

4.13 Population and Housing

4.13.1 Setting

This section evaluates the impacts to the regional housing supply and population growth associated with implementation of the 2040 MTP/SCS. The information presented was compiled from multiple sources, including U.S. Department of Housing and Urban Development (HUD), AMBAG's Draft 2018 Regional Growth Forecast and General Plans and associated EIRs for jurisdictions in the AMBAG region.

a. Growth Forecasting

The Draft 2018 Regional Growth Forecast (AMBAG, 2017d) projects the region's population, housing and employment to 2040. The Draft 2018 Regional Growth Forecast is used to support regional planning efforts such as the Regional Travel Demand Model and the 2040 MTP/SCS as well as local planning such as the development of General Plans and project review.

Developing population, housing and employment forecast estimates for the Monterey Bay region consists of two distinct stages. The first stage is the identification of regional and county level forecast figures through the use of widely accepted forecasting methodologies. The second stage is the disaggregation of county-level forecast numbers to the jurisdictional level and subsequently to the Traffic Analysis Zones (TAZ), using data gathered from jurisdictions (AMBAG 2017a).

b. Existing Population, Housing and Employment

Existing population, housing units and employment for unincorporated Monterey, San Benito and Santa Cruz County and the 18 cities in the AMBAG region are shown in Table 44. As of 2015, the region contains 762,676 residents, 262,660 housing units and 337,600 jobs, with a jobs-to-housing ratio of 1.28 (AMBAG 2016).

Table 44 2015 Population, Housing and Employment for the AMBAG Region

Jurisdiction	Population¹	Housing Units¹	Jobs²
Monterey County	432,637	139,177	203,550
Carmel-by-the-Sea	3,824	3,417	2,935
Del Rey Oaks	1,655	741	359
Gonzales	8,411	1,987	4,477
Greenfield	16,947	3,794	7,024
King City	14,008	3,283	4,441
Marina	20,496	7,334	6,340
Monterey	28,576	13,637	34,030
Pacific Grove	15,251	8,184	5,000
Salinas	159,486	43,001	64,396
Sand City	376	176	1,517
Seaside	34,185	10,913	9,650
Soledad	24,809	3,927	3,442
Unincorporated County Territory	104,613	38,783	59,939
San Benito County	56,445	18,262	18,000
Hollister	36,291	10,757	13,082
San Juan Bautista	1,846	750	559
Unincorporated County Territory	18,308	6,755	4,359
Santa Cruz County	273,594	105,221	116,050
Capitola	10,087	5,537	7,062
Santa Cruz	63,830	23,535	40,986
Scotts Valley	12,073	4,691	7,475
Watsonville	52,562	14,131	22,644
Unincorporated County Territory	135,042	57,327	37,883
AMBAG Total	762,676	262,660	337,600

Source: AMBAG's Draft 2018 Regional Growth Forecast.

c. Regulatory Setting

Federal

Federal Uniform Relocation and Real Property Acquisition Policies Act of 1970

The Federal Uniform Relocation and Real Property Acquisition Policies Act (Uniform Act), 42 U.S.C. § 4601 et seq., passed by Congress in 1970, is a federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and

assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects (HUD 2017b).

Title 23 CFR 450.322(f)

The Code of Federal Regulations, Title 23 CFR 450.322(f) requires that the metropolitan planning organization (MPO) update the regional transportation plan using the latest available estimates and assumptions for population, land use, travel, employment, congestion and economic activity.

State

California Transportation Commission Regional Transportation Plan Guidelines

Assembly Bill (AB) 69 was passed in 1972 and required the State to establish Regional Transportation Planning Agencies (RTPA) throughout the State to prepare Regional Transportation Plans (RTP) or Metropolitan Transportation Plan (MTP). AMBAG is the designated RTPA for Monterey, San Benito and Santa Cruz counties. AMBAG is required to submit an updated RTP/MTP to the California Transportation Commission (CTC) and Caltrans every 4 years. The CTC has established guidelines to assist MTPs in preparing RTPAs (CTC, 2017a) and RTPAs in preparing the RTPs (CTC, 2017b). These guidelines recommend that RTP projections be based on available data and forecasting methodologies while being consistent with Department of Finance (DOF) projections. The guidelines were updated in 2010 to include requirements of Senate Bill (SB) 375.

