SEMCOG 2050
Regional Development Forecast

Presentation to SEMCOG Executive Committee

February 24, 2023

Recent economic changes

- Pandemic
- Deep recession
- Rapid recovery
- Labor market liftoff
- Over heating
- Excess demand meets constrained supply
- Persistent inflation
- The new normal
- Is the new normal really normal?



Purpose of Regional Forecast

To Understand Southeast Michigan's future

- Economy, Labor Force, and Industry Diversification
- Demographics, Shift in Population Dynamics (age, gender, race)
- Households by Lifecycle (size, children, workers)

The Base for Regional and Local Planning

- Spans 30 years into the future for infrastructure planning
- Provides additional data, such as household vehicle availability
- Knowing where households and jobs will locate helps us understand where to plan future infrastructure improvements

2050 Regional Forecast Key Messages

- Modest growth in the next 30 years:
  - Population: +315,000, or 6.4%
  - Employment: +265,000, or 9.0%
  - Labor force: +169,000, or 7.0%
- Aging population leads to labor shortage
- Alternative forecasts show:
  - Downside risk of reduced immigration
  - Auto manufacturing critically important
  - Continue to diversify economy
  - Leverage strength in knowledge-based industries

Capturing planned development



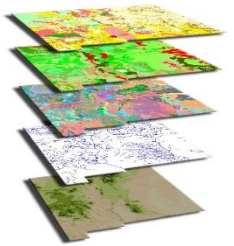








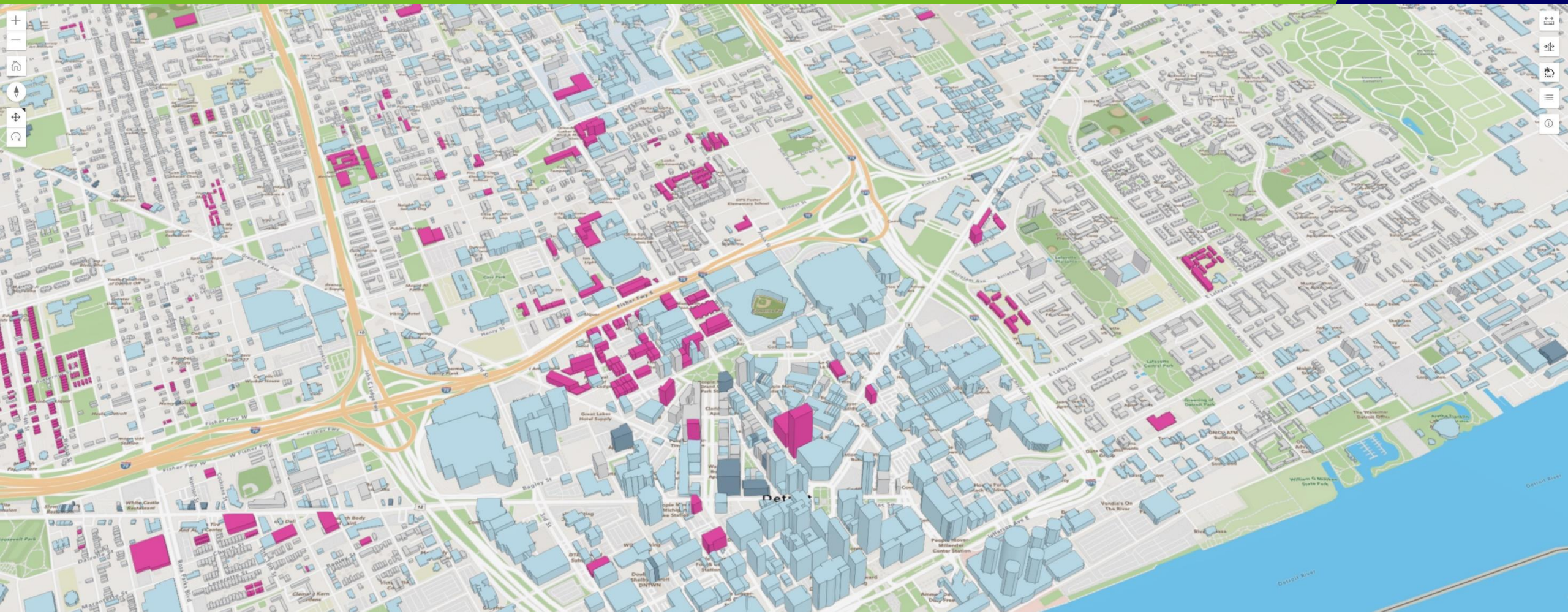




	Community Outreach	Site Plans	Planned Construction	Housing Units	Institutional Units	Nonresidential Job Space	Acres Developed
2050 Forecast	**149** Community Meetings **+326%**	**830** Plans Collected **+335%**	**40,546** Planned Buildings **+6.2%**	**84,367** Units to be Constructed **+19.4%**	**8,613** Group Quarters Rooms **+12.1%**	**102.9 MM** Nonresidential Square Feet **+9.5%**	**41,282** Vacant Acres Developed **+24.4%**
2045 Forecast	**35** Community Meetings	**191** Plans Collected	**38,190** Planned Buildings	**70,632** Units to be Constructed	**7,684** Group Quarters Rooms	**94 MM** Nonresidential Square Feet	**33,182** Vacant Acres Developed

Planned development covers first 15 years of a forecast.

