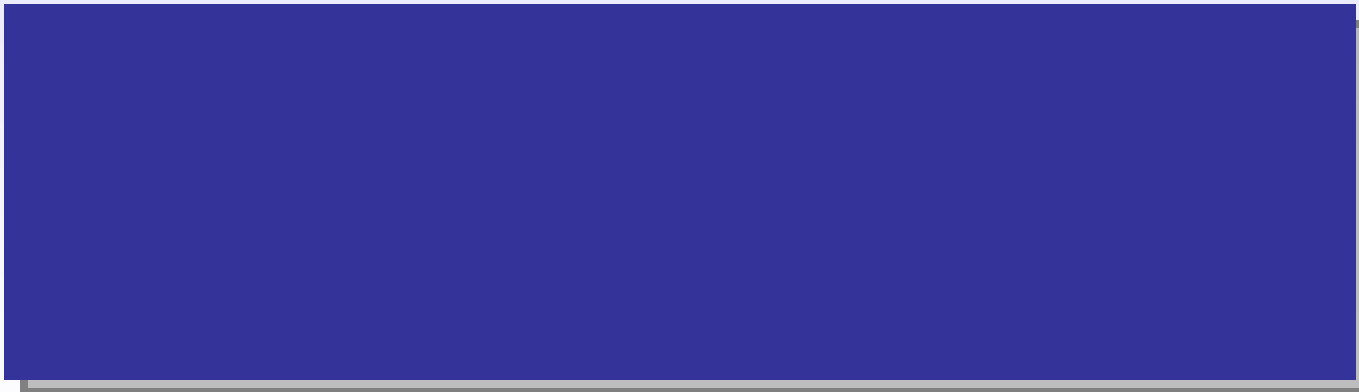




# Pinal Projections Study - Forecasting



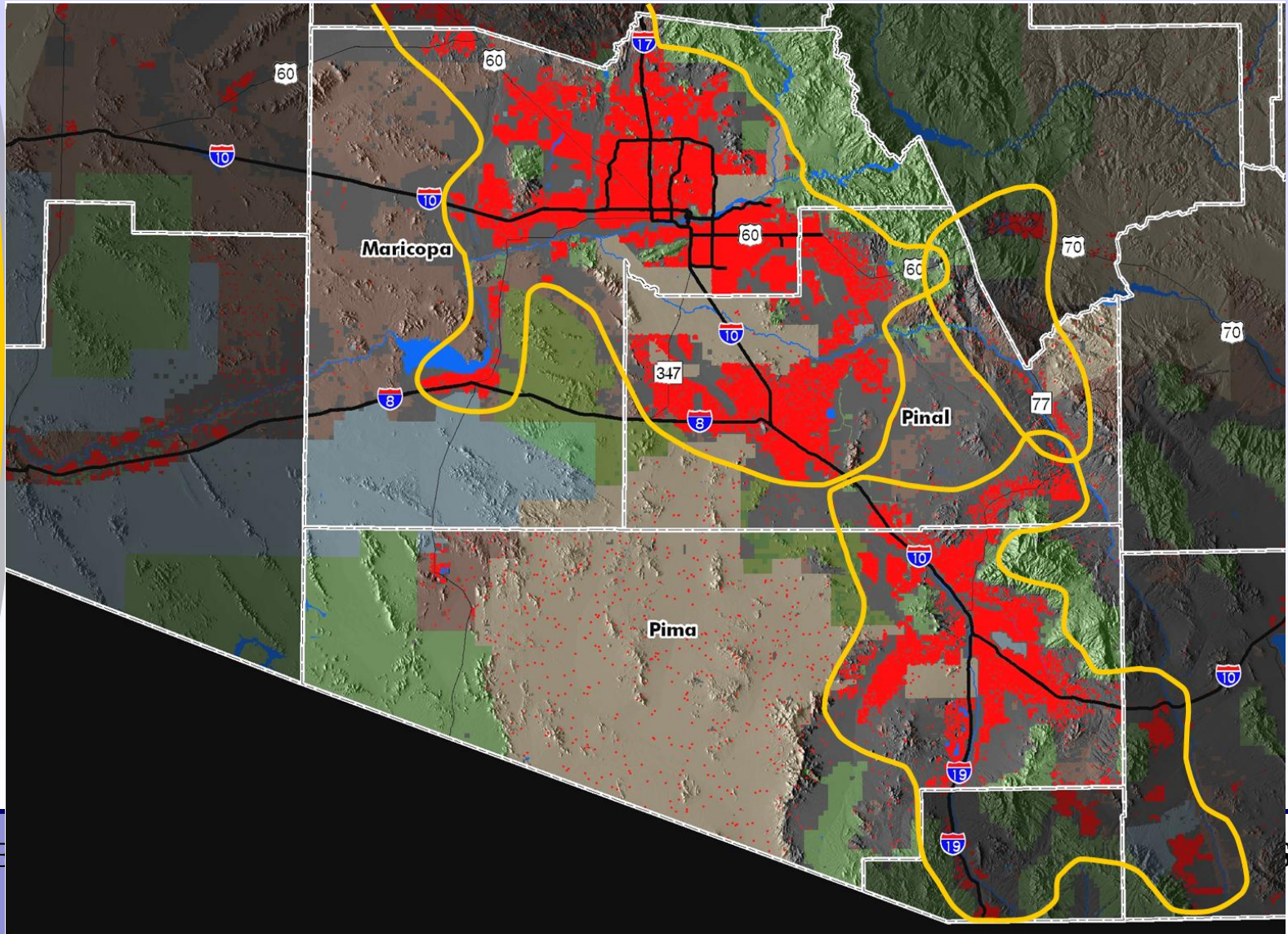
# Pinal County projections made since 2003

