

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
POPULATION TECHNICAL ADVISORY COMMITTEE

September 26, 2006  
MAG Office, Suite 200, Saguaro Room  
302 North 1<sup>st</sup> Avenue  
Phoenix, Arizona

MEMBERS IN ATTENDANCE

George Pettit, Gilbert, Chairman	**Sonny Culbreth, Litchfield Park
*Bryant Powell, Apache Junction	Shawn Murray for Wahid Alam, Mesa
**Scott Wilken, Avondale	John Verdugo for Matt Holm, Maricopa County
Brian Rose, Buckeye	*Molly Hood, Paradise Valley
*Gary Neiss, Carefree	*Chad Daines, Peoria
*Ian Cordwell, Cave Creek	Tim Tilton, Phoenix
David de la Torre, Chandler	Shawny Ekadis, Queen Creek
**Mark Smith, El Mirage	*Stacey Gubser, Salt River Pima-Maricopa
**Ken Valverde, Fountain Hills	Indian Community
***Bev Turner, Gila Bend	Harry Higgins, Scottsdale
*Terry Yergan, Gila River Indian Community	Janice See, Surprise
Thomas Ritz, Glendale	**Sherri Lesser, Tempe
*Katie Wilken, Goodyear	*Miles Johnson, Wickenburg
**Gail Acosta, Guadalupe	Ann McCracken, Valley Metro

\* Not in attendance  
\*\* Participated via audioconference  
\*\*\* Participated via videoconference

OTHERS IN ATTENDANCE

Max Enterline, Phoenix	Heidi Pahl, MAG
Anubhav Bagley, MAG	Jeff Romine, MAG
Steve Gross, MAG	Harry Wolfe, MAG
	Jim Chang, Arizona School Facilities Board

1. Call to Order

The meeting was called to order at 10:00 a.m. by Chair George Pettit.

2. Call to the Audience

There were no requests to address the audience.

3. Approval of Meeting Minutes of August 29, 2006

No comments were provided on the minutes. It was moved by Tim Tilton and seconded by David de la Torre to approve the meeting minutes of August 29, 2006. The motion passed unanimously.

#### 4. Data Collection Activities

Heidi Pahl explained that MAG is still collecting data from member agencies on general plans and amendments, developments and other relevant reports for the development of new socioeconomic projections.

Ms. Pahl said that last month, MAG distributed an attachment that summarized all the documents collected from member agencies from the beginning of this year through July 2006. She noted that three weeks ago an e-mail was sent out with a list of documents submitted by each member agency asking for verification. Mr. Pahl stated that the deadline for verifying the data is Friday, September 29, 2006.

Harry Wolfe reported that he was working on a proposal for streamlining the annexation data collection process. He said that after some additional review, it would be forwarded to the Annexation Working Group for consideration. Once recommended by the Working Group it would be forwarded to the MAG POPTAC for approval.

#### 5. MAG Socioeconomic Projections

Anubhav Bagley said that the Base and Buildout had been completed and thanked members of the MAG POPTAC for their review and input. Mr. Bagley also announced that DES had recently prepared draft projections of Maricopa County using the 2005 Census Survey as the base. He estimated that the Maricopa County projections would be brought to the October MAG POPTAC meeting for review and approval.

#### 6. The Arizona Development Estimates and Projections Task Force (ADEPT)

Jeff Romine provided a progress report on the Arizona Development Estimates and Projections Task Force (ADEPT). He pointed out that the purpose of the Task Force was to evaluate the current process for preparing estimates, projections and labor force data. Mr. Romine also mentioned that the Task Force was comprised of 20 members including representatives of state agencies, Arizona Universities, Councils of Government, etc.

Jeff Romine mentioned that Dr. Warren Brown of Cornell University, the consultant to ADEPT, had recently prepared a report that examined population estimates methodologies. He said that Dr. Brown is revising the report because some incorrect data were used. Mr. Romine added that MAG staff had met with Dr. Brown to provide input on the estimates process.

Jeff Romine indicated that two surveys were going to be undertaken for the ADEPT. The first survey will be forwarded to agencies within Arizona for input. The second survey would be sent out in November/December to other agencies throughout the country and would survey best practices.

Mr. Romine said that a report needs to be provided to the Governor by December of this year. The ultimate objective of the project is to get the best estimates and projections possible.

It was noted that Arizona had not been competitive in providing the Census Bureau with input on their population estimates that they develop each year.

George Pettit asked that MAG staff prepare bullet points summarizing the ADEPT process and progress to date. He also said that we want good estimates to avoid having to undertake a 2015 Census Survey.