Planned Development in Southeast Michigan



Developing the Local Forecast

- Collect data on person, household, and job characteristics from national and state data sets (e.g., U.S. Census, Data Axle)
- Add local data on the current and planned development of land parcels and buildings (e.g., Site Plans, Master Plans)
- Add data on travel characteristics, access to core services, and other development drivers
- Add data on environmental constraints (e.g., flood prone areas, wetlands, underground storage tanks)
- Input the data into an urban simulation model named UrbanSim

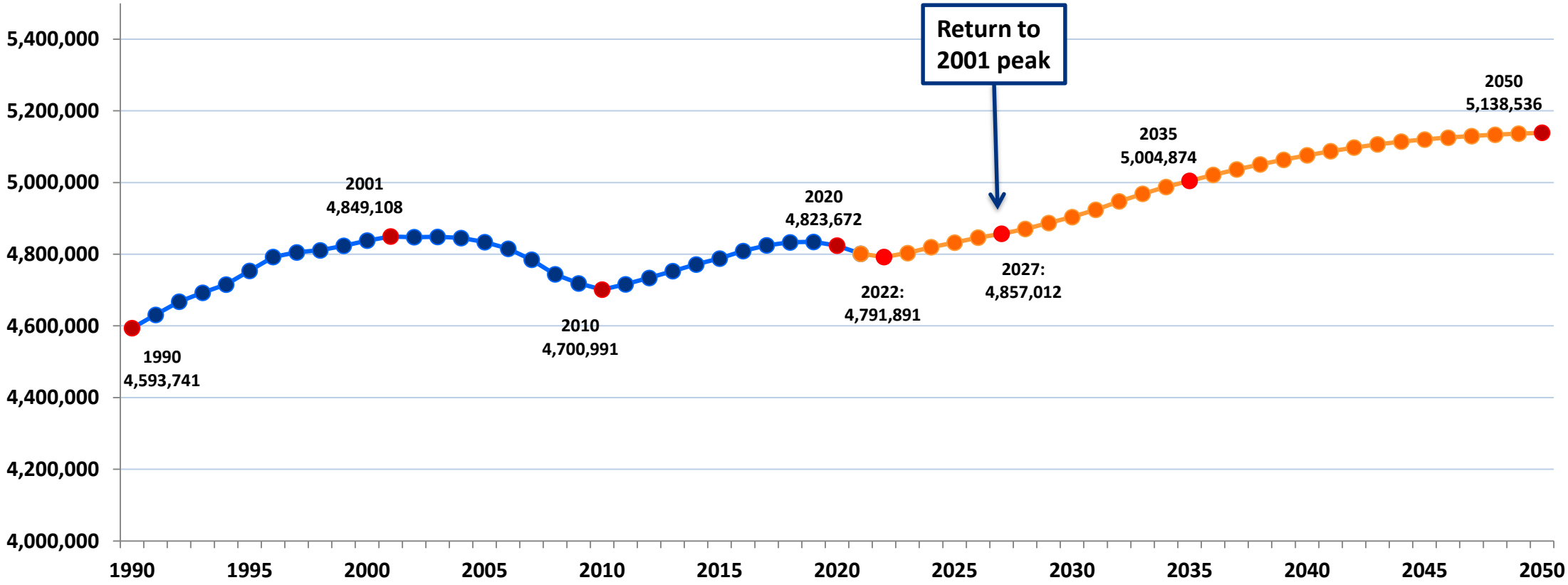
2050 Forecast Community Stakeholder's Meetings

- Three stakeholder meetings were held the week of January 9th, 2023.
- Meetings were hosted by our members Brownstown Twp, Green Oak Twp, and Sterling Heights.
- Draft community forecast was presented to nearly 100 community stakeholders.
- The draft was also emailed to each community
- Communities had until the end of January to provide comments and feedback on the draft

