

4.2 POPULATION & HOUSING

4.2.1 ENVIRONMENTAL SETTING

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REGIONAL SETTING

Santa Cruz is the largest city within Santa Cruz County in terms of population, followed by Watsonville, Scotts Valley and Capitola. The City's current population represents approximately 22% of the total County population, and it also accommodates approximately 22% of the County's total housing stock (California Department of Finance, May 2008). According to AMBAG data, the City provides 20% of the jobs found within the County (AMBAG, June 11, 2008a).

REGULATORY SETTING

Regional Population, Housing and Employment Forecasts

There are no federal, state or local agency regulations regarding population. The Association of Monterey Bay Area Governments (AMBAG) prepares and updates population, housing and employment forecasts for the Monterey Bay region, which includes Santa Cruz, Monterey and San Benito Counties. These forecasts are used in other regional planning efforts, including but not limited to, air quality management plans and housing elements.

California Housing Element Requirements

Pursuant to State law (Government Code section 65580 et seq.), each city and county must prepare and adopt a Housing Element in its General Plan. The Housing Element must identify and analyze existing and projected housing needs and prepare goals, policies, programs and quantified objectives to further the development, improvement, and preservation of housing. Unlike other elements of the General Plan, Housing Elements are mandated by State law to be prepared for seven-year intervals (formerly 5-year intervals) and must include quantified objectives to meet identified housing needs.

State law requires that the housing element:

- ❑ Identify adequate sites to facilitate and encourage housing for households of all economic levels, including persons with disabilities;
- ❑ Remove, as legally feasible and appropriate, governmental constraints to housing production, maintenance, and improvement;
- ❑ Assist in the development of adequate housing for low and moderate income households;
- ❑ Conserve and improve the condition of housing, including existing affordable housing; and
- ❑ Promote housing opportunities for all persons.

The City's current Housing Element, which covers the period from 2007 to 2014, was updated and adopted in 2010 with final approval by the State and adoption by the City in 2011. It sets forth goals, policies, quantified objectives and programs for the production, rehabilitation and conservation of housing, and addresses affordable housing and special housing needs. The Housing Element includes objectives to construct 672 new housing units, rehabilitate 50-75 housing units for low income households, and conserve 594 affordable housing units between the years 2007 and 2014. The Housing Element indicates that the above housing production goal has almost been met by housing units constructed and approved since January 2007, except 170 additional housing units are needed for extremely low, low and moderate income households to fully meet the above housing production objectives once constructed and approved units are considered.

Regional Housing Needs Allocation

Housing Elements must also describe programs for meeting its "fair share" of regional housing needs based on seven-year projections developed by the State and AMBAG. The State of California requires the Department of Housing and Community Development (HCD) to identify housing needs for each region of the State in response to projected population and household, and state law (Government Code 65584) further mandates that each Council of Governments (COG) distribute the regional housing needs allocation (as determined by the State) to each jurisdiction within the COG's region. AMBAG is the COG charged with overseeing the Regional Housing Needs Allocation (RHNA) process for jurisdictions in Monterey and Santa Cruz counties, and is responsible for determining the "fair share" of regional housing need for each jurisdiction in Monterey and Santa Cruz counties (AMBAG, June 11, 2008b).

City of Santa Cruz Affordable Housing Provisions

The requirements provision of affordable housing to moderate, low or very-low income households as a part of new residential development are included in the City's Municipal Code, Chapter 24.16 – "Affordable Housing Provisions." The purpose of the inclusionary housing requirements is to enhance the public welfare by adopting policies to utilize remaining developable land in the city in a manner consistent with state and local housing policies and needs, meet the city's share of regional housing needs, implement the housing element's goals and objectives, improve the feasibility of rental housing development, assure compatibility

between market rate units and inclusionary units, and make housing available for households of all income levels. Chapter 24.16 also addresses accessory dwelling units, density bonuses for residential units, and fee waiver for affordable units.

