5.11 Population and Housing

5.11.1 INTRODUCTION

This section examines the existing population, housing, and employment conditions in the City of Santa Ana, and assesses the Project's impacts related to unplanned direct and indirect growth. Demographic data presented in this section is from the California Department of Finance data and the Southern California Association of Governments (SCAG) 2016 growth forecasts, the SCAG 2019 Local Profile for the City of Santa Ana, and a Persons per Household Evaluation prepared by Stanly R. Hoffman Associates (PPH 2019), provided as Appendix J.

Although evaluation of population, housing, and employment typically involves economic and social, rather than physical environmental issues, population, housing, and employment growth are often precursors to physical environmental impacts. According to Section 15382 of the CEQA Guidelines, "[a]n economic or social change by itself shall not be considered a significant impact on the environment." Socioeconomic characteristics should be considered in an EIR only to the extent that they create adverse impacts on the physical environment.

5.11.2 REGULATORY SETTING

California Housing Element Law

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. At the state level, the California Department of Housing and Community Development Department (HCD) estimates the relative share of California's projected population growth that would occur in each county based on Department of Finance (DOF) 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, HCD provides the RHNA to the council. Such is the case for the City of Santa Ana, which is a member of SCAG. The council, in this case SCAG, then assigns a share of the regional housing need to each of its cities and counties. The HCD oversees the process to ensure that the council of governments distributes its share of the state's projected housing need.

Regional Housing Needs Allocation

The RHNA is mandated by state housing law as part of the periodic process of updating housing elements of local general plans. State law requires that housing elements identify RHNA targets set by HCD to encourage each jurisdiction in the state to provide its fair share of very low, low, moderate, and upper income housing. The RHNA provides a long-term outline for housing within the context of local and regional trends and housing production goals.

SCAG determines total housing need for each community in southern California based on three general factors: 1) the number of housing units needed to accommodate future population and employment growth; 2) the number of additional units needed to allow for housing vacancies; and 3) the number of very low, low, moderate, and above-moderate income households needed. All cities are required to ensure that sufficient sites are planned and zoned for housing, such that area would be available to accommodate the projected housing needs, and to implement proactive programs that facilitate and encourage the production of housing commensurate with its housing needs.

SCAG Regional Transportation Plan/Sustainable Communities Strategy

The SCAG Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) that was adopted by SCAG on April 7, 2016, and since amended three times, most recently on September 6, 2018. The RTP/SCS is a long-range visioning plan that balances future mobility and housing needs with economic, environmental and public health goals by focusing new housing and employment near existing transit, so that the region can grow sustainably. The 2016 RTP/SCS Land Use Policies that are related to population and housing and relevant to the proposed Project include:

- Identify regional strategic areas for infill and investment: Identify strategic opportunity areas for infill development of aging and underutilized areas and increased investment in order to accommodate future growth. This strategy makes efficient use of existing and planned infrastructure, revitalizes communities, and maintains or improves quality of life. Strategic areas are primarily identified as those with potential for transit-oriented development, existing and emerging centers, and small mixed-use areas.
- **Develop "Complete Communities":** Create mixed-use districts or "complete communities" in strategic growth areas through a concentration of activities with housing, employment, and a mix of retail and services, located in close proximity to each other. Focusing a mix of land uses in strategic growth areas creates complete communities wherein most daily needs can be met within a short distance of home, providing residents with the opportunity to patronize their local area and run daily errands by walking or cycling rather than traveling by automobile.
- Plan for additional housing and jobs near transit: Pedestrian-friendly environments and more compact development patterns in close proximity to transit serve to support and improve transit use and ridership. Focusing housing in transit-accessible locations will serve to reduce auto use and support more multi-modal travel behavior.
- Plan for changing demand in types of housing: Shifts in the labor force, as the large cohort of aging "baby boomers" retires over the next 15 years and is replaced by new immigrants and "echo boomers," will likely induce a demand shift in the housing market for additional development types such as multifamily and infill housing in central locations, appealing to the needs and lifestyles of these large populations.
- **Continue to protect stable, existing single-family areas:** Continue to protect stable existing single-family neighborhoods as future growth and a more diverse housing stock are accommodated in infill locations near transit stations, in nodes along corridors and in existing centers.

SCAG Regional Growth Projections

SCAG is responsible for producing socioeconomic forecasts and developing, refining, and maintaining macro and small-scale forecasting models. The forecasts are developed in five-year increments. The current SCAG projections are provided through the year 2040. Consistency with the growth forecast, at the sub-regional level, is one criterion that SCAG uses in exercising its federal mandate to review "regionally significant" development projects for conformity with regional plans. As described below, the County of Orange had approximately 3,194,024 residents in 2017. SCAG's 2016 Forecast estimate an increase to 3,461,500 residents by 2040, which would be a total increase of 267,476 residents (8.4 percent).