	2010	2020	2030	2040
<b>Low</b>	374	610	852	1,082
<b>High</b>	475	1,161	1,900	2,376
<b>Average</b>	410	881	1,444	1,881
<b>Std. Dev.</b>	51	159	323	446
<b>Std. Dev. %</b>	13%	18%	22%	24%
	2010	2020	2030	2040
MAG (2003)	514	1,161	1,614	1,780
AE/CAC (2004)	374	769	NA	NA
EP Cons (2005)	452	978	NA	NA
EP Aggr (2005)	475	1,077	NA	NA
DES (2006)	365	610	852	1,082
Lima (2006)	NA	NA	1,900	NA
AE/CAC (2008)	398	881	NA	NA
CAAG Members (2008)	378	865	1,568	2,376
EP Cons (2009)	376	762	1,295	1,882
EP Base (2009)	382	841	1,400	1,987
EP Aggr (2009)	384	864	1,480	2,178



# Pinal Projections Study

◆ County growth linked to adjacent metros



# Pinal Projections Study - Approach

- ◆ Three steps
  1. “Sun Corridor” – 3-county region analysis & projections
  2. Market area analysis & allocation model
  3. Sum Pinal County market areas to arrive at County total
- ◆ Three scenarios, for both Sun Corridor & Pinal County
  - ◆ “Most likely” to be approved as official CAAG projections for Pinal County
  - ◆ County projections then allocated to TAZ & MPA – also to be approved as official CAAG projections

# Sun Corridor projections - determinants of growth

- ◆ In the long term, supply factors matter
  - ◆ Labor force
  - ◆ Capital stock (infrastructure AND human)
  - ◆ Technological progress
- ◆ For the 3-county area, population growth is the most important
  - ◆ Migration flows – main driver – from jobs growth
  - ◆ Natural increase