POPULATION TRENDS & FORECASTS

Population and Household Trends

POPULATION TRENDS

As of January 1, 2009, the City of Santa Cruz supported a population of 58,982 (California Department of Finance (DOF), May 2009).¹ This is an increase of 9,271 City residents over the City's 1990 population of 49,711 residents when the existing *General Plan and Local Coastal Plan 1990-2005* was prepared. Overall, this population increase represents an annual average growth rate of approximately 1% (0.98) between 1990 and 2009. The City's 2009 existing population is slightly less than what was forecast by AMBAG and included in the City's existing General Plan for both the years 2005 (59,700 total forecast population) and 2010 (60,800 total forecast population).

Population increases and growth trends within the City have fluctuated over the years. Spurred in part by the establishment of the University of California Santa Cruz (UCSC) campus, the City's population increased 29% during the 1970s, which represented an annual average growth rate of approximately 2.9%. Growth slowed to an average annual rate of about 2% during the 1980s. Between 1990 and 2008, City population grew at an average annual growth rate of about 1%.

In comparison, the State of California grew at an average annual rate of approximately 1.4% during the 1990s and 1.5% between 2000 and 2006. City growth rates have been lower than the Bay Area Consolidated Metropolitan Statistical Area (CMSA, which includes Santa Cruz County), which grew 2.3% between 2000 and 2006 (Bay Area Economics, June 2006). Table 4.2-1 compares City, County and State population and growth trends.

The 2010 U.S. Census data became available during the preparation of this EIR. It shows the City's population in 2010 as 59,946, which is slightly higher than the City's population reported for January 1, 2009 by the California DOF. However, the EIR analyses utilize the City's population as of 2009 when the NOP was published.

¹ California CEQA Guidelines section 15125(a) requires that existing environmental conditions be described as they exist at the time the Notice of Preparation (NOP) is published. The NOP for this EIR was published in March 2009, and thus, population figures available from the State as reported by January 1, 2009, are used in this analysis.

TABLE 4.2-1
City, County, and State Population Growth

Year	CITY		COUNTY		STATE	
	Population	Average Annual Growth Rate	Population	Average Annual Growth Rate	Population	Average Annual Growth Rate
1960	26,600		84,200		15,720,860	
1970	32,100	2.06%	123,800	4.70%	19,957,304	2.69%
1980	41,500	2.92%	188,100	5.19%	23,668,145	1.85%
1990	49,711	1.97%	229,700	2.21%	29,473,000	2.452%
2000	54,593	0.98%	255,602	1.13%	33,873,086	1.49%
2009	58,982	0.9%	268,637	0.5%	38,292,687	1.45%

Source: U.S. Census 2000 and California Department of Finance, 2009

HOUSEHOLD TRENDS

The average household size in the City dropped slightly from 2.5 in 1990 to approximately 2.44 in 2000 (City of Santa Cruz, October, 2003). As of January 1, 2009, the City of Santa Cruz had a reported household size of slightly less than 2.4 (2.395) (California Department of Finance, May 2009). Based on California Department of Finance estimates, there were approximately 22,243 households within the City of Santa Cruz as of January 1, 2009.

The City of Santa Cruz, similar to many communities with large university campuses, has a higher proportion of non-family households (e.g., unrelated individuals) than the County or the region. In 2005, approximately 50% of the City's households were non-family, compared to 38% Countywide and just 36% for the region (Bay Area Economics, June 2006).

Demographic Trends

According to 2000 Census data, 72% of the City of Santa Cruz reported their ethnicity as white, followed by 17.5% reporting Hispanic ethnicity (Bay Area Economics, June 2006). Ethnic diversity has increased slightly in the City since 1990 when the proportion of white ethnicity was 79%.

The City's estimated median age in 2005 was slightly lower, at 34.1 years, than either the County or the region (Bay Area Economics, June 2006). The City also has a lower concentration of children age 0 to 17 (16.8%) than the County (22.7%) or the region (23.3%), and higher proportions of college-age residents from age 18 through 24 (17.4%) than the County (11.3%) or the region (8.4%). Additionally, the City also has a relatively high proportion of young adults age 25 to 34, with more than 17% of population in this age range, compared to 14% or less for the region and County. In every age cohort above age 35, the City has slightly lower proportions than the County or region, including seniors age 65 and over (Bay Area Economics, June 2006). In 2000, 30% of the City's population was between the age of 35 and 54 years, and 14.8% were 55 years and older. From 1990 to 2000 the City experienced a 2% population decline in 25 to 44 years of age group, but the age 45 to 64 population increased by 76% (City of Santa Cruz Department of Planning and Community Development, April 2004).