City of Santa Ana General Plan Housing Element

The City of Santa Ana's Housing Element 2014-2021, adopted in 2014, provides guidelines to expand the housing supply to meet the present and future needs of the City's population. The element addresses the

need for housing for all economic segments in the City and provides goals, strategies, and actions to meet this need. The Housing Element goals and policies related to the proposed Project are listed below.

Goal 1: Livable and complete neighborhoods of quality housing conditions, ample parks and community services, well-maintained infrastructure, and public facilities that inspire neighborhood pride and ownership.

Goal 2: A diversity of quality housing, affordability levels, and living experiences that accommodate Santa Ana's residents and workforce of all household types, income levels, and age groups to foster an inclusive community.

Policy HE-2.2: District Centers. Create high intensity, mixed-use urban villages and pedestrian oriented experiences that support the mid- to high-rise office centers, commercial activity, and cultural activities in the varied District Centers.

Policy HE-2.3: Rental Housing. Encourage the construction of rental housing for Santa Ana's residents and workforce, including a commitment to very low, low, and moderate-income residents and moderate-income Santa Ana workers.

Policy HE-2.4: Diverse Housing Types. Facilitate diverse types, prices, and sizes of housing, including single-family homes, apartments, townhomes, mixed/multiuse housing, transit-oriented housing, multigenerational housing, and live-work opportunities.

Policy HE-2.5: Housing Design. Require excellence in architectural design through the use of materials and colors, building treatments, landscaping, open space, parking, and environmentally sensitive ("green") building and design practices.

5.11.3 ENVIRONMENTAL SETTING

Project Site

The Project site consists of 14.53 acres of land that is currently developed with three industrial buildings addressed as 2300, 2310, and 2320 South Redhill Avenue, and associated parking. All three buildings were formerly occupied by Ricoh Electronics Inc, an imaging and electronics company. The Ricoh operation included a thermal processing area in the 2320 South Redhill Avenue building, a machine shop in the 2310 South Redhill Avenue building, a machine shop in the 2310 South Redhill Avenue building, and toner manufacturing in the 2300 South Redhill Avenue building. The site was vacated by Ricoh in 2018 and the buildings are partially re-occupied and used for storage, electronics recycling, and as interim 200-bed homeless shelter.

Project Vicinity

The Project site is located within an urban area that is either fully developed or planned for urban development. The site is adjacent and near areas in the Cities of Tustin and Irvine that have land use plans (Tustin Legacy Specific Plan and the Irvine Business Complex Vision Plan) that encourage mixed-use development or redevelopment that includes residential, professional office, retail, flex, industrial, hospitality and institutional uses (AECOM 2019). The shift in recent and proposed development patterns occurring in the Tustin Legacy and the Irvine Business Complex (IBC) provides for more residential and mixed-use development near industrial and professional office space that generates employment and economic growth (AECOM 2019).

Areas across Red Hill Avenue from the Project site are within the jurisdictional boundaries of the City of Tustin and within the Tustin Legacy Specific Plan; these areas are partially developed and designated for an employment center to provide a business park setting for a full range of professional offices, research & development, and commercial uses. Additionally, areas on the northeast corner of Red Hill Avenue and Warner Avenue, are designated to provide a range of public serving uses that include education, training, park and recreation, and specific social service functions. Other areas of the Tustin Legacy Specific Plan that are farther to the east are planned to provide for a variety of employment, commercial, office, and residential development. Similarly, the IBC area that is located 0.35 miles south and southeast of the Project site is a master planned area that provides for medium- to high-density mixed employment, service, and residential uses.

The original development and uses of the Project site were consistent with the industrial type uses that were previously provided in the Marine Corps Air Station and IBC. Thus, it is consistent that current and future land use trends within the Tustin Legacy Specific Plan and IBC would continue to influence land uses within its vicinity. Therefore, the analyses below includes information about both the Cities of Tustin and Irvine, in addition to Santa Ana, and a two mile radius around the Project site, in order to provide an appropriate overview of anticipated population and housing changes within the Project vicinity.

