

## MEMORANDUM

**TO:** Southwest Washington Regional Transportation Council Board of Directors  
**FROM:** Matt Ransom, Executive Director *MR*  
**DATE:** March 25, 2014  
**SUBJECT:** **Regional Transportation Plan – Growth Forecasts and Demographic Trends**

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**AT A GLANCE**

*The RTC Board will have the opportunity to review and discuss the new 2035 population and employment forecasts under development through Clark County's Comprehensive Growth Management Plan update process. The Board presentation will also include an in-depth look at other significant demographic trends and data that influence regional travel patterns and behavior.*

**INTRODUCTION**

Establishing household and employment growth forecasts and allocations are important steps in the RTP update process. The number and location of future households and jobs is an integral part of defining the future the plan will address. At the April RTC Board meeting, RTC staff will review the progress in developing the forecasts and allocations. While the number and location of households and employment are major factors that influence the magnitude and patterns of future travel in the region, they are not the only demographic factors that influence future travel behavior and decisions. At the Board meeting, RTC staff will also review additional national, state and county demographic trends and other socioeconomic factors that influence regional travel patterns and behavior. These will include the following: age, driver licensing, race and ethnicity, poverty, auto ownership/availability, employment sectors and commuting patterns.

**NEW POPULATION AND EMPLOYMENT FORECASTS**

Clark County is currently in the process of updating the county's Comprehensive Growth Management Plan in accordance with the state Growth Management Act (GMA). Through the county's process a new 2035 population forecast has been adopted by the Board of Clark County Commissioners (BOCC); a draft 2035 employment forecast recommendation will be discussed at a public hearing on April 1, 2014; and a final allocation of growth is expected to be completed during the early-summer.

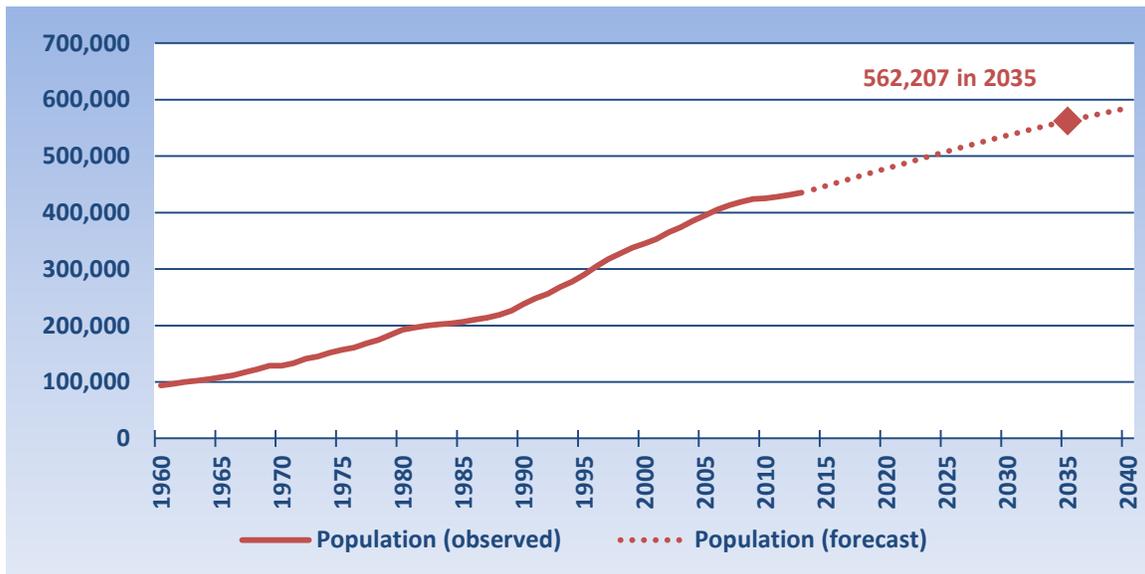
RTC staff anticipates using the growth forecast and allocation developed through the county's GMA update process as the 2035 household and employment growth scenario as the basis for the RTP update. However, further regulatory review is underway and the RTC may extend the forecast horizon to year 2040 to ensure consistency with federal transportation planning regulations and to maintain validity of the regional Transportation Improvement Program.

The current county GMA Update process has produced a BOCC adopted population forecast and a staff recommended employment forecast that will go to public hearing in April. In January, the BOCC adopted the Washington State Office of Financial Management's (OFM) most recent

medium-range 2035 population projection for Clark County, 562,207 persons, as the county’s official population projection for the GMA update (Figure 1). This represents an average annual growth rate of about 1.1%.