California Relocation Assistance Act

The California Relocation Assistance Act of 1971 (Government Code § 7260 et seq.) is similar to the Uniform Relocation Assistance Act of 1970 (federal). However, it applies to State and local programs and projects that receive State funding, regardless of whether they receive federal funding.

Homeowners and Private Property Protection Act of 2008

Proposition 99, the Homeowners and Private Property Protection Act, was approved by voters in 2008. Proposition 99 amended the State Constitution and prohibits local agencies from using eminent domain to acquire owner-occupied residences and transferring it to private entities.

California Government Code, Section 65583

California Government Code Section 65583 specifies the State Housing Element requirements. The Housing Element is one of the State-mandated elements of the General Plan and is updated every eight years. The State Department of Housing and Community Development (HCD) is responsible for reviewing Housing Elements to ensure compliance with State law.

Local

Monterey County

The Monterey County General Plan (Monterey County, 2010a) contains several goals, policies and implementations that aim to improve the housing supply, the range of housing types and housing affordability levels. For example, Goal H-2, *Assist in the provision of housing that meets the needs of all socioeconomic segments of the County*, provides policies that support the development of housing affordable to the general workforce of Monterey County and address housing needs of special populations and extremely low income households through a range of housing options. In

addition to incentivizing affordable housing, Goal H-3, *Provide suitable sites for housing development which can accommodate a range of housing by type, size, location, price and tenure, that achieves an optimal jobs/housing balance, conserves resources and promotes efficient use of public services and infrastructure*, aims to provide an adequate supply and diversity of housing in the County.

San Benito County

The Housing Element of the San Benito County 2035 General Plan (San Benito County, 2015a) contains similar goals, policies and programs as Monterey County to provide affordable housing, a variety of housing types and ensure adequate housing for all persons. For example, Goal HOU-2, *To promote the provision of adequate housing for all persons in the County including those with special housing needs and to emphasize the basic human need for housing as shelter*, expresses the County's intent to encourage private builders and developers to participate in federal, state, or other programs that assist in providing and maintaining housing affordable to all income groups and special needs groups. The San Benito County Housing Element also contains Goal HOU-3, encouraging the preservation, maintenance and improvement of existing housing, which would reduce potential displacement of homes and/or households from redevelopment.

Santa Cruz County

The Housing Element of the County of Santa Cruz's General Plan (Santa Cruz County, 1994) contains several goals, policies and programs, much like Monterey and San Benito Counties, which aim to address the particular housing needs of people with special needs, different incomes and different housing needs. For example, Goal 1: *Ensure land is available to accommodate an increased range of housing choices, particularly for multi-family units and smaller sized units*, contains policies that aim to maintain or change zoning designations to ensure adequate housing supply in the County. In addition, Goal 3 of the Housing Element aims to remove unnecessary government constraints that may hinder housing development and affordability.

Many cities within the AMBAG region have similar population and housing goals and policies in their respective general plans. Several of these general plans include goals, policies, programs, or implementation measures that address the housing supply, special needs housing accommodations and regional housing shares. In addition to providing different types of housing to different groups of people, many of the cities in the AMBAG region aim to secure a balanced jobs-to-housing ratio. The Housing Elements of local jurisdictions serve as guidance documents in anticipation of future growth and, as in several of the cities' Housing Elements in the AMBAG region, provide provisions for zoning ordinances that promote housing opportunities.