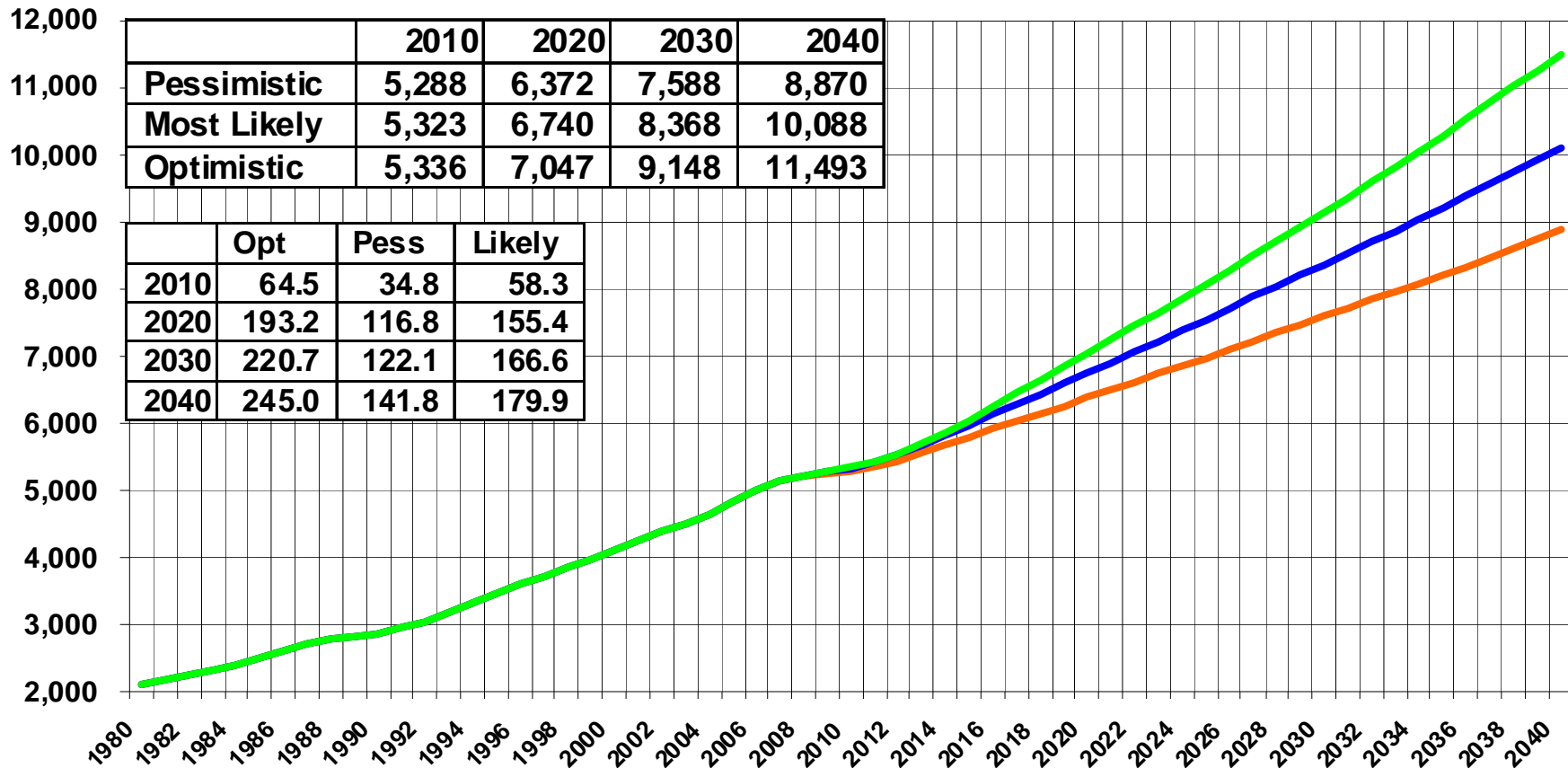
# Sun Corridor projections – population assumptions

- ◆ Birth & death rates held constant
- ◆ Hispanic & non-Hispanic demographics modeled separately
- ◆ Most population change from net migration, most of which from job growth
- ◆ Gas prices at \$4/gal by 2015, then held constant

# Sun Corridor projections – population

Population by Scenario  
Sun Corridor  
1980-2040  
(000's)

— Pessimistic — Likely — Optimistic



# Demographic highlights

- ◆ Population growth rate moderates from 3.7% annually in decade of 1990s to 1.9% in 2030s
- ◆ Hispanic population's share grows from 31.5% today to 46.4% in 2040
- ◆ Net migration flows stabilize at 100,000 per year rather than trending ever upward
- ◆ Proportion of 65+ rises from 12% to 18%