**Figure 1: Clark County Population 1960 to 2040 – Observed and Adopted GMA Forecast**

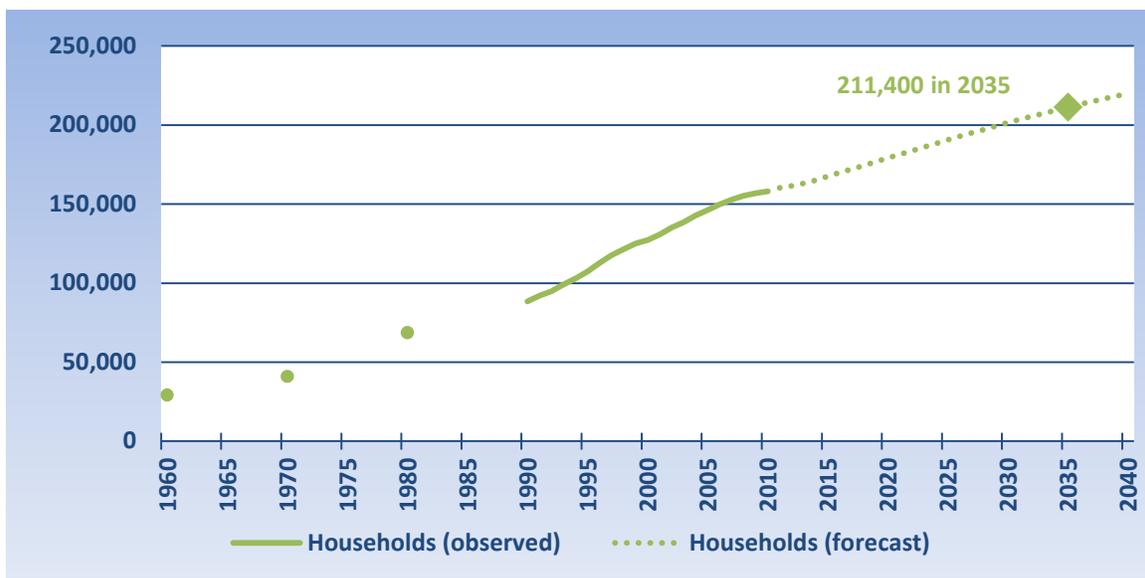
(Sources: US Census and Washington State OFM)



Using the current GMA planning assumption of 2.66 persons per household in 2035, there would be an estimated 211,400 households residing in the county in 2035 (Figure 2).

**Figure 2: Clark County Households 1960 to 2040 – Observed and GMA Forecast**

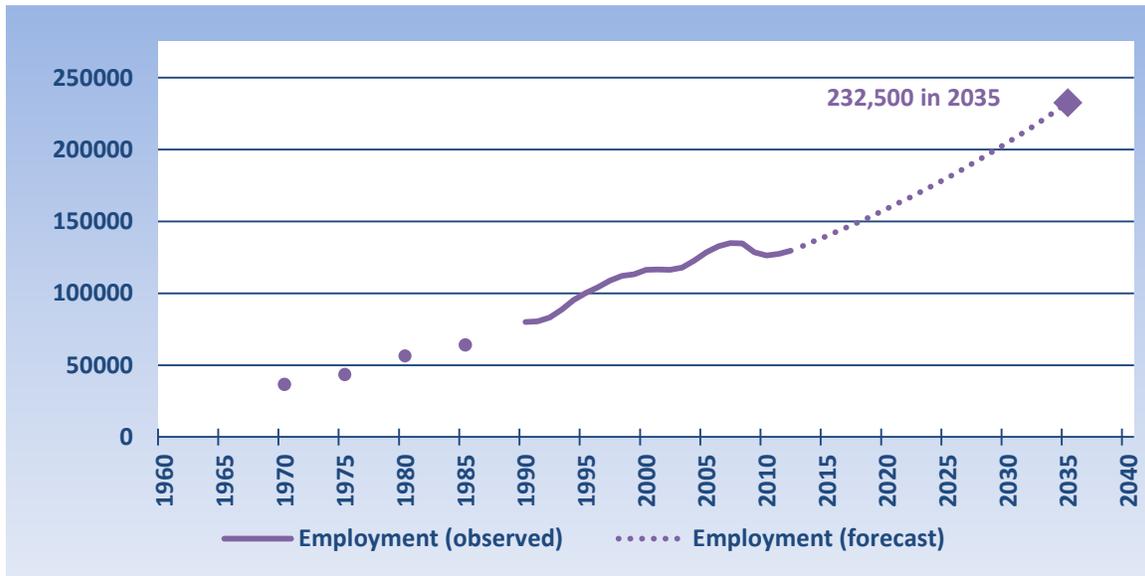
(Sources: US Census and Washington State OFM)



Clark County staff has developed a recommended 2035 employment forecast of 232,500 total non-farm jobs using the adopted OFM population forecast; the forecasted age distribution; expected future workforce participation rates; and range of possible jobs to households scenarios for the county (Figure 3).

