5. Environmental Analysis

5.14 POPULATION AND HOUSING

This section of the Draft Environmental Impact Report (DEIR) examines the potential for socioeconomic impacts of the proposed Brea 265 Specific Plan on the City of Brea and its Sphere of Influence (SOI), including changes in population, employment, and demand for housing, particularly housing cost/rent ranges defined as "affordable."

5.14.1 Environmental Setting

5.14.1.1 REGULATORY BACKGROUND

Federal

The United States Bureau of the Census publishes population, household, and employment data gathered through the decennial census, which provides a record of historical growth rates in Orange County and the City of Brea. The most recent decennial census was in 2020, and these data are used, when available, for analysis in this section of the Draft EIR. Data from the 2000 Census were also used for historical reference in evaluating demographic trends.

State

California planning and zoning law requires each city and county to adopt a general plan for future growth (California Government Code Section 65300). This plan must include a housing element that identifies housing needs for all economic segments and provides opportunities for housing development to meet that need. The Housing and Community Development Department (HCD) estimates the relative share of California's projected population growth that would occur in each county based on California Department of Finance population projections and historical growth trends. These figures are compiled by HCD in a Regional Housing Needs Assessment (RHNA) for each region of California. Where there is a regional council of governments, the HCD provides the RHNA to the council. The council then assigns a share of the regional housing need to each of its cities and counties. The process of assigning shares gives cities and counties the opportunity to comment on the proposed allocations. The HCD oversees the process to ensure that the council of governments distributes its share of the state's projected housing need.

California Housing Element laws require that each city and county identify and analyze existing and projected housing needs within its jurisdiction and prepare goals, policies, and programs to further the development, improvement, and preservation of housing for all economic segments of the community, commensurate with local housing needs (California Government Code Sections 65580 to 65589).

Housing Accountability Act

The Housing Accountability Act (HAA) requires that cities approve applications for residential development that are consistent with a city's general plan and zoning code development standards without reducing the proposed density. Examples of objective standards are those that are measurable and have clear criteria that are determined in advance, such as numerical setback, height limit, universal design, lot coverage requirement, or

parking requirement. Under the HAA, an applicant is entitled to the full density allowed by the zoning and/or general plan provided the project complies with all objective general plan, zoning, and subdivision standards and provided that the full density proposed does not result in a specific, adverse impact on public health and safety that cannot be mitigated in any other way.

Amendment to the Housing Accountability Act

Assembly Bill (AB) 678 amends the HAA by increasing the documentation and standard of proof required for a local agency to legally defend its denial of low-to-moderate-income housing development projects. If the local agency considers the housing development project to be inconsistent, not in compliance, or not in conformity, this bill requires the local agency to provide the applicant with written documentation within specified time periods that identifies the provision or provisions, and an explanation of the reason or reasons it considers the housing development to be inconsistent, not in compliance, or not in conformity. If the local agency fails to provide this documentation, the housing development project is deemed consistent, compliant, and in conformity with the applicable plan, program, policy, ordinance, standard, requirement, or other similar provision.

AB 1515: Reasonable Person Standard

AB 1515 specifies that a housing development project is deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision if there is substantial evidence that would allow a reasonable person to conclude that the housing development project or emergency shelter is consistent, compliant, or in conformity. This bill added additional findings related to the Housing Accountability Act in this regard.

Senate Bill 330: Housing Crisis Act of 2019

On October 9, 2019, Governor Newsom signed Senate Bill (SB) 330, allowing increased certainty in the development process, speeding the review of new housing development projects, preserving existing affordable housing, and preventing certain zoning actions that reduce the availability of housing. SB 330 establishes a statewide housing emergency until January 1, 2025.

Regional

Southern California Association of Governments

SCAG is a regional council of governments representing Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties, which encompass over 38,000 square miles. SCAG is the federally recognized metropolitan planning organization (MPO) for this region and a forum for addressing regional issues concerning transportation, the economy, community development, and the environment. SCAG is also the regional clearinghouse for projects requiring environmental documentation under federal and state law. In this role, SCAG reviews proposed development and infrastructure projects to analyze their impacts on regional planning programs. As the southern California region's MPO, SCAG cooperates with the South Coast Air Quality Management District, the California Department of Transportation, and other agencies in preparing

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regional planning documents. The City of Brea is within the Orange County Council of Governments' subregion of SCAG.