Residents of the City of Santa Cruz are highly educated, with more than 44% of the residents over age 25 having achieved a bachelor's degree or higher as of 2000. This level of educational attainment in the City of Santa Cruz is substantially stronger than countywide (34%) or regionally (just under 27%) (Bay Area Economics, June 2006).

The median household income for the City of Santa Cruz in 2005 was an estimated \$60,273, compared to \$63,919 for the County and \$72,260 for the region. This somewhat lower median household income for the City reflects the younger population and smaller average household size. (Bay Area Economics, June 2006).

AMBAG projections indicate that decreases are anticipated in young children and school-age populations in Santa Cruz County, comprising a 5% loss countywide by 2035 (AMBAG, June 2008a). Population growth among working-age residents is also slow at about 8%. Similar to the regional projections, the fastest growth sector of the population are residents over 85 years, which is expected to more than double by 2035. The population of seniors between 65-84 years is also predicted to almost double to over 41,600 residents (Ibid.).

Population Forecasts

AMBAG prepares and regularly updates population, housing and employment projections for the cities and counties in its region. The forecasts are made in five-year increments. The current forecast was adopted by AMBAG in June 2008 and covers the years from 2005 to 2035.

Population projections for the City through the year 2030 are outlined in Table 4.2-2. Population is projected to increase to 65,884 in 2030. This represents an increase of 6,902 people between 2009 and 2030. AMBAG population projections reflect an average annual increase of about 0.7% between 2005 and 2030, and about 0.6% based on existing population estimates provided by the State (1-1-09). It should be noted that the AMBAG forecast includes population increases at UCSC based projections contained in the UCSC 2005 Long-Range Development Plan adopted by the UC Regents in 2006. UCSC population changes are discussed further below.

TABLE 4.2-2
Current Population Projections for City of Santa Cruz

Year	Population
2005	56,421
2010	58,919
2015	62,480
2020	63,265
2025	64,649
2030	65,884
Source: AMBAG, 2008a	

Actual City population since 1990 has been below AMBAG projections as summarized in Table 4.2-3. The current AMBAG projections yield an anticipated average annual growth rate of slightly less than 0.6% between 2010 and 2030. This growth rate is less than AMBAG's former population projections which resulted in an average annual growth rate of 1.3% between 1990 and 2005. The average annual population growth rate based on current AMBAG projections is also slightly less than the actual rate of growth (0.9%) the City experienced between 1990 and 2009. Table 4.2-4 compares the average annual growth rates that the City experienced over 5- and 10-year increments since 1960.

TABLE 4.2-3
Comparison of Population Forecasts & Actual Population Increases

	AMBAG Estimate	Actual
1990	49,711	49,711
1995	54,300	51,373
2000	57,200	54,593
2005	59,700	56,394
<i>Increase</i>	<i>9,989</i>	<i>6,683</i>
BASED ON AMBAG PROJECTIONS INCLUDED IN THE CITY'S 1990 GENERAL PLAN/LCP		

As previously indicated, the 2010 U.S. Census population data became available during the preparation of this EIR. It shows the City's population in 2010 as 59,946, which is slightly higher than AMBAG's current projection of 58,919 for 2010 as seen in Table 4.2-2. It is also noted that the 2010 Census population is slightly below the 2010 population forecast for the City by AMBAG in 1992, which estimated a population of 60,800 that is included in the City's existing General Plan (1990-2005).