#### 7. Census 2010 Workshop

Harry Wolfe reported that the Census Bureau requested holding a Census 2010 workshop for MAG member agencies on Tuesday, October 24, 2006. The Workshop would be held at 10:00 a.m. immediately after the MAG POPTAC meeting.

Mr. Wolfe stated that the workshop would cover Census 2000 successes, an overview of Census 2010, American Community Survey, complete count committees, Local Update of Census Addresses and geographic programs.

Harry Wolfe indicated that the Census Bureau had mailed out workshop invitations to the members of the MAG POPTAC, Intergovernmental Coordinators, Public Information Officers and Mayors.

#### 8. Economic Update

Jeff Romine provided an update on the national and regional economy. He noted that the national economy has begun to show signs of slowing, primarily due to hesitation of customers in the market. Mr. Romine added that: most customer confidence indicators have tracking downward; retail sales activity is expected to show lower growth compared to last year and that reductions in consumer spending is helping cause the lowering of growth in the national GDP growth. It was also noted that many analysts are beginning to lower expectations for retail spending in the 4th quarter, which if true will likely impact local and sale consumption (sales) tax revenues.

Mr. Romine said that analysts sentiment is shifting toward an increasing chance for a recession in 2007, and a very likely chance for an economic slowdown in 2007. He stated that while wages and salary are strongly rising, these gains are a likely reflection of the 2002-5 economic growth period and the related strong productivity gains during that period.; and that recent employment growth numbers suggest a softening in the economy. According to Mr. Romine all of these factors continue to add to the increasingly weakened housing market. Regionally, Romine suggested that the excess inventory of new and resale housing will likely cause the price levels to remain pretty stable to current market conditions. He mentioned that housing production activity is now expected to remain relatively quiet, until the excess inventory shrinks to normal conditions. Mr. Romine indicated that for many MAG region communities, the slowdown in housing production will allow local staffs to catch up on other aspects of their work as opposed to being overwhelmed processing new development and permit applications.

Mr. Romine distributed a handout reflecting changes in the costs of construction commodities. He noted that a number of commodities are not produced within the region or Arizona, and thus must be shipped into the state. Mr. Romine stated that in general, construction materials have risen about 25% from last year, with asphalt, diesel fuel and cement showing the largest gains in prices. He also noted that: Lumber prices have fallen over the last year or two; inflation and wage levels are both up having grown less 5% since last year; consumption (sales) tax is strongly up about 10-15% over last year, which has improved many local and state budgets; and that commodity price changes are continuing to add extra burden to local, regional, and state construction project budgets.

Max Enterline asked if Mr. Romine had looked at the effect of increases in impact fees on housing construction. Mr. Romine responded that each individual community will likely experience different outcomes, based on fee level and housing demand. In general, the required studies for setting impact fee levels show the direct infrastructure improvements resulting from these fees. He continued by pointing out that impact fees may be passed on to final home purchasers, but often in markets similar to the current conditions in the region, the burden of impact fee is often absorbed by the developer of the housing units. Therefore, the impact fee may slow housing development rather than affecting housing demand and price.

#### 9. Estimates and Projections Overview

Harry Wolfe and Anubhav Bagley gave a PowerPoint presentation on the estimates and projections task force. The presentation is posted on the MAG Website.

#### 10. Regional Update

George Pettit indicated that he had participated in an Urban Land Institute Study that covered Gilbert and adjoining communities in the Southeast part of the region. He indicated that one of the comments from the ULI is that there is no such thing as build-out. Once a jurisdiction becomes mature, older areas get redeveloped.

Brian Rose said that Buckeye was updating its General Plan and that a couple of land use alternatives have been placed on line. Mr. Rose said that the options are on line and that Buckeye was soliciting comments on the options.

Buckeye is also updating its development code, which will conclude a native plant ordinance and commercial design standards.

Harry Higgins asked about the differences between TAZs and SAZs. Anubhav Bagley responded that the two units were the same, but that TAZs had a different number system to meet the requirements of the transportation model.

David de la Torre asked about the impact of the housing slump of projections. Anubhav Bagley responded that some communities were already underestimated in the 2003 projections. He said that he expected thing to level off.

Thomas Ritz asked whether the Cohort Survival Model that DES used to prepare Maricopa County population projections is the same model as is used in other COGs. Anubhav Bagley responded that it was the same.

#### 11. Next Meeting of the MAG POPTAC

George Pettit noted that beginning next year (2007) POPTAC meetings would be held on the fourth Tuesday of each month.

The meeting adjourned at 11:10 a.m.