Population

The California Department of Finance estimates that the City of Santa Ana 2019 population is 337,716 persons, representing 10.8 percent of Orange County's total population. The Department of Finance data shows that the City's population increased by 13,069 residents (4.0 percent) between 2010 and 2019. In comparison the City of Tustin's population grew 7.7 percent, the City of Irvine's population grew by 31.9 percent, and the County of Orange had a 7.1 percent increase in population between 2010 and 2019, as shown on Table 5.11-1.

| | 2010 | 2019 | 2010 – 2019 Increase |
|-------------------|-----------|-----------|-------------------------|
| City of Santa Ana | 324,647 | 337,716 | 4.0% |
| City of Tustin | 75,540 | 81,369 | 7.7% |
| City of Irvine | 212,375 | 280,202 | 31.9% |
| County of Orange | 3,010,232 | 3,222,498 | 7.1% |

Table 5.11-1: Cities and County Population Estimates and Increase, 2010 - 2019

Source: CA Depart of Finance, E-5 Population and Housing Estimates, 2010 - 2019.

Additionally, it is projected that the population of the County will increase to 3,531,540 by 2040, which would be an increase of 9.6 percent over the County's 2019 population. As shown in Table 5.11-2, the Center for Demographic Research projects that the population of the City of Santa Ana to increase to 362,863 residents by 2040, which is a 7.4 percent (25,147 resident) increase over the City's 2019 population. However, the Cities if Tustin and Irvine are anticipated to have greater population increases of 11.3 percent and 14.7 percent.

| Table 5.11-2: Cities and County Population | n Projections, 2019 - 2040 |
|--|----------------------------|
|--|----------------------------|

| | | | 2019 - 2040 |
|-------------------|-----------|-----------|-------------|
| | 2019 | 2040 | Increase |
| City of Santa Ana | 337,716 | 362,863 | 7.4% |
| City of Tustin | 81,369 | 90,576 | 11.3% |
| City of Irvine | 280,202 | 321,283 | 14.7% |
| County of Orange | 3,222,498 | 3,531,540 | 9.6% |

Source: Center for Demographic Research, Orange County Jurisdiction Demographics 2019.

Housing

The California Department of Finance estimates that the City of Santa Ana contained 78,563 housings units in 2019. As shown in Table 5.11-3, of the housing units within the City of Santa Ana 45.4 percent are

detached single family housing units and 32.4 percent are multi-family units within buildings containing more than five units.

The housing types in Santa Ana compared to those in the Cities of Tustin and Irvine and the entire County are provided in Table 5.11-3, which shows that the County has a slightly higher percentage of detached single-family housing units and a lower percentage of multi-family housing units than the City. Conversely, the Cities of Tustin and Irvine have lower percentages of single-family housing, similar rates of multi-family units within buildings containing more than five units, and higher rates of attached single-family and multi-family 2-4 attached units.

| , | | anta Ana g Units | City of Tustin Housing Units | | City of Irvine Housing Units | | County of Orange Housing Units | |
|-----------------------------|--------|---------------------|---------------------------------|---------|---------------------------------|---------|-----------------------------------|---------|
| Unit Type | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Single-family detached | 35,692 | 45.4% | 9,867 | 35.1% | 41,798 | 39.5% | 554,030 | 50.2% |
| Single-family attached | 5,799 | 7.4% | 3,578 | 12.7% | 16,722 | 15.8% | 131,446 | 11.9% |
| Multi-family (2-4 units) | 7,563 | 9.6% | 4,050 | 14.4% | 6,696 | 6.3% | 94,403 | 8.5% |
| Multi-family (5+ units) | 25,460 | 32.4% | 9,741 | 34.6% | 39,477 | 37.3% | 290,766 | 26.3% |
| Mobile homes | 4,049 | 5.2% | 909 | 3.2% | 1,165 | 1.1% | 33,519 | 3.0% |
| Total | 78,563 | 100% | 28,145 | 100% | 105,858 | 100% | 1,104,164 | 100% |

Table 5.11-3: Cities and County Housing Estimates by Type in 2019

Source: CA Depart of Finance, E-5 Population and Housing Estimates, 2010 – 2019.

The Census Factfinder 2017 information for the City identifies that married family households reside in 54.1 percent of the City's housing units and 53.1 percent of these families have household sizes of 4 or more persons. Likewise, the average household size is 4.4 persons per dwelling unit. The information also states that of the renter-occupied units 58.0 percent have 1 occupant or less per room, 21.9 percent have between 1.01 and 1.5 occupants per room, and 20.1 percent have more than 1.5 persons per room. In addition, the SCAG 2019 Local Profile for the City of Santa Ana states that in 2018, 46.9 percent of all City households had 3 people or fewer.

The Economic and Fiscal Analysis prepared for the proposed Project describes that the inventory of multifamily residential units within two-miles of the site has grown 27 percent since 2010 and that these units have been quickly absorbed to provide a vacancy rate of between three and five percent as new units come online. Also, the demand for the multi-family units is indicated through the gradually increasing rent costs of that total an increase of 17 percent between 2010 and 2018. In addition, the Economic and Fiscal Analysis describes that the continued mixed-use development near areas of employment opportunities within two miles of the site is anticipated to maintain the incremental demand for multi-family residence dwelling units (AECOM 2019).