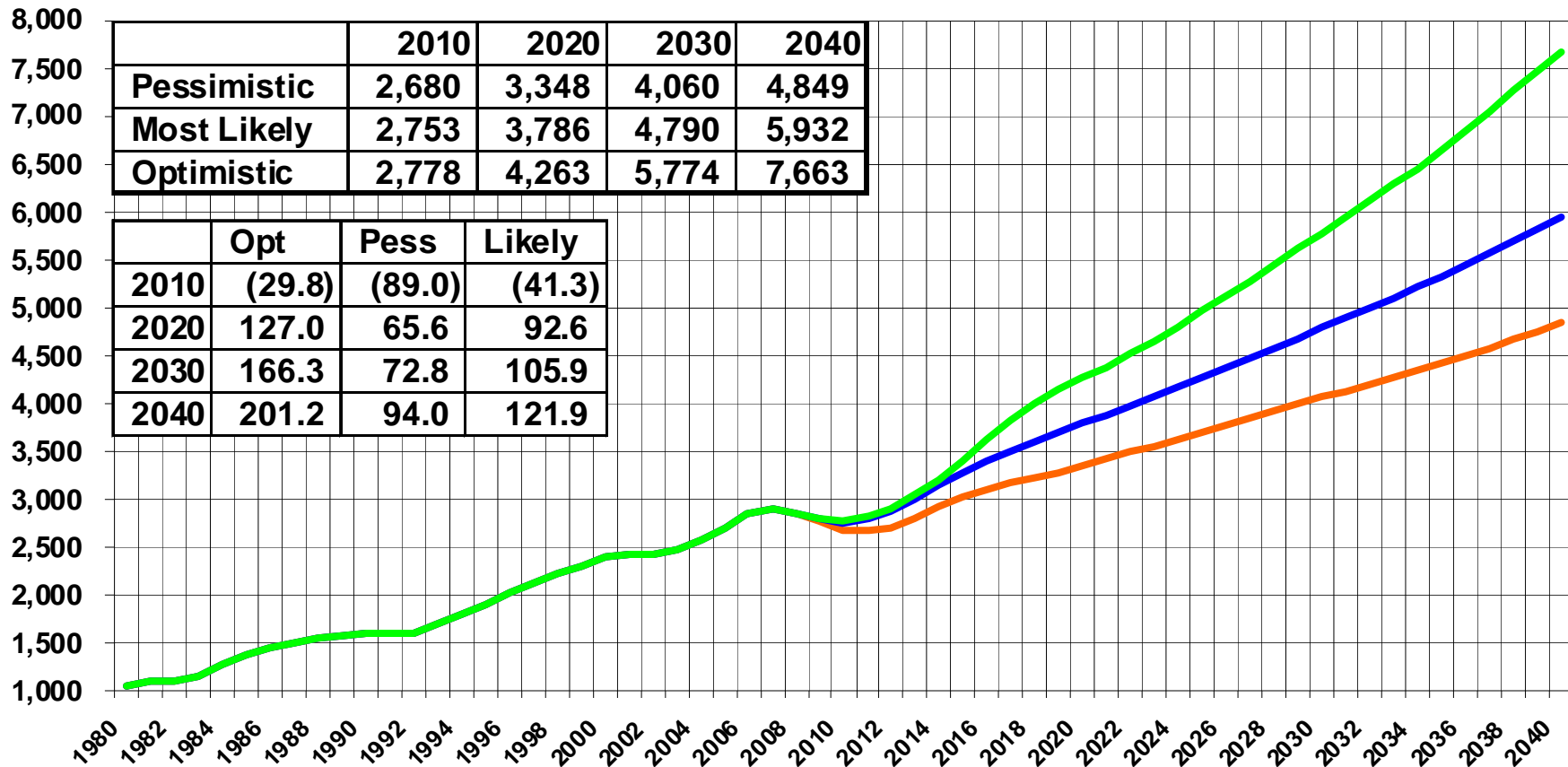
# Sun Corridor projections – economic growth assumptions

- ◆ “Most likely” scenario
  - ◆ Investment in education and infrastructure remains on a business-as-usual basis
  - ◆ Housing prices remain at half of LA
- ◆ Optimistic scenario
  - ◆ State - higher expenditures for education and infrastructure on a sustained basis
    - ◆ Better education
    - ◆ Improved workforce skills
    - ◆ Increased attraction of higher waged industries
    - ◆ Higher average wage levels & a better quality of life
  - ◆ Lower housing prices - high rate of in-migration
  - ◆ Increased economic opportunities result in lower birth rates for working aged Hispanic females
- ◆ Pessimistic scenario
  - ◆ Expenditures for education & infrastructure - inadequate to support population growth
  - ◆ Higher housing prices - slower in-migration rates

# Sun Corridor projections – jobs

Jobs by Scenario  
Sun Corridor  
1980-2040  
(000's)

— Pessimistic — Likely — Optimistic



# Projections Study- three workshops

- ◆ January workshop – Sun Corridor Region projection scenarios
- ◆ Second workshop – Development patterns across 46 market areas
- ◆ Last workshop – Draft projection scenarios for Pinal County & its market areas
- ◆ Study website:  
<http://appliedeconomics.net/caag/>



# For further information

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