4.13.2 Impact Analysis

a. Methodology and Significance Thresholds

Appendix G of the State CEQA Guideline identifies the following criteria for determining whether a project's impacts would have a significant impact to population and housing:

1. 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);

2. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere; and/or
3. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

b. Project Impacts and Mitigation Measures

This section describes generalized impacts associated with proposed transportation improvements and the future land use scenario under the 2040 MTP/SCS. Due to the programmatic nature of the 2040 MTP/SCS, a precise, project-level analysis of the specific impacts associated with individual transportation and land use projects is not possible. In general, however, implementation of proposed transportation improvements and future projects under the land use scenario envisioned by the 2040 MTP/SCS could result in the impacts as described in the following section.

Threshold 1: 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)

Impact PH-1 THE 2040 MTP/SCS WOULD RESULT IN SUBSTANTIAL POPULATION GROWTH IN THE AMBAG REGION. THIS IMPACT IS SIGNIFICANT AND UNAVOIDABLE.

From 2015 to 2040, the region's total population is forecasted to increase by 120,624 residents to 883,300 total residents. Table 45 shows the forecasted population growth for the region as a whole and by jurisdiction.

Table 45 Forecasted AMBAG Population Growth 2015-2040

Jurisdiction	2015	2020	2040	Percent Change (2015-2040)
Monterey County	432,637	448,211	501,751	16%
Carmel-by-the-Sea	3,824	3,833	3,876	1%
Del Rey Oaks	1,655	1,949	2,987	80%
Gonzales	8,411	8,827	18,756	123%
Greenfield	16,947	18,192	22,327	32%
King City	14,008	14,957	16,063	15%
Marina	20,496	23,470	30,510	49%
Monterey	28,576	28,726	30,976	8%
Pacific Grove	15,251	15,349	16,138	6%
Salinas	159,486	166,303	184,599	16%
Sand City	376	544	1,494	297%
Seaside	34,185	34,301	37,802	11%
Soledad	24,809	26,399	29,805	20%
Unincorporated County Territory	104,613	105,361	106,418	2%
San Benito County	56,445	62,242	74,668	32%
Hollister	36,291	39,862	46,222	27%
San Juan Bautista	1,846	2,020	2,251	22%
Unincorporated County Territory	18,308	20,360	26,195	43%
Santa Cruz County	273,594	281,147	306,881	12%
Capitola	10,087	10,194	10,809	7%
Santa Cruz	63,830	68,381	82,266	29%
Scotts Valley	12,073	12,145	12,418	3%
Watsonville	52,562	53,536	59,743	14%
Unincorporated County Territory	135,042	136,891	141,645	5%
AMBAG Total	762,676	791,600	883,300	16%

Source: AMBAG's Draft 2018 Regional Growth Forecast.

Regional population is forecasted to increase by 16 percent from 2015 to 2040. As shown above, population growth in the cities of Del Rey Oaks, Gonzales, Greenfield, Marina, Sand City, Soledad, Hollister, San Juan Bautista, Santa Cruz and the unincorporated territory of San Benito County, would increase at a faster rate than the AMBAG region as a whole. In contrast, population growth in the cities of Carmel-by-the-Sea, King City, Monterey, Pacific Grove, Seaside, Capitola and Scotts Valley and the unincorporated portions of Monterey and Santa Cruz counties would increase at a slower rate than the region as a whole. The population of the City of Salinas is forecasted to increase at a similar rate to the region overall.

The 2040 MTP/SCS would induce population growth directly through the development of the SCS land use scenario and indirectly as a result of the transportation projects included in the Plan. Between 2015 and 2040, the AMBAG region would grow by 120,624 people; 42,633 housing units; and 57,400 jobs. As shown in Figure 3, Figure 4, Figure 6 and Figure 8 in Section 2.0, *Project Description*, growth would be concentrated within existing communities, including the coastal plain

that extends from the Santa Cruz/Capitola area in the north, south along the Monterey Peninsula, as well as some communities along major transportation corridors such as Hollister and Gonzales. The land use scenario envisioned by the 2040 MTP/SCS would encourage infill, mixed use and TOD within existing urbanized areas. This type of development would promote the development of existing vacant or underutilized properties and would locate people closer to existing employment, goods and services within established communities. In addition, investments in alternative modes of transportation and an emphasis on infill and TOD would result in land use developments with higher densities, mixed use land uses and an emphasis on transit use over single-occupancy vehicle use, while investments in capacity increasing roadway improvements may indirectly lead to land use developments that have been historically typical for suburban development with low densities.

