

September 10, 2002

TO: Members of the MAG POPTAC Ad Hoc Subcommittee

FROM: Harry Higgins, Scottsdale, Chairman

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA

Tuesday, September 17, 2002 - **9:30 a.m.**
MAG Office, Suite 200, Saguaro Room
302 North 1st Avenue, Phoenix

A meeting of the MAG POPTAC Ad Hoc Subcommittee will be held at the time and place noted above. **Because there is only one agenda item, we are holding the meeting at 9:30 a.m., just prior to the full MAG POPTAC meeting.**

Please park in the garage under the Compass Bank Building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Please be advised that under procedures approved by the MAG Regional Council on June 26, 1996, all MAG committees need to have a quorum to conduct business. A quorum is a simple majority of the membership, or five people for the MAG POPTAC Ad Hoc Subcommittee. If you are unable to attend the meeting, please make arrangements for a proxy from your jurisdiction to represent you. If you have any questions or need additional information, please contact Harry Wolfe at (602) 254-6300.

TENTATIVE AGENDA

1. Call to Order

2. Approval of Minutes of August 20, 2002

COMMITTEE ACTION REQUESTED

2. Review and approve meeting minutes of August 20, 2002.

3. Status Report on the July 1, 2002 Resident Population Updates for MAG Municipalities

Each year, in accordance with Executive Order 95-2, the Arizona Department of Economic Security (DES) prepares a July 1 population update. MAG staff has forwarded residential completions to DES, which will be used together with surveys of group quarters and annexations to determine the July 1, 2002 Maricopa County and municipality resident population updates. At the August MAG POPTAC meeting MAG staff discussed the methodology that would be used to prepare the updates. It was recommended by the MAG POPTAC Ad Hoc Subcommittee that the housing unit method be applied by unit type. MAG staff has drafted July 1, 2002 updates based upon that method. These updates will be discussed at the September 27, 2002 meeting of the State POPTAC. A draft copy of the updates will be forwarded to you this week.

3. For information, discussion and possible recommendation to the MAG POPTAC.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
POPULATION TECHNICAL ADVISORY COMMITTEE ADHOC SUBCOMMITTEE

August 20, 2002
MAG Office, Suite 200, Saguaro Room
302 North 1st Avenue
Phoenix, Arizona

MEMBERS IN ATTENDANCE

* Harry Higgins, Scottsdale, Chairman	Tom Ellsworth, Mesa
David de la Torre, Chandler	* Tim Bolton, Peoria
John Zupon, Chandler	Donna Gadbois, Phoenix
Kate Langford, Glendale	Mark Elma, Tempe
Bob Pazera, Gilbert	*Matt Holm, Maricopa County

*Those members neither present nor represented by proxy.

OTHERS IN ATTENDANCE

Anubhav Bagley, MAG	Rita Walton, MAG
Harry Wolfe, MAG	

1. Call to Order

Chairman Bob Pazera called the meeting to order at 8:45 a.m.

2. Approval of Minutes of March 5, 2002

Donna Gadbois noted a typing error of Tim Tilton's name in item 6 of the minutes. MAG staff noted the error.

It was moved by Kate Langford, seconded by Mark Elma and unanimously recommended to approve the meeting minutes of March 5, 2002.

3. Additional Assumptions and Methods for Review and Approval of Socioeconomic Projections.

Anubhav Bagley thanked the Members of the Subcommittee for all their efforts in reviewing the draft test runs distributed in July. He explained that some issues were identified as part of the projections process that needed to be addressed.

(1) The first item was the Population and Employment Control Totals to be used for the draft projections. Mr. Bagley explained that MAG develops its resident population projections to be consistent with population control totals for Maricopa County developed by the Arizona Department of Economic Security. Also, MAG develops its employment projections based

on the population by age and sex control totals for Maricopa County developed by the Arizona Department of Economic Security (DES). Delays in the development of DES population control totals means that no official control totals for population totals and for population by age and sex will be available for the draft set of projections we are developing. MAG needs a draft set of projections for 2005, 2010, 2020, 2025, 2030 and 2040 for interim transportation analysis.

Further, Anubhav explained that in the absence of a DES population control, MAG needs to use an interim population projection and an interim employment projection as control totals for Maricopa County. The Arizona Department of Commerce is currently spearheading a Statewide Economic Study (SES) to develop a long-range economic strategy for the State. As part of this study, a limited set of projections for Maricopa County based on the 2000 census results has been produced by the Center for Business Research at Arizona State University. Similarly, a set of population and employment projections for the Phoenix-Mesa Metropolitan Area was produced by the Economic and Business Research, Eller College of Business and Public Administration at the University of Arizona. The population numbers that were prepared by the Center for Business Research at Arizona State University indicate a fairly constant absolute growth in population for the Maricopa County area.

Anubhav stated that MAG staff was looking for the subcommittee for a recommendation to approve the use the population control totals for 2005, 2010 and 2020 developed by the Center for Business Research at Arizona State University (ASU) for the draft socioeconomic projections being prepared by MAG. And, use growth consistent with the 2005, 2010 and 2020 absolute change in population in Maricopa County for 2025, 2030, 2040. For employment control totals, use population/employment ratios for Maricopa County consistent with the change in population/ employment ratios produced by the Economic and Business Research, Eller College of Business and Public Administration at the University of Arizona (UofA).

Kate Langford asked if these control totals had been used before and how Arizona Department of Economic Security numbers would compare with these? Anubhav mentioned that both MAG and ASU were members of the Arizona Department of Economic Security State Population and Technical Advisory Committee (State POPTAC). MAG provides inputs into the County Projections and that these numbers are in-line with the test numbers produced by DES. Mark Elma asked if there was a possibility of the Draft control totals being very different than the ones produced by DES. Rita Walton explained that the chances of large discrepancies were quite low and that both MAG and ASU would question in such a case.