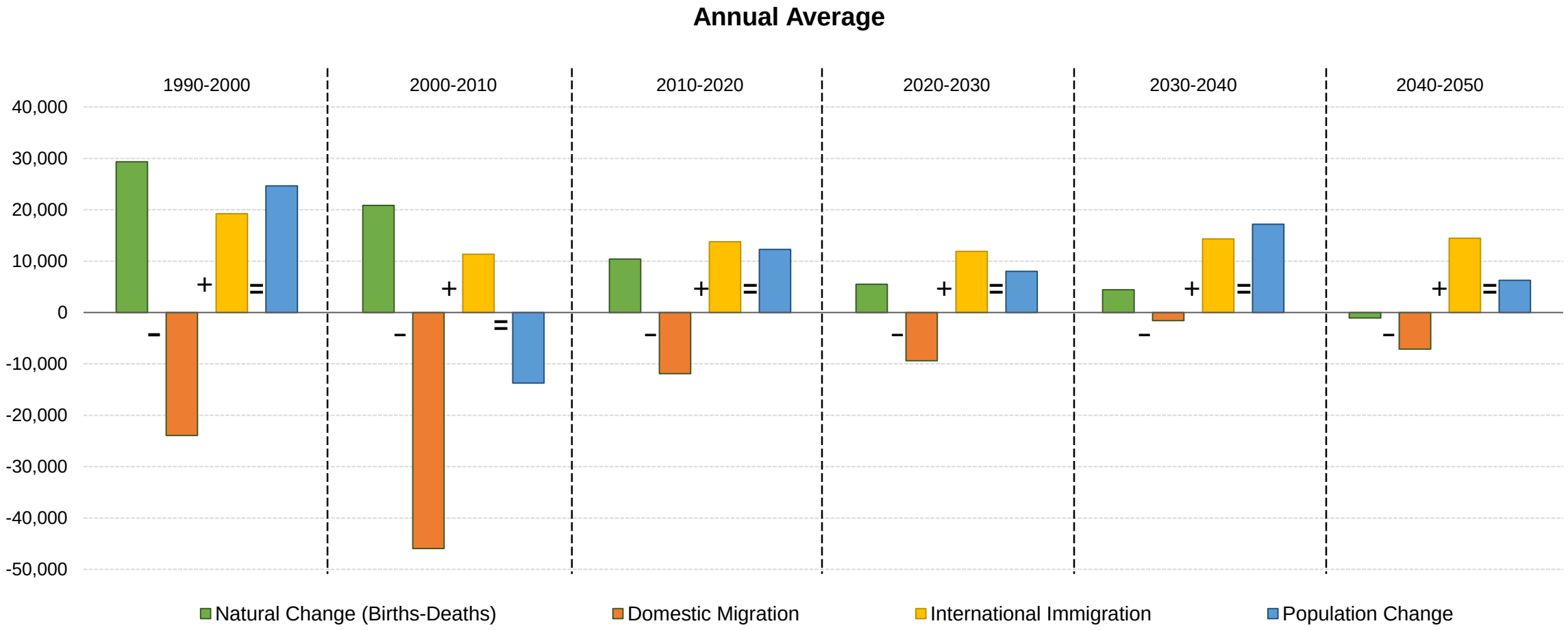


Demographic Forecast

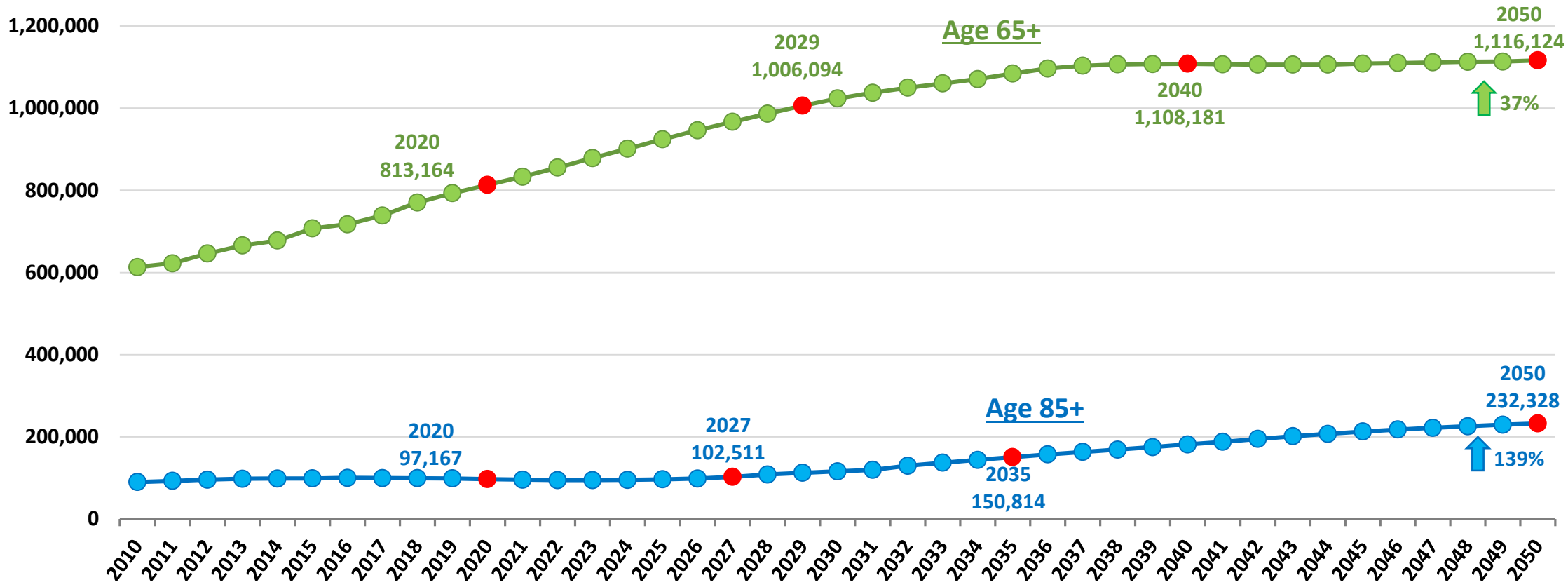
Modest Population Growth



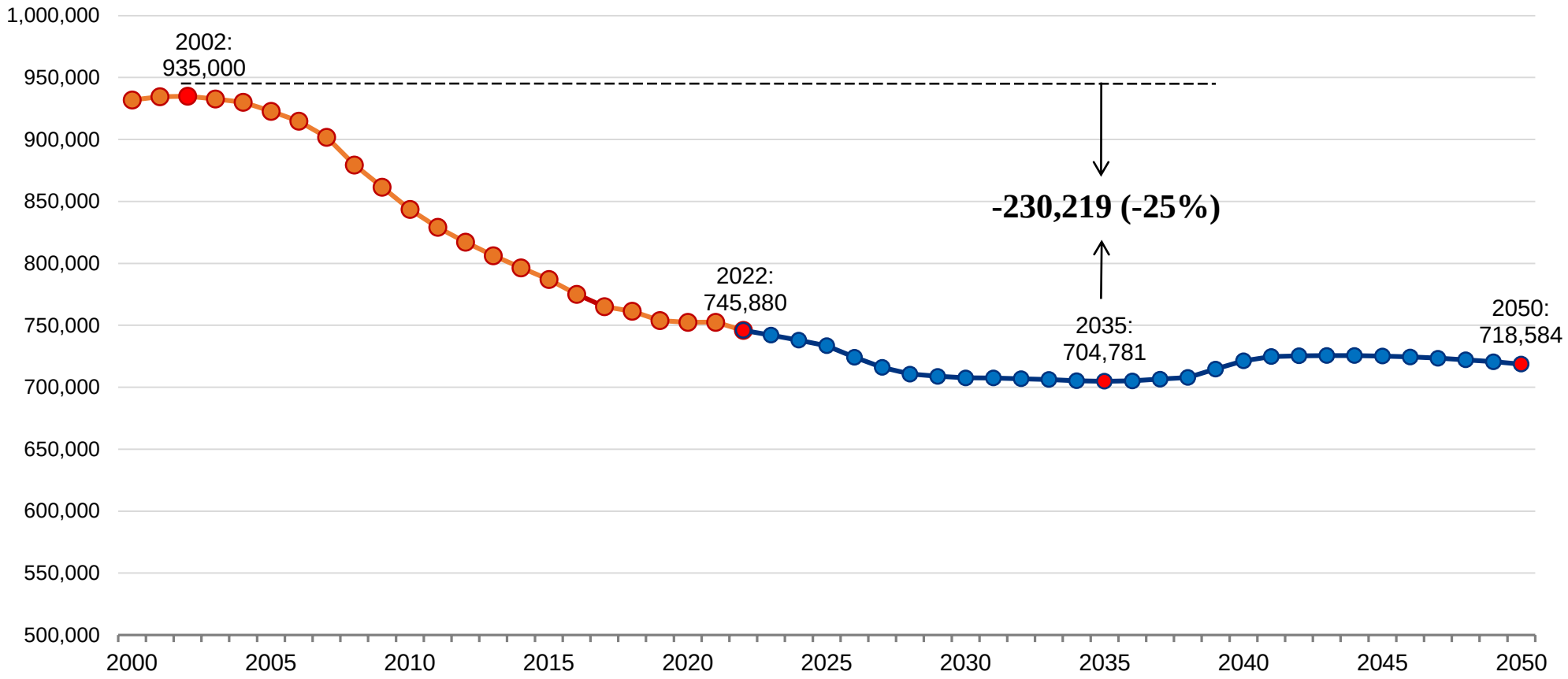
Demographic Components Driving Population Growth