The California Department of Finance population and housing estimates for 2019 detail that the City of Santa Ana has a vacancy rate of 4.1 percent. In comparison, the vacancy rate in the City of Tustin is 4.9 percent, the rate in Irvine is 6.2 percent, and the Countywide rate is higher at 5.2 percent. As described by the City of Santa Ana Housing Element, an adequate supply of housing is essential to maintaining adequate choices for residents, moderating housing prices, and encouraging the normal maintenance of properties. Low vacancy rates result in price and rent escalation, while excess vacancy rates result in price depreciation, rent declines, and deferred maintenance. A housing vacancy rate of 1.5–2.0 percent for ownership units and

5–6 percent for rental units are optimal and offer a variety of choices for residents. Thus, the Santa Ana vacancy rate of 4.1 percent indicates that additional housing could be needed.

The California Department of Finance estimates that number of housing units in the City increased by 1,617 units (2.1 percent) between 2010 and 2019. The City has developed fewer new housing units in comparison to the Cities of Tustin and Irvine and County, as shown in Table 5.11-4 that provides the California Department of Finance housing estimates for the City of Santa Ana and Orange County in 2010 and 2019. The City of Santa Ana is largely built out and most of the development within the City is similar to the proposed Project and consists of redevelopment of existing developed land uses. Conversely, the Cities of Tustin and Irvine and the County of Orange contains much larger areas of vacant developable land that has accommodated the past housing increases shown in Table 5.11-4.

| | | | 2010 – 2019 | | | |
|-------------------|-----------|-----------|-------------|--|--|--|
| | 2010 | 2019 | Increase | | | |
| City of Santa Ana | 76,919 | 78,536 | 2.1% | | | |
| City of Tustin | 26,467 | 28,145 | 6.3% | | | |
| City of Irvine | 81,110 | 105,858 | 30.5% | | | |
| County of Orange | 1,046,118 | 1,104,164 | 5.5% | | | |
| | | | | | | |

| Table 5.11-4: Cities and | County Housin | g Increase, 20 | 10 - 2019 |
|--------------------------|----------------------|----------------|-----------|
|--------------------------|----------------------|----------------|-----------|

Source: CA Depart of Finance, E-5 Population and Housing Estimates, 2010 - 2019.

SCAG projects that the number of households the County will increase to 1,152,300 by 2040, which would be a total increase of 10.2 percent over the County's 2019 number of households. As over 7 percent of the County's housing is located within the City of Santa Ana, and the population of the City is projected to increase by 7.4 percent (25,147 residents) by 2040 over the City's 2019 population (CDR 2019) a similar increase in housing is anticipated to occur within the City.

Employment

The 2019 SCAG Local Profile for the City of Santa Ana identifies that in 2017, there were 163,503 jobs in the City of Santa Ana. Of these jobs, 23.1 percent are in the professional sector, 18.2 percent are in the education sector, and 11.4 percent are in the manufacturing sector. As shown in Table 5.11-5 the types of jobs within Santa Ana, Tustin, and Irvine are similar with the most jobs in the professional, education, and manufacturing sectors.

| | City of | City of | City of |
|----------------|-----------|---------|---------|
| Job Sector | Santa Ana | Tustin | Irvine |
| Professional | 23.1% | 17.7% | 26.3% |
| Education | 18.2% | 16.0% | 16.8% |
| Manufacturing | 11.4% | 11.0% | 13.8% |
| Retail | 8.5% | 12.8% | 8.5% |
| Leisure | 8.0% | 13.2% | 8.9% |
| Wholesale | 7.0% | 5.9% | 4.7% |
| Finance | 7.0% | 9.3% | 9.0% |
| Construction | 5.3% | 6.4% | 3.9% |
| Public | 4.1% | 1.0% | 0.8% |
| Other | 2.7% | 3.8% | 1.9% |
| Transportation | 2.5% | 1.4% | 1.5% |
| Information | 2.3% | 1.3% | 3.5% |

Table 5.11-5: Santa Ana, Tustin, and Irvine Jobs by Sector, 2017

Source: 2017 SCAG Local Profile for the City of Santa Ana, City of Tustin, and City of Irvine.

In addition, the Economic and Fiscal Analysis prepared for the proposed Project describes that there are 119,676 jobs within two-miles of the Project site within the Cities of Santa Ana, Tustin, and Irvine and that many of these jobs exist within the following sectors: construction, manufacturing, wholesale trade, finance and insurance, professional, scientific/technical services, administrative support, health care, retail, and accommodation services (AECOM 2019).