As mentioned above, population growth in the cities of Del Rey Oaks, Gonzales, Greenfield, Marina, Sand City, Soledad, Hollister, San Juan Bautista, Santa Cruz and the unincorporated territory of San Benito County, would increase at a faster rate than the AMBAG region as a whole. Consistent with the goals of the 2040 MTP/SCS, the dense growth within existing urban centers with high accessibility to transit options allows for the creation of communities that are more sustainable, walkable, transit-oriented and compact. However, many rural communities with minimal development at present would see substantial population growth through 2040. Some of these areas include the City of Gonzales and unincorporated areas of San Benito County, which would see a 123 percent and 43 percent increase in population, respectively. Similarly, the cities of Hollister, Marina, Sand City and Del Rey Oaks would see significant population growth, as shown in Table 45.

Transportation improvements associated with the 2040 MTP/SCS would not result in direct population growth beyond anticipated growth in the region, and projects under the proposed 2040 MTP/SCS are designed to fully support the transportation needs of the growing population while implementing the infill development approach outlined in Chapter 4, *Sustainable Community Strategy*, of the MTP/SCS. However, the land use components of the 2040 MTP/SCS would induce substantial population growth in the region, leading to a significant impact related to population growth.

Mitigation Measures

Mitigation of the 2040 MTP/SCS impacts on population growth would be infeasible. A moratorium on building permits, for example, would restrict housing and business development, which would cause potential residents or companies to be located outside of major population centers within the AMBAG region. However, a regionwide moratorium would be difficult to implement, if not completely infeasible, for economic, political and legal reasons, especially over an extended period of time. Additionally, a moratorium would cause potential residents to reside in neighboring regions and commute into the region, which would increase GHG emissions and counter sustainability goals included in the 2040 MTP/SCS. A regionwide restriction on public services and utilities would also serve to limit population growth, but would be difficult, if not completely infeasible, to implement for the reasons described above.

Additionally, failing to accommodate the forecasted population growth would be inconsistent with a fundamental objective of the 2040 MTP/SCS. Moreover, Government Code Section 65080(b)(2)(B)(ii) requires that the MTP/SCS must house all the population of the region, including all economic segments of the population, over the course of the planning horizon of the MTP/SCS. The MTP/SCS itself does not control local land use decisions. A building moratorium would impede the ability of local jurisdictions to construct a sufficient housing supply for the forecasted population

growth. As a result, no mitigation measures to reduce this impact to less-than-significant levels are feasible.

Significance After Mitigation

Because no mitigation measures are feasible, as described above, impacts related to population growth inducement would be significant and unavoidable.

Threshold 2: Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere

Threshold 3: Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere

Impact PH-2 LAND USE DEVELOPMENT INCLUDED IN THE 2040 MTP/SCS WOULD TEMPORARILY DISPLACE EXISTING HOUSING AND PEOPLE AS INDIVIDUAL HOUSING DEVELOPMENT SITES ARE REDEVELOPED. HOWEVER, THIS DISPLACEMENT WOULD BE TEMPORARY AND WOULD BE OFFSET BY A SIGNIFICANT NET INCREASE IN HOUSING UNITS BY 2040. IMPACTS WOULD BE LESS THAN SIGNIFICANT.

Land use development included in the 2040 MTP/SCS would likely displace existing housing and people, primarily low- and medium-density single-family, multi-family, or mobile home dwelling units, as existing housing units are demolished to make way for new development. However, new residential development would generally occur at higher densities and with more modern housing, frequently as part of mixed-use development. During construction of individual projects, residents may be temporarily displaced. However, there are normal factors in the market place to offset this impact. Historically, vacancies within the existing housing stock absorb displacement of residents. In addition, existing laws and regulations would provide assistance in relocating households. As described in the Regulatory Setting above, the Federal Uniform Relocation and Real Property Acquisition Policies Act requires public agencies to provide relocation assistance when an action by the agency displaces residences. Thus, short-term displacement would be mitigated through both existing regulation and normal market factors.