Bob Pazera asked for further detail on the use of population-employment ratios and the employment control totals. Anubhav explained that MAG socioeconomic models utilize the Population by age and sex projections to develop labor force projections. Using unemployment rates, and other rates for multiple jobs, out of county workers and workers residing outside the County, projections for employment are prepared. Since, currently the population by age and sex projections are not available from DES, an analysis of the population and employment ratios has been conducted. The trends in the ratios are changed consistent with the ratios produced by UofA. Mr. Pazera stated that he would expect the ratios to change overtime, as employment grew in the area.

Tom Ellsworth asked how the projections from ASU compared with the ones from UofA. Ms. Walton explained that the geographies were different for the two sets. ASU had developed projections for Maricopa County while the UofA numbers were for the Phoenix-Mesa MSA. The MSA also includes areas in Pinal County, thus the population was higher in the UofA numbers while the employment was quite similar.

Tom Ellsworth also asked about the status of the County projections from DES. Harry Wolfe informed the subcommittee that Susan Kanzler at DES had been running different versions of the projections models. Since no draft numbers had been provided as yet, it was highly unlikely that any action was expected at the next meeting of the State POPTAC on September 27, 2002. Rita Walton added that MAG still expects to be able to develop Adopted Socioeconomic Projections in June 2003. The Regional transportation planning process will be utilizing the draft numbers for their analysis work until the adopted projections are available.

Tom Ellsworth also wondered if MAG had seen some DES projections, and if so, how close were the numbers being used for the draft projections. Ms. Walton explained that the numbers are very similar. She added that the models used by both DES and ASU were the same.

Donna Gadbois asked if there was an alternative to using the County controls being recommended by MAG staff. Ms. Walton explained that the draft projections were needed for internal work to be done at MAG. Since the last set of socioeconomic projections from 1997 were out of date these new numbers were extremely important. The alternative could be to use some other control numbers recommended by POPTAC.

It was moved by David de la Torre seconded by Kate Langford and unanimously recommended to approve the methods and assumptions for developing the Population and Employment Control Totals for Draft Socioeconomic Projections.

(2) The second item for discussion and recommendation was the method for Basic/Non-basic employment. Anubhav explained that the current MAG model assigns employment to areas based on land use designations. Many large tracts of residential land use will have some non-basic retail, public and other employment associated with it and should have some retail, public and other employment assigned to it as the population growth occurs. Anubhav explained that it is recommended to hold back 10% of retail employment, 5% of public employment and 10% of other employment for non-basic employment and assign it to the Traffic Analysis Zones where large tracts of residential development exist and where population growth has occurred. Further he explained that the hold back recommended was based upon some preliminary analysis conducted by MAG staff. A low hold back numbers is recommended to avoid over compensating for non-basic employment.

Bob Pazera asked if the hold back should be 30% as derived from the employment database collected by MAG. Rita Walton explained that MAG will be conducting more analysis on this and may need to change the percentages based upon the analysis.

Tom Ellsworth asked for more information on the method used to allocate the non-basic employment. Anubhav informed him that the non-basic employment would be prorated based upon the new residential growth.

It was moved by Kate Langford seconded by David de la Torre and unanimously recommended to approve the methods and assumptions for Basic/Non-basic employment.

(3) The third item for discussion and recommendation was the method for build out households and housing units. Mr. Bagley explained that the MAG socioeconomic model uses General Plans and known developments to determine a maximum number of housing units that may be built in an area. Build out has been defined as the potential of the area. This potential assumes that all houses are occupied, and therefore the occupancy rate is 100%. This is the gross build out. During the recent review of test numbers, POPTAC members indicated that this potential is very unlikely to occur in any year, and that the occupancy rates should be applied to build out units to derive households and population for the net capacity. This net capacity is more indicative of the maximum for socioeconomic modeling.

Anubhav explained that MAG staff recommends developing both the net capacity and gross build out as part of the socioeconomic projections process. The gross build out will assume that all houses are occupied, and therefore the occupancy rate is 100%. The net capacity will assume that not all houses are occupied, and therefore the occupancy rate is less than 100%. This net capacity will be used in all socioeconomic modeling.

Donna Gadbois asked if the build out number included the population in mobile homes and also if the MAG models modified the persons per household in such areas. Rita Walton explained that the mobile home parks component of the population was covered in the seasonal population component of the information provided to the transportation models. MAG will change the persons per household figure as recommended by the member agencies.

Tom Ellsworth confirmed that both the gross build out and the net capacity numbers would be produced as part of the projections process.

It was moved by David de la Torre seconded by Kate Langford and unanimously recommended to approve the methods for build out households and housing units.

4. Review of Methods for preparing July 1, 2002 State, County and Municipality resident population estimates

In preparation for the release of draft estimates of State, County and municipality resident population estimates, Harry Wolfe provided an extensive review of the methods that are used in developing the estimates.

Bob Pazera questioned if in the next POPTAC meeting MAG would have the population estimates ready for 2002. Harry Wolfe explained that there was an unresolved issue on the method being utilized for occupancy rates. MAG is recommending to DES to adjust the occupancy rates. Depending upon the next meeting of State POPTAC on September 27, 2002 a decision on the timing of the estimates will need to be made.

David de la Torre asked Mr. Wolfe to explain why the estimates were not going to be prepared without the use of housing type information. Harry explained that the information on housing type for the small scale is not yet available from the Census 2000. Rita Walton, suggested that the Census information is available at the Place level and it may be possible to utilize that information to develop population estimates at the municipality level using that information.

The meeting adjourned at 9:40 a.m.