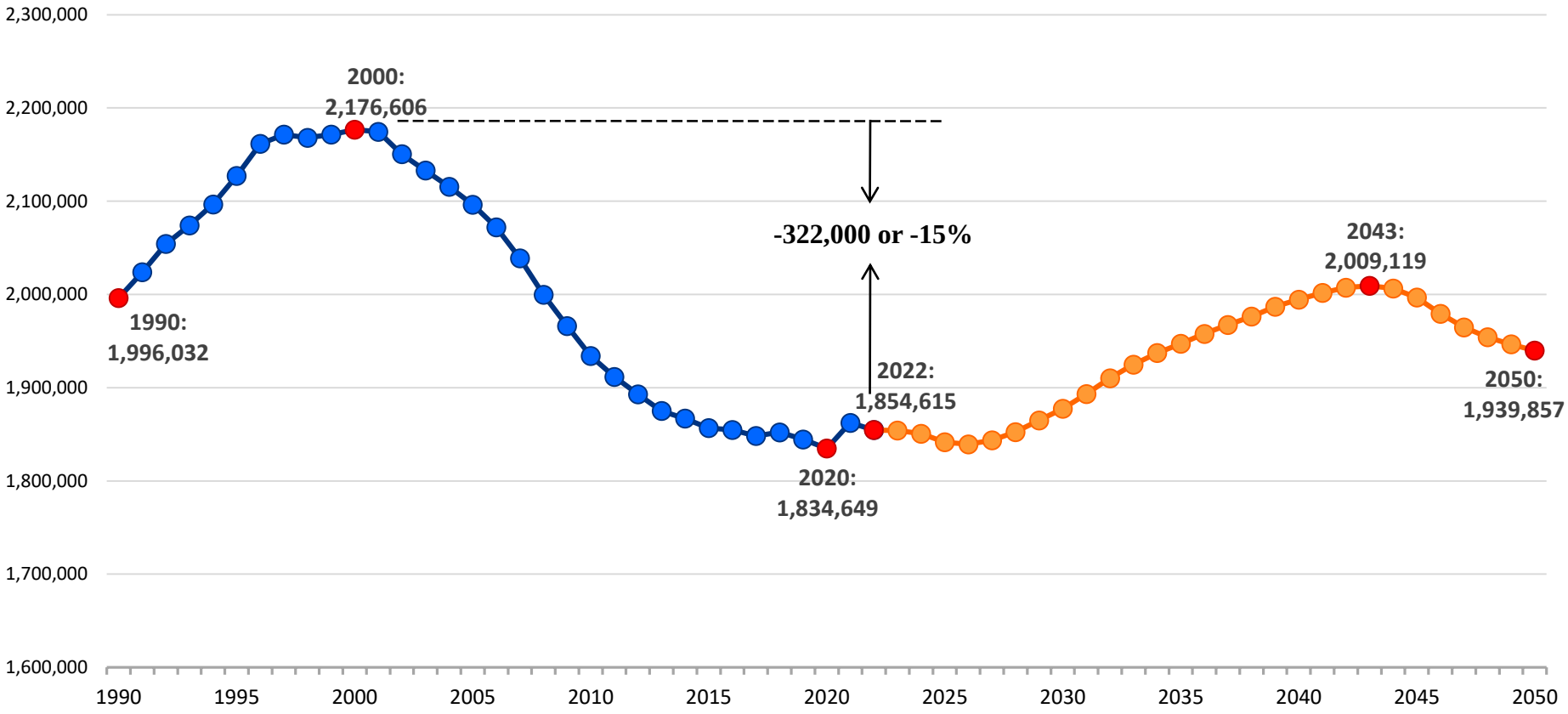
Rapid Growth of Senior Population



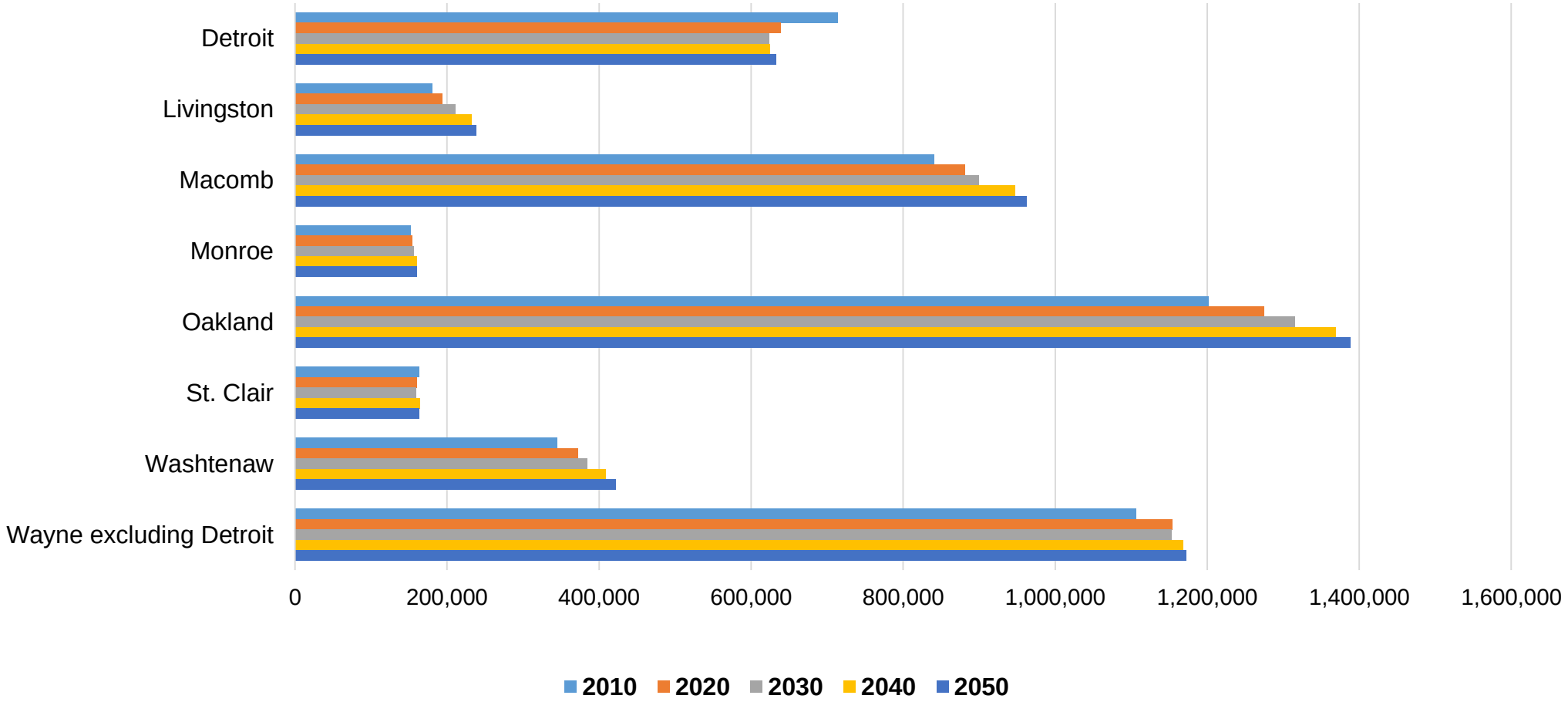
Declining School Age Population (Ages 5-17)



Reduced Working Age Population (Ages 25-54)