TABLE 4.2-4
Historical City of Santa Cruz Growth Rates

Year	Population	For Years:	Actual Average Annual Growth Rate
1960	26,600		
1970	32,100	1960-1970	2.06%
1980	41,500	1970-1980	2.92%
1990	49,711	1980-1990	1.98%
1995	51,373	1990-1995	0.67%
2000	54,593	1990-2000	0.98%
		1995-2000	1.25%
2005	56,394	1995-2005	0.98%
		2000-2005	0.66%
2009	58,982	2000-2009	0.89%
		1990-2009	0.98%
2010	59,946	1990-2010	1.0%
		2000-2010	0.98%

HOUSING TRENDS & PROJECTIONS

As of January 1, 2009, the City of Santa Cruz had a total of 23,530 housing units within city limits (California Department of Finance, 2009). New housing units increased at an average annual rate of approximately 1.0% from 21,460 total housing units in 2000. The City's housing stock increased by 4,166 units from 19,364 units in 1990. This represents an average annual increase in housing units of approximately 1.1% between 1990 and 2009 or approximately 210 units per year.

AMBAG's long-term forecasts estimate that approximately 25,943 total housing units would be accommodated in the City in the year 2030 as summarized on Table 4.2-5 (AMBAG, June 2008). This represents an increase of 2,413 housing units between 2009 and 2030, which reflects an average annual growth rate of 0.5% per year or approximately 115 units per year. Similar to population growth, the average growth rate in new housing units between 2010 and 2030 (based on current AMBAG projections) is also less (0.5% per year) than the actual rate of growth (1.1%) the City experienced between 1990 and 2009.

TABLE 4.2-5
Housing Projections for City of Santa Cruz

Year	Total Housing Units
2005	23,133
2010	23,633
2015	24,133
2020	24,794
2025	25,390
2030	25,943
Source: AMBAG, 2008a	

Based on AMBAG's projection of 25,943 housing units in 2030 and existing units in 2009, approximately 2,413 new units would be constructed. This would result in a population increase of 5,791 people in the year 2030 based on the City's average household size of 2.4. The City's total population is forecast to increase by 6,902 residents between 2009 and 2030 according to AMBAG's forecasts, which is higher than the population supported by the forecast housing unit increase. It is assumed that this difference would account for increased student population on the UCSC campus.

AMBAG's *Regional Housing Needs Allocation (RHNA) Plan* for 2007 to 2014 identifies the need for 672 new housing units during this timeframe for the specified income groups as identified below:

- Very Low Income (22%): 150 units
- Low Income (17%): 113 units
- Moderate Income (19%): 127 units
- Above-Moderate Income (42%): 282 units

EMPLOYMENT TRENDS & PROJECTIONS

According to U.S. Census information, there were 36,804 jobs within the City 2000, 42% of which (15,550 jobs) were held by City residents. Of the total employed residents within the City, 54% worked within the community. This results in an overall jobs-to-employed resident

ratio of 1.27 that shows a strong positive balance of jobs to employed residents (even if not all City residents held these jobs), and that without additional housing construction, in-commuting would need to occur to fill all existing jobs (Bay Area Economics, June 2006). According to information presented in the draft *General Plan 2030*, there were 38,604 jobs in Santa Cruz and 28,869 employed residents in 2007, which represents a ratio of 1.27 local jobs per employed resident.

As of 2004, jobs by sector within the City included:

▪ Retail / Lodging / Entertainment	10,962	30%
▪ Educational Services	6,494	18%
▪ Technology & Business Services	6,321	17%
▪ Health Care & Social Assistance	5,463	15%
▪ Logistics & Utilities	2,208	6%
▪ Manufacturing	2,171	6%
▪ Construction & Real Estate	2,039	5%
▪ Public Administration	941	2%
▪ Agriculture / Forestry	306	1%
TOTAL	36,981	100%

SOURCE: BAY AREA ECONOMICS, JUNE 2006

AMBAG's forecasts estimate employment growth to 41,548 jobs in the year 2030 as summarized on Table 4.2-6 (AMBAG, June 2008a). According to AMBAG data, this represents an increase of about 7,722 jobs between the years 2010 and 2030, which reflects an annual average growth rate of approximately 1.1%.