**Figure 3: Clark County Non-Farm Employment 1960 to 2040 – Observed and Draft GMA Forecast**

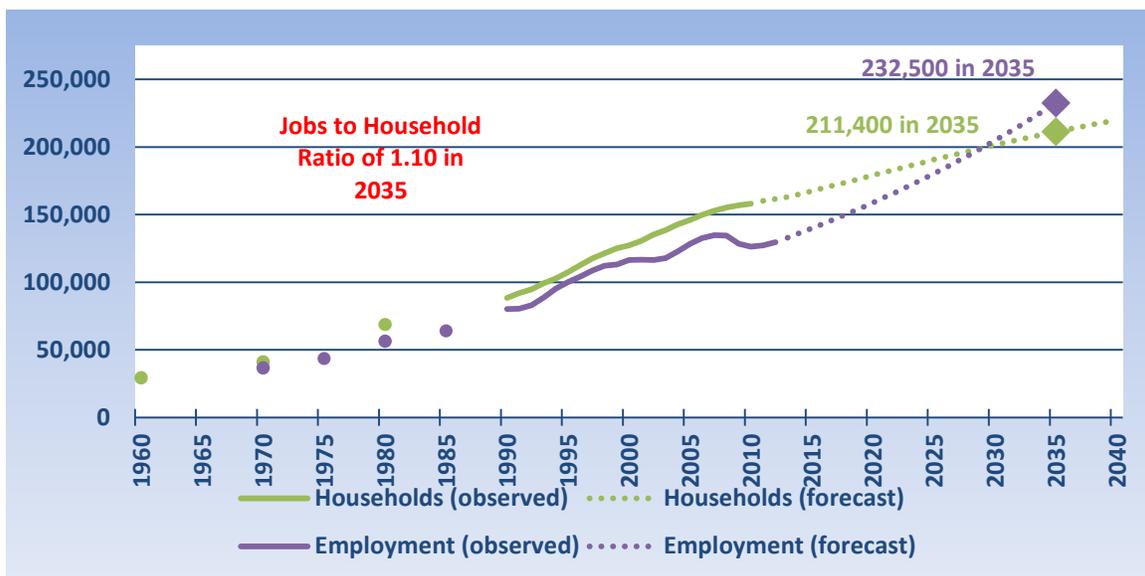
(Sources: U.S. Bureau of Economic Analysis and Washington ESD)



This would result in a 1.1 jobs to household ratio in 2035 and represents an average annual growth rate of about 2.58% (Figure 4).

**Figure 4: Clark County Household and Employment 1960 to 2040 – Observed and Draft GMA Forecast**

(Sources: US Census, Washington State OFM, US Bureau of Economic Analysis and Washington ESD)



## **CURRENT RTP GROWTH FORECAST**

The current RTP, adopted by the RTC Board in December of 2011, has a horizon year of 2035. The forecast and allocation was developed in early 2011 in partnership with RTC's member jurisdictions. The principles guiding the forecast and allocation process included the following:

- Maintain consistency with adopted GMA plans and current land use designations
- Incorporate official state population forecasts from OFM
- Consider long-term industry employment projections from ESD
- Account for the impacts of the recent economic recession
- Consider region-wide econometric assumptions developed by Metro
- Use the adopted MTP 2030 forecast and allocation as the starting point

That effort resulted in the current Plan's 2035 household forecast of 248,750 (representing 641,800 people) with and an employment forecast of 256,200 jobs. The household and employment allocation was based on the Comprehensive Growth Management Plan for Clark County (update adopted September 2007).

The new population and employment forecasts developed through the county's GMA update process represent a departure from the forecasts utilized in RTC's current Plan. RTC staff anticipated that changing growth trends, along with the effects of the recent recession, would dampen growth forecasts and utilized a set of more moderate forecasts during the 2013 RTP Capital Facilities Review process. That review work used same OFM medium population forecast of 562,207 that the BOCC adopted as the 2035 population growth forecast for the GMA update and an employment forecast of 207,700.

## **DEMOGRAPHIC TRENDS**

Beyond looking at the population and employment growth forecasts, RTC staff will present information and data on significant demographic trends and other socioeconomic factors that influence regional travel patterns and behavior.