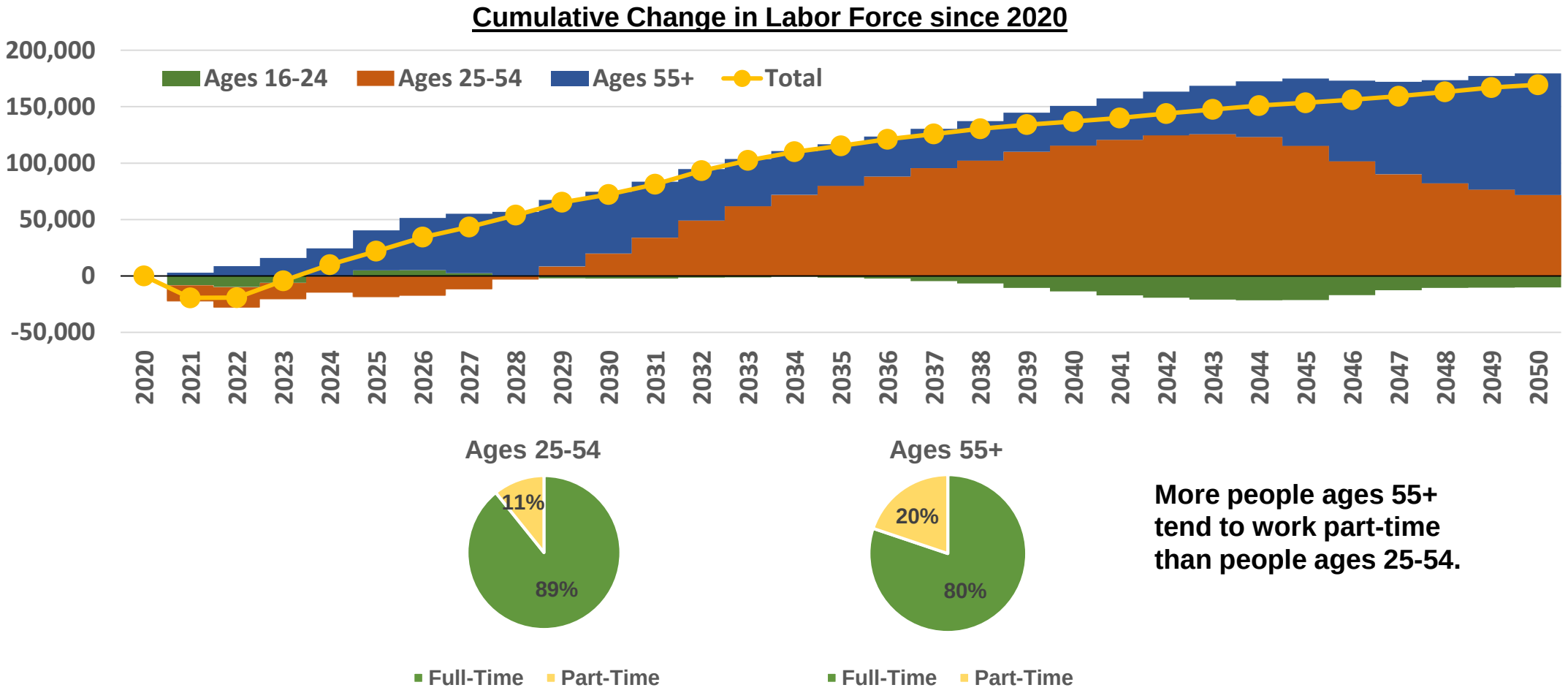


Population by County and City of Detroit, 2010-2050



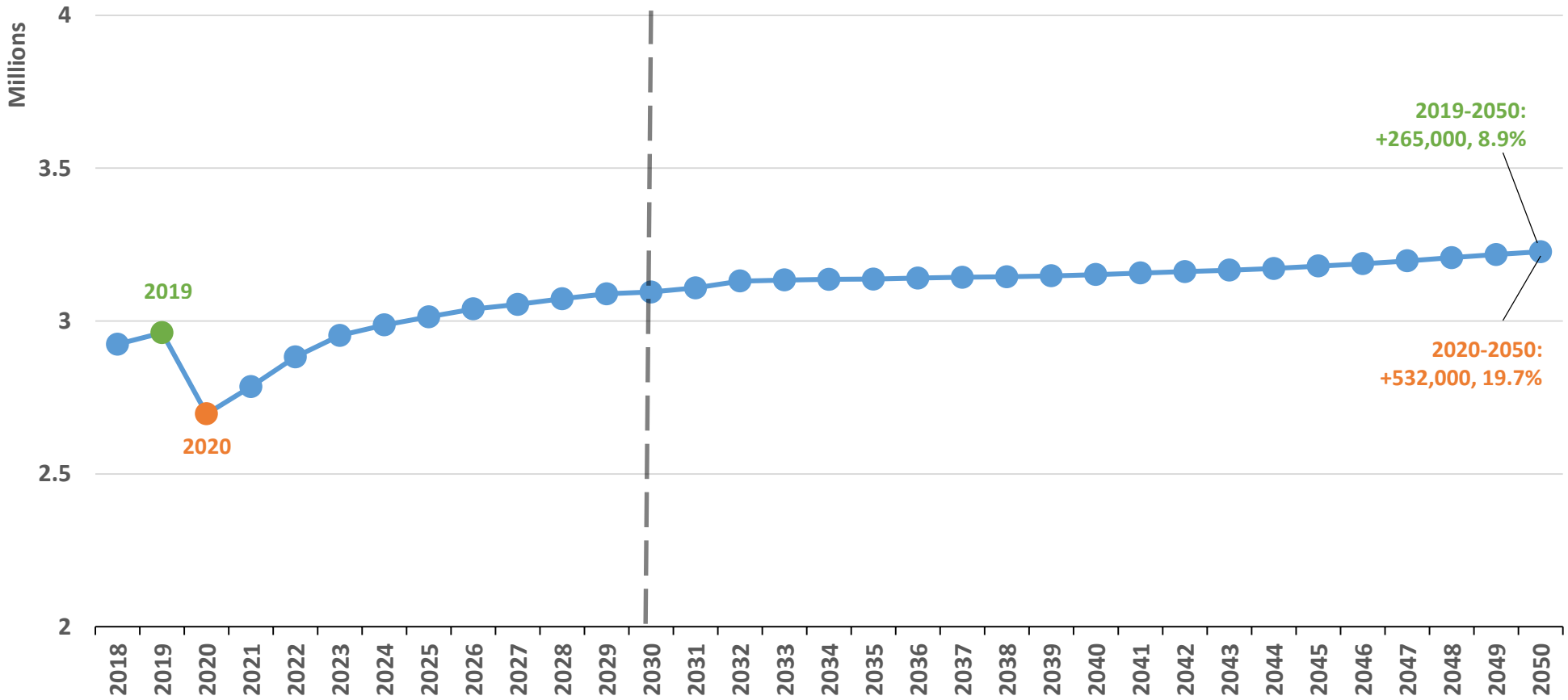
Employment Forecast

Labor Shortages (Especially for Full-Time Jobs)