Table 4.2-6
Employment Projections for City of Santa Cruz

Year	Employment
2005	34,016
2010	33,826
2015	35,527
2020	37,411
2025	39,423
2030	41,548

Source: AMBAG, 2008a

Review of AMBAG data by City staff indicates that 45% of the new jobs created by the year 2030 will be in the service section, 27% in the public section, 12% in the retail sector, and 11% in the industrial section (City of Santa Cruz, November 2008). The remaining 5% of new jobs will be construction and agriculture related (Ibid.). Based on the AMBAG forecasts, in 2030, the City will have a ratio of approximately 1.6 jobs per housing unit. The existing ratio for 2010 is approximately 1.4 based on AMBAG forecasts. This projection follows the historic trend that the City provides more jobs than housing; more housing would be required to accommodate all of the Santa Cruz workers within city limits (Ibid.).

UCSC POPULATION AND HOUSING

The University of California Santa Cruz campus is partially located within the City of Santa Cruz and partially located in the unincorporated portion of the County. All of the developed campus is currently within City limits, except for a small portion of College 9/10 and the Crown Merrill Apartments. As such, campus population is included within City population counts and forecasts. For this reason, background on UCSC population and housing is provided separately.

In 2008-2009², UC Santa Cruz main campus three-quarter average enrollment³ totaled 15,823 full-time equivalent (FTE) on-campus students (University of California Santa Cruz, October 14, 2008). Student population has grown at a faster rate than the City's overall population over the last 15 years. Student enrollment increased from approximately 9,750 students in 1994/1995 to 15,823 students in 2008/09. This represents an average annual growth rate of 4.5% compared to about 1.1% for the City during the same time period.

In 2007-08, UCSC supported a total on-campus residential population of 7,779 people in campus housing units, including students, faculty and dependents (University of Santa Cruz, California, July 2009). Approximately 380 students live in a small portion of UCSC's Colleges 9/10 and the Crown Merrill Apartment complex that are located within the unincorporated area of Santa Cruz County. Thus, approximately 7,400 residents live on-campus within City limits. Approximately 6,925 additional students, staff and faculty are estimated to reside in the City of Santa Cruz based on residency information provided in the University's 2005 Long-Range Development Plan EIR (Ibid.).⁴ Therefore, it is estimated that approximately 14,325 UCSC-related people reside within the City, both on- and off-campus. This total is slightly higher than UCSC population forecasts of 12,100 for 2005 that were estimated in the City's existing 1990-2005 General Plan and Local Coastal Program. UCSC-related population (student, faculty, and staff households, excluding dependents) represents approximately 24% of the City's total population.

The University's adopted 2005 Long Range Development Plan (LRDP) forecast a student population of 19,500 in the year 2020. (See review of the 2005 LRDP in the "Cumulative Impacts" subsection (5.4) of the CEQA CONSIDERATIONS [Chapter 5.0] section of this EIR.) New on-campus residential population related to UCSC development and growth under the 2005 LRDP is estimated at approximately 3,340 new residents (including students, employees and dependents), who would be living on the UCSC campus by the year 2020 (City of Santa Cruz, July 2010). Of this amount, at least approximately 1,570 residents would be living in the Main Campus area within City limits. The remaining 1,770 residents may be expected to reside in the

² California CEQA Guidelines section 15125(a) requires that existing environmental conditions be described as they exist at the time the Notice of Preparation (NOP) is published. The NOP for this EIR was published in March 2009. Thus, campus population and employment figures for the 2008-09 academic school year are used for this discussion.

³ Enrollment at UC Santa Cruz varies each quarter. The Campus uses an average of the student enrollment levels in the three primary quarters (fall, winter and spring) to track changes in enrollment from one year to another. That average is referred to as the three-quarter average enrollment.

⁴ 7,990 students live off-campus, of which approximately 5,325 live in the City of Santa Cruz (excluding dependents); 3,155 faculty/staff live off-campus, of which approximately 1,600 live in the City (excluding dependents) (University of California, July 2009).

North Campus area, which is currently outside City limits.⁵ With both on- and off-campus projections, approximately 3,010 to 3,800 additional UCSC-related population are estimated to live in the City of Santa Cruz by 2020 with approximately 1,570 persons living within the City limits on campus (City of Santa Cruz, July 2010).

The AMBAG population forecasts include enrollment growth as envisioned by the 2005 LRDP. UCSC-related population represents approximately 44-55% of the City's population increase forecast by AMBAG between 2009 and 2030. The higher level assumes that all new employees would move to the area.

