The ABAG Regional Forecast and Sonoma County

Cynthia Kroll, Chief Economist, ABAG
Santa Rosa, June 8, 2015
What is the Regional Forecast?

• A realistic 25-year regional outlook, based on expected national and international trends
• Estimates to 2040 of regional totals for population, jobs, households and income
• Geographic distribution of the forecast within the region based on local policy choices, market conditions, and baseline circumstances
• Frequently revised (current time frame—every four years)
Why Have a Regional Forecast?

- Internally consistent estimates of jobs, population, households and income
- Context for local general planning efforts
- Needed for planning and financing long term transportation and housing investments
- California statutory framework
How do we do the Forecast?

REGIONAL TOTALS
- Population Forecast
- Economy Forecast
- Household Estimate

GEOGRAPHIC DISTRIBUTION AND SCENARIOS
- Travel demand
- GHG Estimates
How Good Are the Forecasts?
Sonoma County Population

Source: ABAG from earlier Projections series and California Department of Finance.
Note: 2015 Actual is January 2015.
How Good Are the Forecasts?
Sonoma County Employment

Why Are Employment Forecasts Less Accurate?

• Forecasts predict long term trends but employment has short term cycles.
  – Past “trends” depend on the starting point
  – Accuracy depends on point in cycle

• Measurement issues
  – Many different definitions of employment
  – ABAG adjusts to jobs per person (tied to travel database)
    – Data accuracy is weaker for smaller geographies

• Geographic uncertainty—what will be the hot spots?
What Distinguishes Sonoma?

• Strong agriculture economy
• Somewhat older population than most other counties, except Marin; aging faster.
• Less ethnically diverse than the region as a whole
• Low median household Income
• Growing slowly
• A higher share of movers stay in Sonoma
Distribution of Employment by Sector --
Higher share of construction, farm, manufacturing, trade, health, leisure and government jobs

Source: ABAG from California Employment Development 2014 data.
Sonoma Residents Are Younger than Marin, Older than Solano Residents
White Non-Hispanic Residents Were 65% of Sonoma Population in 2013

State of the Region 2015
Sonoma Had the Lowest Median Household Income in 2013, below 1979

State of the Region 2015

ABAG from US Census ACS data
Sonoma and Marin Had the Slowest Population Growth Rates Since 2010

ABAG from US Census and California DOF data
Sonoma Residents are Less Likely to Move, More Likely to Stay in the County

<table>
<thead>
<tr>
<th></th>
<th>Sonoma</th>
<th>Marin</th>
<th>Bay Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Move in 3 year period</td>
<td>9%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td>Movers staying in county</td>
<td>74%</td>
<td>58%</td>
<td>64%</td>
</tr>
<tr>
<td>Movers leaving region</td>
<td>17%</td>
<td>27%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: ABAG from American Community Survey PUMS data.
Sonoma Population Distribution By Age
2010 Census

How Do these Factors affect the Forecast?

• Population Change
  – If migration pattern continues, then growth will be more dependent on natural increase

• Employment Change
  – Aging of workforce may affect labor force availability
  – Existing industry mix, labor force, population affect new businesses and expansions

• Household Change
  – Aging population may affect type of demand
Sonoma Cities Have Grown Slowly

**Population Size 2015**

- Balance of County
- Windsor
- Sonoma
- Sebastopol
- Santa Rosa
- Rohnert Park
- Petaluma
- Healdsburg
- Cotati
- Cloverdale

**Population Growth 2010-15**

**Percent Change**

- Balance of County
- Windsor
- Sonoma
- Sebastopol
- Santa Rosa
- Rohnert Park
- Petaluma
- Healdsburg
- Cotati
- Cloverdale
- SONOMA
- BAY AREA

Source: ABAG from California Department of Finance data.
PBA 2013 Projected Sonoma’s Slow Growth Will Continue

Population Size 2015 and 2040

Annual Population Growth Rates

Source: ABAG from California Department of Finance data and Projections 2013
PBA 2013 Projected Employment

PBA 2013 Employment 2010 and 2040

Annual PBA 2013 Growth Rates 2010-2040

Source: ABAG from Projections 2013
PBA 2013 9-County Population and Employment Change

Source: ABAG from Projections 2013
The Process Going Forward—
Role for Local Jurisdictions

<table>
<thead>
<tr>
<th>Forecast Timing</th>
<th>Phase</th>
<th>Local Role</th>
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<tbody>
<tr>
<td>Spring and Summer 2015</td>
<td>Data and Plan Verification</td>
<td>Review zoning, pipeline, PDA and general plan info</td>
</tr>
<tr>
<td>Fall 2015</td>
<td>Scenario Concepts and Drafts</td>
<td>Review and response</td>
</tr>
<tr>
<td>Winter and early Spring 2016</td>
<td>Final regional forecast and final scenarios</td>
<td>Review and Response</td>
</tr>
</tbody>
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Thank You

http://abag.ca.gov
http://reports.abag.ca.gov/sotr/2015/
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