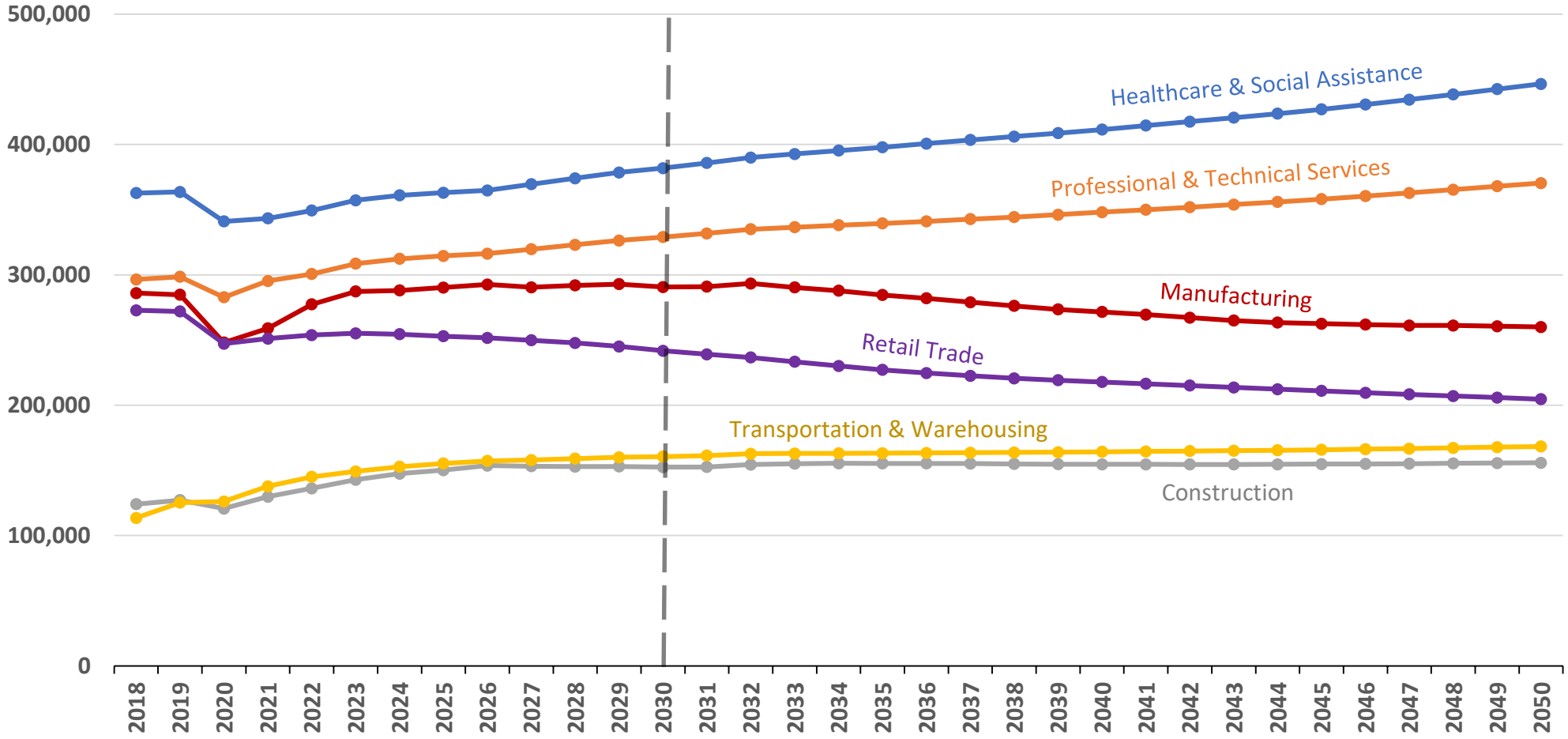


More people ages 55+ tend to work part-time than people ages 25-54.