4.2.2 RELEVANT PROJECT ELEMENTS

The proposed *General Plan 2030* includes goals, policies and actions that address economic development. The proposed General Plan does not include goals or policies that address population or housing. Housing is addressed separately in the City's Housing Element. However, the draft General Plan does include a few policies and actions that support mixed use districts and/or intensified redevelopment, including residential development. Other policies and actions support residential densities to be exceeded for the following uses: single-room occupancy (SRO) units; small ownership units (SOU); accessory dwelling units (ADU); density bonus units; and residential uses within areas designated High-Density Overlay District (HD-O) (LU3.8). The plan also encourages a variety of housing types (LU3.1.1) and seeks to improve and protect housing and neighborhoods (CD2.4, LU3.9.2).

The draft *General Plan 2030* includes an **ECONOMIC DEVELOPMENT** chapter that sets forth six goals and associated policies and actions that address economic growth and development within the City. Some policies and actions seek to create a land use mix within the City that balances economic, housing, and other needs (LU3.1.3) and to improve the region's jobs/housing balance (LU3.1.3).⁶

The *General Plan 2030* Land Use Map and land use designations are largely unchanged from the 1990-2005 General Plan / Local Coastal Program, except for three new mixed use land designations have been developed and applied to the following major transportation corridors: Mission Street, Ocean Street, Soquel, Avenue, and Water Street. Some of the draft *General Plan 2030* policies and actions support certain types of land uses and/or intensified redevelopment.

⁵ Concurrent applications filed by the City of Santa Cruz and the UCSC are pending before the Santa Cruz County Local Agency Formation Commission (LAFCO) to amend the City's Sphere of Influence (City application) to include the 374-acre portion of the UCSC campus known as "North Campus" for the purpose of providing extraterritorial water and sewer services (UCSC application). The City has no plans, nor does it see any future need, to annex North Campus into City limits.

⁶ The draft General Plan 2030 defines "jobs/housing balance or jobs/housing ratio as the availability of affordable housing for employees. The jobs/housing ratio divides the number of jobs in an area by the number of employed residents. A ratio of 1.0 indicates a balance. A ratio greater than 1.0 indicates a net in-commute; less than 1.0 indicates a net out-commute.

4.2.3 IMPACTS AND MITIGATION MEASURES

CRITERIA FOR DETERMINING SIGNIFICANCE

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines (including Appendix G), City of Santa Cruz plans, policies and/or guidelines, and agency and professional standards, a project impact would be considered significant if the project would:

- 2a Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure);
- 2b Result in removal of housing and/or displacement of residents.

IMPACT ANALYSIS

The following impact analyses address population growth inducement (2a) and potential removal of housing or displacement of residents (2b).

Potential Future Development & Buildout

The proposed General Plan would accommodate future development. As described in the PROJECT DESCRIPTION and LAND USE sections of this EIR (Chapters 3.0 and 4.1, respectively), buildout projections were estimated for the draft General Plan to provide an estimate of the amount of development that is expected to occur by the year 2030.⁷ The projected development includes 3,350 additional residential dwelling units with an associated population increase of 8,040 residents (based on 2.4 persons per household). It is estimated that approximately 75% of the new residential units would be multi-family units and 25% would be single-family units based on existing trends and assumptions developed for the traffic and water demand analyses.

The buildout projections also estimate approximately 3,140,000 additional square feet of commercial, office and industrial uses by the year 2030. Based on the non-residential uses, it is estimated that approximately 8,665 new jobs could be generated. This is based on an estimated 2.0 employees per 1,000 square feet of commercial and retail; 2.3 employees per 1,000 square feet for industrial space, and 3.3 employees per 1,000 square feet of office space, which results in approximately 4,460 commercial and industrial jobs and approximately 4,205 office jobs.

⁷ The projections are based on the draft Land Use Map, taking into account land use map changes, vacant lands, sites subject to reuse or redevelopment, and underutilized parcels, assuming that not all development will occur at maximum density. On average it is assumed that all new development will occur at 80% of the permitted residential density or floor area ratio. See Appendix B for further discussion.

