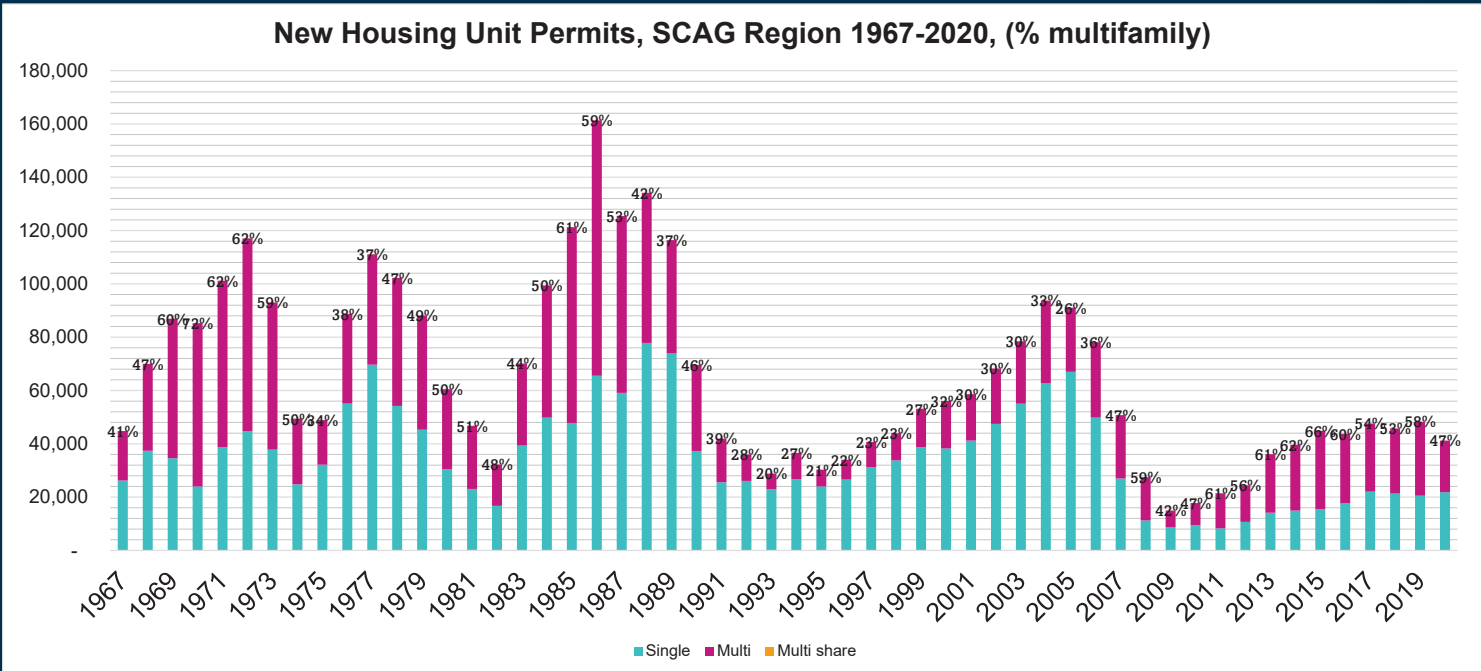
SCAG, CA, US, & Global Population Growth Slower



Source: California Department of Finance Estimates

9

Housing production drives household formation... and economic growth



Source: Analysis by SCAG of CIRB Building Permit Data

Attachment: PowerPoint Presentation - RegGrForecast_Fmwk_CEHD_Sept2021_KK (Regional Growth Forecast Framework and Expert Panel)

BONUS: 2020 Census Redistricting Data Released (8/12/21)

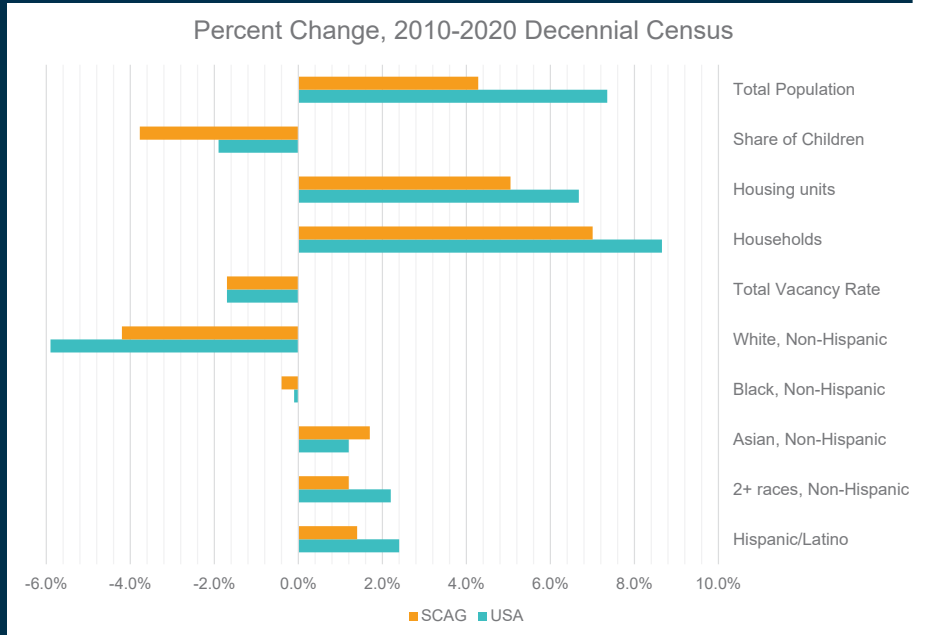


- Total population
- Adult (18+ population)
- Housing Units & Households
- Race + Hispanic/Latino
- Census block scale

Broad strokes:

Most experts impressed with overall data quality, though this compares a global recession to a global pandemic.

The US catching up to some demographic transitions which have already taken place in Southern California.



Note: Race/ethnicity values are expressed as the numerical difference each's percentage share of the total population in 2020 versus 2010



“A society grows great when old men plant trees under whose shade they’ll never sit”

- An aphorism

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