Regional Transportation Plan/Sustainable Community Strategy

SCAG has developed regional plans to achieve specific regional objectives. Every four years SCAG updates the regional transportation plan/sustainable community strategy (RTP/SCS) for the six-county region. On September 3, 2020, SCAG adopted the 2020-2045 RTP/SCS, Connect SoCal, which is based on four principles that are important to the region's future—mobility, economy, healthy/complete communities, and environment. Connect SoCal explicitly lays out goals related to housing, transportation technologies, equity, and resilience in order to adequately reflect the increasing importance of these topics in the region. The RTP/SCS outlines a development pattern for the region which, when integrated with the transportation network and other transportation measures and policies, would reduce greenhouse gas emissions from transportation (excluding good movement). The RTP/SCS is meant to provide growth strategies that would achieve the regional greenhouse gas emissions reduction targets identified by the California Air Resources Board. However, the RTP/SCS does not require that local general plans, specific plans, or zoning be consistent with the RTP/SCS; instead, it provides incentives to governments and developers for consistency.

Local

Development of housing in the City of Brea is guided by the goals, objectives, and policies of the general plan and housing element. The City of Brea General Plan includes the following policies on population and land use:

- Policy 2.1. Financial Resources Pursue expanded financial resources to support in the production of housing affordable to Brea's workforce, disadvantaged communities, and special needs populations.
- Policy 2.2. Mixed Income Housing Utilize the City's Inclusionary Housing Ordinance as a tool to
 integrate affordable units within market rate developments, or pay an in-lieu fee to support the provision
 of affordable housing.
- Policy 2.3. Provide Homeownership Assistance Encourage the provision of financial assistance to low and moderate first-time homebuyers through County and State programs.
- Policy 2.4. Housing for Workforce Promote the City's Affordable Housing Programs with employers in Brea.
- Policy 2.5. Public/Private Partnerships Explore collaborative partnerships with major employers, educational institutions, non-profit organizations, and others in the provision of affordable, workforce and special needs housing.
- Policy 3.6. Hillside Development Base densities in Brea's hillsides on the ability of infrastructure, ingress and egress for evacuations, landform, physical constraints, and emergency response capabilities to support development.

- **Policy 3.7. Annexations** Pursue phased annexation of Brea's Sphere of Influence to provide additional growth opportunities for a range of housing types consistent with infrastructure capacities.
- Policy 6.5. Transportation Alternatives and Walkability Incorporate transit and other transportation alternatives including walking and bicycling into the design of new development, particularly in areas within a half-mile of designated transit stops and the City's "Tracks at Brea" walking and biking trail system.
- Policy 6.6. Jobs/Housing Balance Encourage a closer link between housing and jobs in the community, including housing opportunities affordable to Brea's modest income workforce.

5.14.1.2 EXISTING CONDITIONS

Population Growth Trends

As shown in Table 5.14-1, *Brea and Orange County Population Growth*, the city's population growth rate increased from a modest 7.7 percent between 1990 and 2000 to 16.2 percent between 2010 and 2020, more than doubling the rate. During the same period, the overall Orange County population rate decreased from 18.1 percent between 1990 and 2000 to 6.1 percent between 2010 and 2021.

Table 5.14-1 Brea and Orange County Population Growth

					Growth Rate		
Jurisdiction	1990	2000	2010	2020	1990-2000	2000-2010	2010-2021
Brea	32,873	35,410	39,282	45,629	7.7%	10.9%	16.2%
Orange County	2,410,556	2,846,289	3,010,232	3,194,332	18.1%	5.8%	6.1%
Source: US Census 1990, 2000, and 2010; DOF 2020.							

Housing Growth Trends

Table 5.14-2, *Brea and Orange County Housing Growth*, indicates that between 1990 and 2000, the city's housing stock grew by a modest 5.4 percent, compared to 10.8 percent countywide. Since 2000, the city's housing growth rate has increased, to 10.9 percent between 2000 and 2010 and 14.4 percent between 2010 and 2021, and the countywide housing growth rate decreased to 7.9 percent between 2000 and 2010 and 6.2 percent between 2010 and 2021.

