

# Appendix C: AMBAG Population and Employment Trends and Projections

The Association of Monterey Bay Area Governments (AMBAG) is, according to their website, “a Joint Powers Authority (JPA) governed by a twenty-four member Board of Directors comprised of elected officials from each City and County within the region. The AMBAG region includes Monterey, San Benito and Santa Cruz County. AMBAG serves as both a federally designated Metropolitan Planning Organization (MPO) and Council of Governments (COG). AMBAG performs metropolitan level transportation planning on behalf of the region. Among its many duties, AMBAG manages the region’s transportation demand model and prepares regional housing, population and employment forecast that are utilized in a variety of regional plans. In 2008, the State of California adopted legislation that required all MPOs, including AMBAG, to prepare “Sustainable Community Strategies” (SCS), which were to incorporate policies for future land use and transportation patterns and public transportation funding investments that would lead to reduction in greenhouse gas (GHG) emissions. AMBAG has recently adopted the 2035 SCS for this region (called “Moving

Forward Monterey Bay”) in conjunction with the 2035 Metropolitan Transportation Plan (MTP), and both documents together present strategies for where future housing and jobs can be located, in coordination with transportation improvements, to offer shorter commutes and reduced GHG emissions in the future. In the long term, these shifts can act to slow down potentially adverse effects of climate change on our region, while providing additional benefits for quality of life in urban areas.

## POPULATION

AMBAG published its Draft SCS/MTP for public review and comment in February 2014, along with the Regional Housing Fair Share Plan for the next Housing Element Update cycle. These documents and projections were adopted in June 2014, including the following breakdown of statewide forecasts of population, housing units, and jobs through 2035 (Table C-1).

## HOUSING UNITS

For the whole of the unincorporated county area (“Balance of County”), the forecast is for the following levels of population and housing unit growth from 2010 to 2035 (Table C-2):

- Population +14,488 persons
- Housing Units + 5,388 units

## EMPLOYMENT

For the whole of the unincorporated county area (“Balance of County”), AMBAG has projected the following levels of job growth from 2010 to 2025, and then from 2025 to 2035, by industry sector (Table C-3).

**TABLE C-1 POPULATION**

<b>Geography</b>	<b>2010</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>Compound Annual Growth Rate</b>	<b>Change Over Forecast Period</b>
Santa Cruz County	262,382	279,381	287,512	298,095	308,582	0.65%	17.61%
Capitola	9,918	9,119	9,427	9,758	10,088	0.07%	1.71%
Santa Cruz	59,946	66,860	70,058	73,375	76,692	0.99%	27.94%
Scotts Valley	11,580	11,638	11,696	11,754	11,813	0.08%	2.01%
Watsonville	51,199	59,446	61,452	63,607	65,762	1.01%	28.44%
Balance of County	129,739	132,318	134,879	139,601	144,227	0.42%	11.17%

**TABLE C-2 HOUSING UNITS**

<b>Geography</b>	<b>2010</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>Compound Annual Growth Rate</b>	<b>Change Over Forecast Period</b>
Santa Cruz County	104,476	111,039	113,168	117,151	120,196	0.56%	15.05%
Capitola	5,534	5,534	5,534	5,537	5,553	0.01%	0.34%
Santa Cruz	23,316	26,890	27,547	28,297	29,355	0.93%	25.90%
Scotts Valley	4,610	4,655	4,692	4,771	4,785	0.15%	3.80%
Watsonville	14,089	16,382	16,933	17,733	18,188	1.03%	29.09%
Balance of County	56,927	57,578	58,462	60,813	62,3315	0.36%	9.46%

**TABLE C-3 SUMMARY OF AMBAG 2010-2035 JOB GROWTH PROJECTIONS FOR UNINCORPORATED COUNTY AREA**

<b>Industry Sector</b>	<b>Job Growth 2010-2025</b>	<b>Job Growth 2025-2035</b>	<b>Total 2010-2035</b>
Agriculture	+236	+101	+337
Construction	+522	+65	+587
Industrial	+48	-17	+31
Retail	+61	+19	+80
Service	+230	+51	+281
Public	+3,299	+1,504	+4,803
<b>Totals</b>	<b>+4,396</b>	<b>+1,757</b>	<b>+6,153</b>

Note: Detailed charts of job growth projections by jurisdiction and by sector are presented on pages that follow.

## AMBAG REGIONAL FAIR SHARE HOUSING ALLOCATION (RHNA) 2014-2023 FOR UNINCORPORATED AREA

The Regional Housing Need Allocation (RHNA), to be addressed by the next Housing Element Update that must be adopted by December 2015, is only for a portion of the 25-year SCS/MTP forecast timeframe. The time period for the RHNA/Housing Element covers 10 years, from January 1, 2014 through December 31, 2023.

The proposed 2014-2023 RHNA for the unincorporated Santa Cruz area is 1,314 housing units, targeted to income levels as shown below. Santa Cruz County must adopt a Housing Element, and demonstrate with the General Plan and zoning code that land is available to accommodate the following numbers of housing units, in a manner that will make them

affordable to households at various income levels. The “very low” income category will also address housing for extremely low income households (Table C-4).

The RHNA reflects forecasted growth of housing units at an average of 131 units per year over the 10-year timeframe. The AMBAG SCS reflects forecasted growth of housing units at an average of 215 units per year over 25-year timeframe. The variance between the two numbers stems from both the methodology used to derive them as well as their purpose in the regulatory landscape. The RHNA represents a bare minimum regulatory requirement, while the SCS forecast functions more as an ‘FYI’ for local jurisdictions. Both numbers are within the ranges of building permits issued over the 35-year history of the County’s Measure J growth management system.

**TABLE C-4 INCOME LEVELS**

<b>Income Level</b>	<b>Number of Units (2014-2023)</b>
Very Low	317
Low	207
Moderate	240
Above Moderate	550
<b>Total</b>	<b>1,314</b>