Based on buildout projections developed for the General Plan⁸, the increased jobs compared to the potential increase in housing units would result in a ratio of 1.6, meaning there would be 1.6 jobs per residential unit. This is based on the AMBAG's job total for 2010, the city's existing number of housing units in 2009, and the potential increased employees and housing units estimated for the General Plan buildout as outlined above. Existing jobs would increase to 42,561 with the General Plan increased non-residential development, and the City's residential units would total 26,880 units in 2030. This is the same as the 1.6 ratio that is reflected by AMBAG in its population, housing and employment forecasts. However, it is slightly higher than the 1.4 ratio that has been estimated as currently existing in the City.

Impact 4.2-1 Population Growth Inducement

Adoption and implementation of the *General Plan 2030* could indirectly result in increased population associated with potential development that could be accommodated by the Plan. However, the estimated amount and rate of growth are consistent with historic population growth patterns and trends, and would not be considered substantial. Thus, this is considered a *less-than-significant impact*.

Adoption and implementation of the proposed *General Plan 2030* would not directly result in increased population. However, the draft General Plan includes policies and a land use map that support additional development and areas of increased intensification and density, thereby removing some barriers to future development consistent with the updated General Plan. Based on estimates provided by the City's land use consultant as described in the LAND USE (Chapter 4.1) section of this EIR and in Appendix B, potential residential development that could be accommodated in the draft *General Plan 2030* could result in a population increase of approximately 8,040 residents between 2009 and 2030 based on a buildout estimate of 3,350 new residential units during this timeframe and an average household size of 2.4.

The estimated increase in population would result in a total City population of 67,022 in the year 2030 over 2009 population levels. This population is slightly higher (about 1,140 residents) than the AMBAG forecast of 65,884 residents in the year 2030. AMBAG projections would result in a population increase of 6,902 persons between 2009 and 2030 compared to a potential increase of 8,040 persons as a result of anticipated buildout to that year under the draft *General Plan 2030*.

The General Plan buildout projections represent a worst-case estimate. However, the estimated population growth resulting from the estimated *General Plan 2030* buildout represents an average annual growth rate of 0.65% between 2009 and 2030. This is slightly lower than historical growth rates of approximately 0.9-1.0% experienced in the City since 1990 as summarized on Table 4.2-4. Thus, while the actual population increase is slightly larger than

⁸ The projections are based on the draft Land Use Map that take into account land use map changes, vacant lands, sites subject to reuse or redevelopment, and assume that not all development will occur at maximum density; on the average it is assumed that all new development will occur at 80% of the permitted residential density or floor area ratio.

what is forecast by AMBAG, the average annual growth rate is lower than historical growth rates, and as such, the increase in population would not be considered substantial.

The regional population projections prepared by AMBAG are routinely updated to reflect population trends. Between 1990 and 2005, AMBAG projections were a bit higher than actual growth. As shown on Table 4.2-7, former regional population forecasts resulted in an average annual growth of a little more than 1% per year between 1995 and 2005. The actual average annual growth rates between 1995 and 2009 within the City have been approximately 0.9% (see Table 4.2-4), which is generally similar to the former AMBAG projections used in the City's 1990 General Plan/LCP update. AMBAG projections (adopted in 2008) also reflect a similar, but slightly lower average annual growth rate of 0.8% for the years 2000-2010, and an average annual growth rate of approximately 0.56% for the years 2010-2030. The variation and fluctuation of annual growth rates based on actual growth is shown on Table 4.2-4, and Table 4.2-7 summarizes the variation of average annual growth rates based on adopted regional population forecasts over the last 15 years.

TABLE 4.2-7
Comparison of Population Forecasts' Growth Rates

Year	Population Estimate	For Years:	Forecast Average Annual Growth Rate
1995 [1]	54,270	1990-1995	1.8%
2000 [1]	57,170	1990-2000	1.5%
		1995-2000	1.1%
2005 [1]	59,670	1990-2005	1.34%
		1995-2005	1.0%
		2000-2005	0.87%
2010 [1]	60,841	2000-2010	0.64%
2015 [1]	62,221	2005-2015	0.43%
2005 [2]	56,421	1990-2005	0.9%
2010 [2]	58,919	2000-2010	0.8%
2015 [2]	62,480	2005-2015	1.1%
2020 [2]	63,265	2010-2020	0.74%
2025 [2]	64,649	2015-2025	0.35%
2030 [2]	65,884	2020-2030	0.41%
		2010-2030	0.6%

[1] AMBAG Estimates provided in City's 1990 General Plan/LCP.