Table 5.14-2 Brea and Orange County Housing Growth

					Growth Rate		
Jurisdiction	1990	2000	2010	2020	1990-2000	2000-2010	2010-2021
Brea	12,648	13,327	14,785	16,911	5.4%	10.9%	14.4%
Orange County	875,072	969,484	1,046,118	1,111,421	10.8%	7.9%	6.2%
Source: US Census 1990, 2000, and 2010; DOF 2020.							

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Regional Housing Needs Assessment

As shown in Table 5.14-3, *City of Brea 2021-2029 Regional Housing Needs Assessment*, Brea's RHNA allocation for the 2021–2029 planning period is 2,365 units. This number was calculated by SCAG based on the city's share of the region's employment growth, migration and immigration trends, and birth rates. The RHNA allocation for the 2014-2021 planning period was 1,851 units, and as of February 23, 2021, the city issued 3,209 building permits in the 2014-2021 cycle.

Table 5.14-3 City of Brea 2021-2029 Regional Housing Needs Assessment

Income Category (% of County AMI¹)	Number of Units	Percentage
Extremely Low Income (30% or less) ²	334	14%
Very Low (31% to 50%)	335	14%
Low (51% to 80%)	393	17%
Moderate (81% to 120%)	403	17%
Above Moderate (Over 120%)	900	38%
Total	2,365	100%

Source: SCAG 2021.

Employment

Employment Trends

Table 5.14-4, *City of Brea Employment by Industry*, shows the city's distribution of jobs by industry type. As shown, finance and insurance (13.52 percent) and manufacturing (13.14 percent) are the most dominant employment sectors in Brea, followed by retail trade (11.20 percent), accommodation and food services (9.07 percent), and construction (8.60 percent). These industries make up approximately 55 percent of the city's employment.

Table 5.14-4 City of Brea Employment by Industry

Industry/Occupation	Jobs	Percentage	
Finance and insurance	6,900	13.7	
Manufacturing	6,750	13.4	
Retail trade	6,200	12.3	
Accommodation and food services	5,090	10.1	
Construction	4,180	8.3	
Administrative & support, waste management and remediation	4,080	8.1	
Wholesale Trade	3,280	6.5	
Health care and social assistance	2,720	5.4	
Professional, scientific, and technical services	2,670	5.3	
Management of companies and enterprises	2,320	4.6	
Transportation and warehousing, and utilities	1,810	3.6	
Educational services	1,710	3.4	
Other services, except public administration	860	1.7	
Real estate and rental and leasing	750	1.5	

¹ AMI = Area Median Income

² An estimated half of the city's 669 very low income housing needs (334 units) are for extremely low income households earning less than 30% AMI.

Table 5.14-4 City of Brea Employment by Industry

Industry/Occupation	Jobs	Percentage
Public administration	450	0.9
Information	400	0.8
Arts, entertainment, and recreation	200	0.4
Agriculture, forestry, fishing and hunting, mining, oil and gas extraction, and utilities	30	0.07
Total	50,400	100%

Source: Brea 2021; US Census Bureau 2017.

Note: Figures were rounded up to the nearest whole number of jobs and one decimal place in percentages. Employment figures count civilian employees 16 years and older.

Growth Projections

Southern California Association of Governments

SCAG undertakes comprehensive regional planning with an emphasis on transportation. The 2020-2045 RTP/SCS provides the most current projections of population, households, and total employment for Brea. Based on its share of California's and the region's employment growth, migration and immigration trends, and birth rates, SCAG projects that population, housing, and employment will grow at an increasing rate in Brea. These projections are summarized in Table 5.14-5, SCAG Growth Projections for Brea.

Table 5.14-5 SCAG Growth Projections for Brea

	2016	2045		
Population	43,900	48,000		
Employment	50,400	54,400		
Households	15,300	17,000		
Housing units ¹	16,065	17,850		
Jobs-housing ratio	3.14	3.05		

Source: SCAG 2020b.