Total Employment Growth

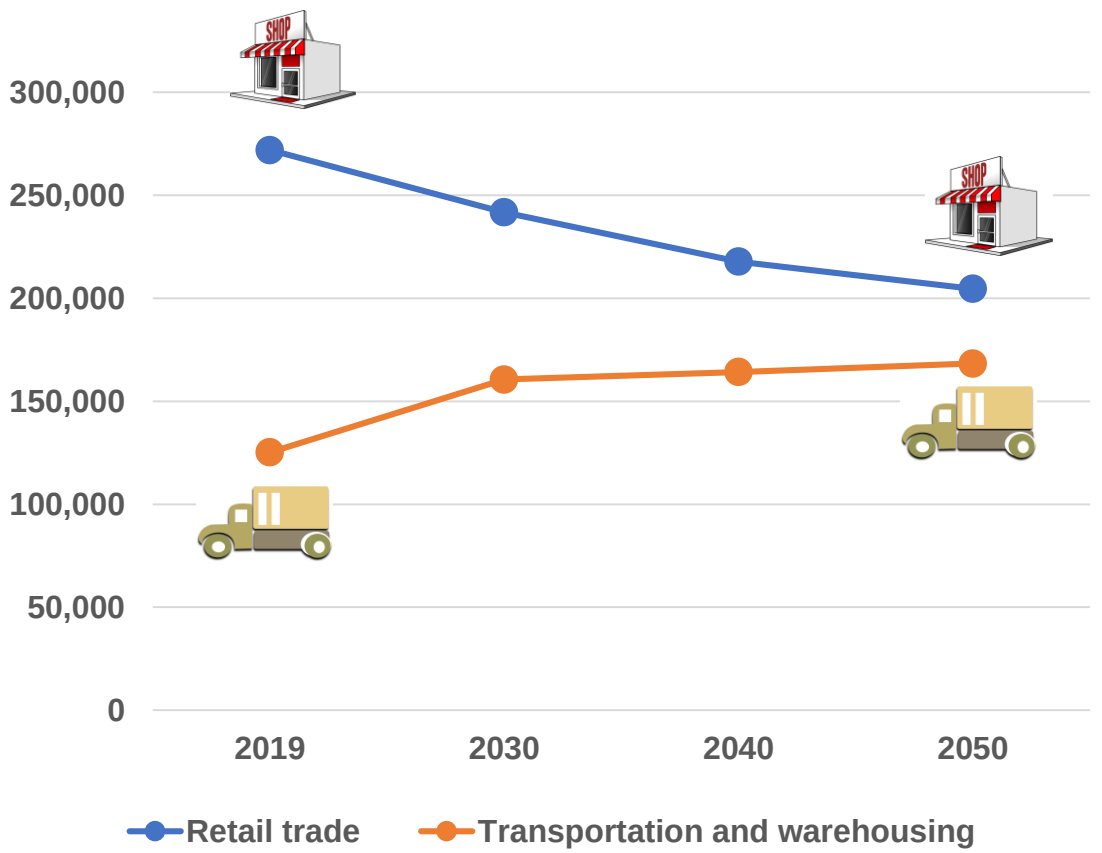


Employment by Major Job Sector

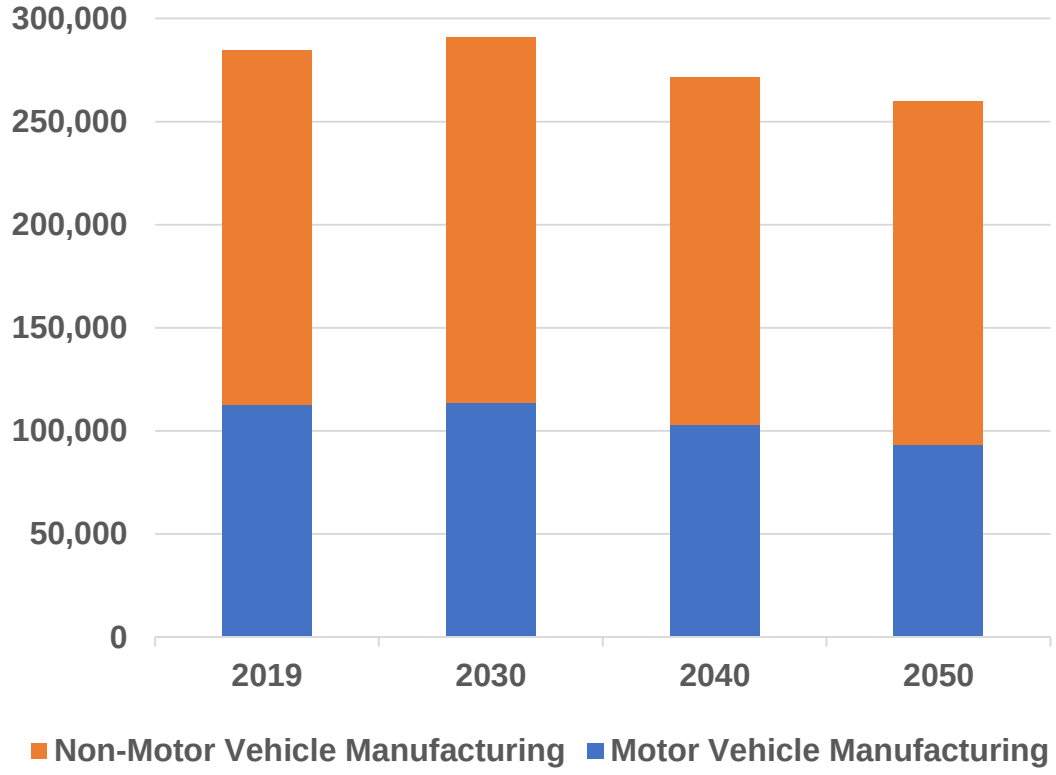


Shifts in Employment Sectors

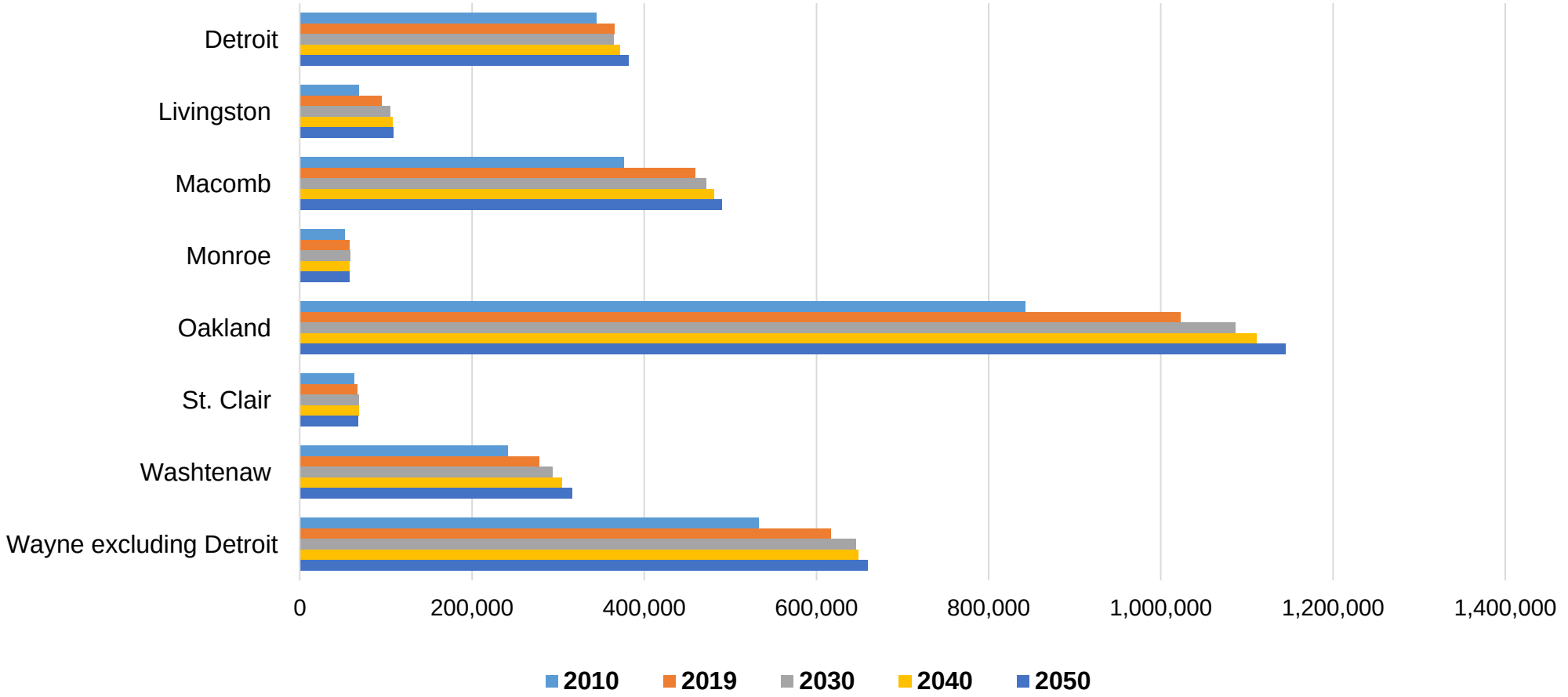
Retail Declines, Transportation & Warehousing Grows



Manufacturing Jobs are Steady Through 2030, then Decline



Employment by County and City of Detroit, 2010-2050



2050 Forecast Next Steps

- County and Community Forecast:
  - Adoption of totals by General Assembly on March 23, 2023
  - Distributions (pop by age group, etc.) released shortly after GA adoption through SEMCOG's new 2050 Forecast Explorer interactive map
  - Final report completed in summer 2023
- Transportation Analysis Zone Forecast:
  - Forecast numbers for the 2,811 zones used in travel demand modeling and transportation planning to be completed by June 30, 2023
- School District Forecast (Summer 2023)
- Forecast by Legislative Districts and Watersheds (Fall 2023)