[2] AMBAG 2008 Estimates through Year 2035.

Conclusion. The estimated General Plan buildout would result in a average annual population growth rate of 0.6%, which is slightly less than the historical rate experienced in the City since 1980 (0.9%), but only slightly higher than the AMBAG forecast rate (0.56%). These variations are not considered substantial, and the population increases supported by the proposed *General Plan 2030* would not be considered substantial. AMBAG projections are subject to updates every several years

at which time projected and actual growth can be compared, and forecasts adjusted if needed to reflect actual population growth trends. Therefore, the impact is considered less-than-significant.

Mitigation Measures

No mitigation measures are required as a significant impact has not been identified.

Impact 4.2-3 Removal of Housing and/or Displacement of People

Adoption and implementation of the proposed *General Plan 2030* could indirectly result removal of existing housing and/or displacement of residents due to redevelopment of underutilized parcels. As most mixed-use and redevelopment areas include predominantly non-residential structures, and with adherence to City regulations and *Housing Element* policies, this is considered a *less-than-significant* impact.

Future development, either on underutilized properties or as part of new mixed-use developments, may be constructed on properties with existing development. Future development accommodated under the proposed General Plan would primarily occur on vacant infill sites, on underutilized properties that could be redeveloped at higher densities and/or land use intensities, and in the new mixed-use districts along the City's four major street corridors: Mission Street, Ocean Street, Soquel Avenue, and Water Street. Based on the estimated development occurring under the proposed plan,⁹ approximately 55% of all new housing, 45% of new commercial development and 52% of new office development would be located along these corridors. The existing land uses in these areas are primarily non-residential.

The proposed *General Plan 2030* calls for applying the Neighborhood Conservation Overlay District when necessary to preserve and maintain the area's housing stock (LU3.9.2). In the event that existing residential units are found on a site proposed for redevelopment, these units are typically rented and would be vacated in accordance with state and local law prior to demolition to avoid displacement of people. Additionally, the redeveloped site would be expected to result in a net increase in housing units. Furthermore, the City requires developers to replace affordable housing proposed for demolition or conversion to other uses. The basic requirements are as follows: 50% to 100% of low or moderate-income bedrooms lost must be replaced (depending on the zoning district), those displaced must receive relocation assistance, and the developer must also meet the City's 15% inclusionary requirement. As an alternative to replacement housing, a developer can pay in-lieu fees for up to 50% of the total eligible bedrooms lost. These requirements have helped preserve affordable housing from recycling to market-rate projects. However, the ordinance has had the unintended impact of making it financially difficult to demolish and replace substandard housing that contributes to neighborhood decline without significant public subsidies (City of Santa Cruz Housing Element,

⁹ See Table 3-3 in the PROJECT DESCRIPTION (Chapter 3.0) section of this EIR and Figure 2-3 for estimated distribution of new development per specific areas in the City.

2011¹⁰). The City's current *Housing Element* includes a Housing Plan with Program 5.5-Housing Replacement. The first year objective is "to modify demolition/replacement ordinance to allow for the replacement of substandard housing which otherwise would lead to neighborhood decline."

Conclusion. Future development that would be accommodated by the proposed *General Plan 2030* would primarily occur on vacant infill sites, or on underutilized properties in areas where non-residential land uses are predominant, mostly along the City's major transportation corridors. In the event that existing residential units are found on a site proposed for development, these units likely would be vacated prior to demolition in accordance with state and local law to avoid displacement of people, and they are required to be replaced if the existing units are affordable units. Additionally, the redeveloped site would be expected to result in a net increase in housing units. Therefore, potential indirect impacts related to displacement of people and removal of housing due to development accommodated by the draft Plan would be less-than-significant.

Mitigation Measures

No mitigation measures are required as a significant impact has not been identified.

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