Jobs-Housing Ratio

The jobs-housing ratio is a general measure of the number of jobs versus housing in a defined geographic area, without regard to economic constraints or individual preferences. The jobs-housing ratio as well as the type of job versus the price of housing, has implications for mobility, air quality, and the distribution of tax revenues. A project's effect on the jobs-housing ratio is one indicator of how it will affect growth and quality of life in the project area. SCAG applies the jobs-housing ratio at the regional and subregional levels to analyze the fit between jobs, housing, and infrastructure. A main focus of SCAG's regional planning efforts has been to improve this balance; however, jobs-housing goals and ratios are only advisory. There is no ideal jobs-housing ratio adopted in state, regional, or city policies. The American Planning Association (APA) is an authoritative resource for community planning best practices, including recommendations for assessing jobs-housing ratios.

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SCAG does not provide growth projections for housing units. Households refers to the number of occupied housing units (SCAG 2019). Housing units are estimated based on number of households and a healthy vacancy rate of 5 percent.

Although APA recognizes that an ideal jobs-housing ratio will vary across jurisdictions, its recommended target is 1.5, with a recommended range of 1.3 to 1.7 (Weltz 2003).

As shown in Tables 5.14-2 and 5.14-4, there are currently 50,400 jobs and 16,911 housing units in the city. Therefore, the current jobs-housing ratio for the city is 2.98, a jobs-rich community. As shown in Table 5.14-5, SCAG's growth forecast indicates that Brea was a jobs-rich community with a jobs-housing ratio of 3.14 in 2016 and would continue to be a jobs-rich community, with the ratio of 3.05 in 2045.

5.14.2 Thresholds of Significance

According to Appendix G of the CEQA Guidelines, a project would normally have a significant effect on the environment if the project would:

- P-1 Induce substantial unplanned 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).
- P-2 Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere.

5.14.3 Plans, Programs, and Policies

No existing regulations are applicable to population and housing impacts of the proposed project.

5.14.4 Environmental Impacts

5.14.4.1 IMPACT ANALYSIS

The following impact analysis addresses the thresholds of significance; the applicable thresholds are identified in brackets after the impact statement.

Impact 5.14-1: The proposed project would not induce unplanned substantial population growth in an area, directly by proposing residential units or indirectly by providing extension of roads or other infrastructure. [Threshold P-1]

Construction

Construction of the proposed project would require contractors and laborers. The proposed project would be developed in phases, and the City expects that general construction labor would be available from the local and regional labor pool and would not result in substantial population growth because the construction workers would commute from their current homes. The construction is assumed to last approximately seven to twelve years, with a buildout year of 2030 to 2035. Although project construction would take several years, different construction workers would be needed for different phases of construction, and general construction labor would be available from the local and regional labor pool. Therefore, the project would not result in a long-term increase in employment from short-term construction activities. Construction of additional housing for

construction workers would not be necessary, and no additional infrastructure construction would be provided. Therefore, the proposed project would not directly or indirectly induce substantial population growth in the project area during construction.

Operation

Assuming an average of 2.82 residents per unit, consistent with the household size reported in the City's 2021-2029 housing element, construction of 1,100 units would result in an increase of 3,102 residents. The current population in Brea is 45,629, as shown in Table 5.14-1, and the project would increase the city's population to 48,731 residents. The City's General Plan projected that the population in the city may increase to 50,483 at General Plan buildout. Therefore, an increase of 3,102 residents from the existing population would be within the City's planned growth. The housing element also considered that development of 1,100 units on the project site contributed to addressing Brea's housing needs, including 76 affordable units. The housing element identified the Brea 265 Specific Plan as one of the projects in process, with potential development of 25 very low income, 51 low income, and 1,024 above moderate income housing units.

The City's General Plan land use plan also estimated that over 2,500 units can be accommodated in the Brea's SOI. The proposed project would annex 219.1 acres of the SOI currently designated Hillside Residential and Low Density Residential into the city, consistent with the 2005 preannexation agreement between the City of Brea, County of Orange, and Aera Energy (project applicant). Therefore, development of 1,100 units and associated population increase would be consistent with the City's General Plan land use plan.

SCAG's RHNA allocation for the city during the 2021-2029 period is 2,365 units. Phase 1 and Phase 2 of the proposed project total 965 units and are anticipated to be completed within this cycle; Phase 3 is anticipated to be completed after 2030. Therefore, the proposed project would contribute to meeting Brea's RHNA allocation and fulfilling the City's share of regional housing needs. California's housing shortage brought about the Housing Crisis Act of 2019 (SB 330), which establishes a statewide housing emergency until January 1, 2025.