In the long-run, the 2040 MTP/SCS would result in a net increase in housing units. Between 2015 and 2040, the projected increase in housing capacity in the region would be 42,633 units, or an increase of 16 percent. The most dramatic increases would occur in the cities of Marina, Sand City, Hollister, Gonzales, Del Rey Oaks, Soledad, Santa Cruz and unincorporated portions of San Benito County, as shown in Table 45. Because the MTP/SCS would result in a net increase in housing units, it would not displace substantial numbers of existing housing or people, and would not necessitate the construction of replacement housing. In effect, the MTP/SCS includes the replacement housing that would be necessitated by individual projects.

Implementation of the 2040 MTP/SCS would also result in the displacement of some existing businesses. However, as with residential development, new commercial development generally would occur at higher densities and with more modern structures, frequently as part of a mixed-use development. The Federal Uniform Relocation and Real Property Acquisition Policies Act requires public agencies to provide relocation assistance when an action by the agency displaces businesses or farms.

Some transportation network improvements, such as road widening or extension projects, would require acquisition of right-of-way in areas with high density housing or business along transportation corridors and may displace residential or commercial units. Specific projects would

be required to undergo separate environment review under CEQA. The corresponding project-specific environmental documentation would identify potentially significant impacts with regard to displacement of private property, if any, and provide the appropriate mitigation measures. Impacts from transportation improvements would consider relocation assistance in accordance with the Federal Uniform Relocation and Real Property Acquisition Policies Act of 1970. In addition, as noted above, the 2040 MTP/SCS would result in a net increase of 42,633 housing units in the region. Therefore, any units displaced by individual transportation projects would be offset by the net increase in housing units included in the SCS land use scenario. As a result, impacts related to housing and population displacement would be less than significant.

Mitigation Measures

No mitigation is required.

c. Specific MTP/SCS Projects That May Result in Impacts

As discussed above, the 2040 MTP/SCS would result in less than significant impacts related to displacement of housing or people. Although some transportation network improvements, such as road widening or extension projects, would require acquisition of right-of-way in areas with high density housing or business along transportation corridors, it cannot feasibly be determined whether such widening or right-of-way acquisition would displace housing units or residents without project-specific design details.

d. Cumulative Impact Analysis

Although many projects included in the 2040 MTP/SCS may not individually be significant, the cumulative impact in 2040 resulting from the combined impacts of the 2040 MTP/SCS and impact projections from adopted plans within the cumulative impact analysis area would be significant when considered together. As described above, implementation of the regional growth and land use change as well as transportation network improvements associated with the 2040 MTP/SCS would induce substantial population growth. The combination of the direct population impacts from the 2040 MTP/SCS and population growth from adopted plans in adjoining counties would result in significant cumulative population growth impacts by 2040. Because cumulative population growth throughout the cumulative impact analysis area region by 2040 would be significant, and because the 2040 MTP/SCS incremental impacts related to population generation are significant, the incremental population impacts of the proposed MTP/SCS are also cumulatively considerable. No feasible mitigation is available to reduce this contribution to less than cumulatively considerable levels.

As described above, housing displacement caused by transportation projects and land use development included in the 2040 MTP/SCS would be temporary and would be offset by a significant net increase in housing units by 2040. As shown in Table 4 in Section 3.0, *Environmental Setting and Impact Analysis Approach*, housing growth within the cumulative impact analysis area would increase from 1,936,560 units in 2015 to 2,315,493 units in 2040, a nearly 20 percent increase over 25 years. Because short-term displacement would be mitigated through both existing regulations and normal market factors, and because there would be a net increase in housing units overall, cumulative impacts related to displacement would be less than significant, and the contribution of the 2040 MTP/SCS to this impact would not be cumulatively considerable.

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