Plan Bay Area 2050+

DEIR, Table 2-14: Regional Growth Forecast of Population, Employment, Households, and Housing Units

<u>Summary:</u> The growth forecasts rely on assumptions that diverge significantly from current demographic trends and widely used modeling approaches.

<u>Action</u>: The MTC/ABAG governing boards should direct staff to fully explain and, if necessary, correct, the discrepancy between MTC's projected 24% population increase from 2020–2050 and the California Department of Finance Demographic Research Unit (DRU) projection of only 6.5%.

Table 2-14: Regional Growth Forecast of Population, Employment, Households, and Housing Units				
	Regional Growth Forecast			
	2020	**2035**	**2050**	**Change 2020 to 2050**	**Change 2020 to 2050 (%)**
Population	7,749,000	8,476,000	9,586,000	1,837,000	24%
Employment	4,025,000	4,855,000	5,436,000	1,411,000	35%
Households	2,798,000	3,312,000	3,796,000	998,000	36%
Housing Units	2,875,000	3,486,000	3,996,000	1,121,000	39%

Notes: Whole numbers have been rounded to the nearest 1,000.
Source: Data provided by MTC and ABAG in 2025; compiled by Ascent in 2025.

DRU population projections

Region	Actual 2000	Actual 2025	Forecast 2050	% Change 2000 - 2025	% Change 2025 - 2050	% decrease in Chg.
Alameda	1,457,185	1,662,482	1,840,752	14.1%	10.7%	-23.9%
Contra Costa	962,076	1,158,225	1,359,291	20.4%	17.4%	-14.9%
Marin	247,590	254,550	245,637	2.8%	-3.5%	-224.6%
Napa	125,396	136,124	142,654	8.6%	4.8%	-43.9%
San Francisco	780,614	842,027	854,332	7.9%	1.5%	-81.4%
San Mateo	707,965	748,337	764,168	5.7%	2.1%	-62.9%
Santa Clara	1,690,366	1,922,259	1,957,725	13.7%	1.8%	-86.6%
Solano	399,476	449,839	506,056	12.6%	12.5%	-0.9%
Sonoma	462,958	482,848	479,201	4.3%	-0.8%	-117.6%
Bay Area	6,833,626	7,656,691	8,149,816	12.0%	6.4%	-46.5%
California (ex. B.A.)	27,423,163	31,872,410	32,669,262	16.2%	2.5%	-84.6%

Actual figures are as of January 1st of a given year. Forecast figures are as of July 1st of a given year. Source: "ABAG's Bay Area Population Projections Are Way Too High", Gaetan Lion, *Medium.com.* (Article)

https://dof.ca.gov/forecasting/demographics/projections/

Observations & Questions:

1. **Population Growth Assumptions**: MTC staff project an increase of 1.8 million residents between 2020 and 2050 (24% growth), almost four times the Department of Finance projection of 6.5% for the Bay Area. What accounts for this divergence?

2. **Reliability of Linked Forecasts**: If population projections are inflated and unsupported, what tools, calibration data, and validation checks were used to ensure accuracy of the other forecasts:
    • employment (+35%)**,**
    • household formation (+36%)**, and**
    • housing unit growth (+39%)

3. **Relationship to the BIA Settlement:** DEIR Table 1.1 outlines components of the Building Industry Association (BIA) settlement agreement. The settlement seems to impose industry-specific obligations that may influence forecast assumptions and methodology.
    *   What is the relationship between those obligations and the requirements of the Regional Housing Needs Allocation (RHNA)?
    *   To what extent do industry-driven commitments influence or constrain regional demographic and housing forecasts?

Why this matters: Inflated and unrealistic growth assumptions may undermine public trust, misdirect resources, and result in unrealistic planning for housing, transportation, the economy, and the environment.

Resource Materials:

*   https://catalystsca.org/wp-content/uploads/2025/11/DOF_DRU_Population_Projections_9_County_Area.xlsx
*   https://dof.ca.gov/forecasting/demographics/projections/
*   https://medium.com/@gaetanlion/abags-bay-area-population-projections-are-way-too-high-8ac2c861fc2e