SCAG projected that the city's population would increase by 9.3 percent—from 43,900 residents in 2016 to 48,000 residents in 2045—and households would increase by 11 percent, from 15,300 households in 2016 to 17,000 households in 2045, as shown in Table 5.14-5. The proposed increase of 3,102 residents from Brea 265 would represent approximately 75.7 percent of the projected growth and is within SCAG's population growth projection.

The annexation of the hillside area currently in the SOI and the development of 1,100 units by the proposed project have already been considered in the City's General Plan land use plan and Housing Element, so the proposed project would not result in unplanned growth in the city. The growth would also be adequately accommodated by various infrastructure (e.g., circulation and streetscape improvements; water, sewer, and drainage facilities; and parks and recreational facilities) provided as part of Brea 265 and would not result in adverse physical impacts induced by unplanned substantial population growth.

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Jobs-Housing Balance

A project's effect on the jobs-housing balance is an indicator of how it will affect growth and quality of life in the project area. Because the city is currently jobs-rich, with 2.98 jobs per housing in 2020¹ (see Tables 5.14-2 and 5.14-4), an additional 1,100 residential units would benefit the city by decreasing the jobs-housing ratio to 2.80,² resulting in a more balanced city (recommended range is 1.3 to 1.7). As shown in Table 5.14-5, SCAG's growth forecast indicates that Brea would continue to be jobs-rich community, with the ratio of 3.05 in 2045. Provision of additional housing would improve the jobs-housing ratio. Therefore, although the proposed project would induce population and housing growth in the city, the growth would improve the jobs-housing balance and contribute to fulfilling the city's share of RHNA allocation. Impacts would be less than significant.

Level of Significance Before Mitigation: Less than significant impact.

Impact 5.14-2: The proposed project would not displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere. [Threshold P-2]

Implementation of the proposed project would not require removal or relocation of any housing units. The project area currently operates as oil fields, agricultural lands, and nursery, and no one lives on the project site. Therefore, the proposed project would not necessitate the construction of replacement housing elsewhere.

Level of Significance Before Mitigation: No impact.

5.14.5 Cumulative Impacts

The proposed project provides 1,100 homes in a jobs-rich city. When combined with the related cumulative projects in Brea, there would be an increase of 1,453 residential units and 814,917 square feet of nonresidential uses by 2045. By adding housing and nonresidential uses in the city, the combined projects would help balance the city's jobs-housing ratio from SCAG's 2016 baseline of 3.14 to 2.84, and year 2045 ratio of 3.05 to 2.79 (see Table 5.14-6, *Estimated Jobs-Housing Ratio With Cumulative Projects*). Therefore, the proposed project and the related cumulative projects would improve the city's jobs-housing balance, and impacts would not be considered significant.

Table 5.14-6 Estimated Jobs-Housing Ratio With Cumulative Projects

	SCAG Forecast			Cumulative	2016 Plus Project Plus Cumulative	2045 Plus Project Plus Cumulative
	2016	2045	Proposed Project	Projects	Projects	Projects
Employment	50,400	54,400	0	2,445	52,845	56,845
Housing units ¹	16,065	17,850	1,100	1,453	18,618	20,403
Jobs-housing	3.14	3.05			2.84	2.79

Source: SCAG 2020b.

SCAG does not provide growth projections of housing units. Households refers to the number of occupied housing units (SCAG 2019). Housing units are estimated based on number of households and a healthy vacancy rate of 5 percent.

² Assumed 3 jobs per 1,000 square feet of non-residential areas, the same assumption used for the La Floresta Project (2006)

Existing 50,400 jobs ÷ Existing 16,911 units = 2.98 jobs per housing unit

² Existing 50,400 jobs ÷ (Existing 16,911 units + Proposed 1,100 units) = 2.80 jobs per housing unit

5.14.6 Level of Significance Before Mitigation

These impacts would be less than significant: 5.14-1 and 5.14-2.

5.14.7 Mitigation Measures

No mitigation measures are required.

5.14.8 Level of Significance After Mitigation

No significant impacts related to population and housing were identified; therefore, no significant and unavoidable adverse impacts would occur.

5.14.9 References

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