The SCAG 2019 Local Profile for Santa Ana identifies that only 20.8 percent of Santa Ana residents work and live in the City, while 79.2 percent commute to other places. Of the commuters residing in Santa Ana the largest percentage commute to the City of Irvine (12.2 percent), Anaheim (6.8 percent), Orange 5.5 (percent), and Costa Mesa (5.3 percent).

For Tustin, the SCAG 2019 Local Profile shows that only 7.3 percent of Tustin residents work and live in the City, while 92.7 percent commute to other places. Of the commuters residing in Tustin the largest percentage commute to the City of Irvine (18.6 percent), Santa Ana (10.4), Anaheim (5.5 percent), and Orange 5.2 (percent).

In comparison, the SCAG 2019 Local Profile for Irvine identifies that 30.6 percent of Santa Ana residents work and live in the City, while 69.4 percent commute to other places. Of the commuters residing in Irvine the largest percentage commute to the City of Santa Ana (6.5 percent), Newport Beach (5.6 percent), and Los Angeles (5.5 percent).

Jobs – Housing Ratio

The jobs-housing ratio is a general measure of the total number of jobs and housing units in a defined geographic area, without regard to economic constraints or individual preferences. The balance of jobs and housing in an area—in terms of the total number of jobs and housing units as well as the type of jobs versus the price of housing—has implications for traffic and air quality. The jobs/housing ratio is one indicator of a project's effect on 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 major focus of SCAG's regional planning efforts has been to improve this balance. SCAG defines the jobs-housing balance as follows:

Jobs and housing are in balance when an area has enough employment opportunities for most of the people who live there and enough housing opportunities for most of the people who work there. The region as a whole is, by definition, balanced.... Job-rich subregions have ratios greater than the regional average; housing-rich subregions have ratios lower than the regional average. Ideally, job-housing balance would... assure not only a numerical match of jobs and housing but also an economic match in type of jobs and housing.

SCAG considers an area balanced when the jobs-housing ratio is 1.36; communities with more than 1.36 jobs per dwelling unit are considered jobs-rich; those with fewer than 1.36 are housing rich (SCAG 2004). A job-housing imbalance can indicate potential air quality and traffic problems associated with commuting.

As shown in Table 5.11-6, the City of Santa Ana is jobs rich with 2.08 jobs per housing, which is anticipated to increase to 2.13 jobs per housing unit by 2040. Similarly, the Cities of Tustin and Irvine are anticipated to continue to be jobs rich. In 2040, the City of Tustin is projected to have 2.38 jobs per housing units and the City of Irvine is projected to have 2.59 jobs per housing unit. Hence, the Santa Ana, Tustin, and Irvine region of the County is jobs rich; and the Project site is located at the center of this regional location.

In contrast, Table 5.11-6 shows that Orange County as a whole has a jobs-housing ratio of 1.56, which is closer to the SCAG preferred jobs – housing ratio of 1.36. However, the SCAG projections anticipate that the number of jobs within the County will increase more than the number of housing units (10 percent increase in jobs versus a 4.4 percent increase in housing units); thus, the County's jobs – housing ratio is anticipated to increase to 1.65 by 2040.

| | Year | Employment | Housing Units | Jobs – Housing Ratio |
|-------------------|------------------|------------|---------------|----------------------|
| City of Santa Ana | Existing | 163,503 | 78,563 | 2.08 |
| | 2040 (projected) | 166,000 | 78,000 | 2.13 |
| City of Tustin | Existing | 50,169 | 28,145 | 1.78 |
| | 2040 (projected) | 66,400 | 27,900 | 2.38 |
| City of Irvine | Existing | 269,502 | 105,858 | 2.55 |
| - | 2040 (projected) | 320,000 | 123,400 | 2.59 |
| County of Orange | Existing | 1,726,003 | 1,104,164 | 1.56 |
| | 2040 (projected) | 1,898,900 | 1,152,300 | 1.65 |

Source: SCAG 2019 Local Profiles for Santa Ana and Orange County, SCAG 2016 Growth Projections, CA Depart of Finance, E-5 Population and Housing Estimates, 2010 - 2019.

5.11.4 THRESHOLDS OF SIGNIFICANCE

Appendix G of State CEQA Guidelines indicates that a project could have a significant effect if it were to:

- POP-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); or
- POP-2 Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere.

5.11.5 METHODOLOGY

CEQA Guidelines Section 15064(e) states that a social or economic change generally is not considered a significant effect on the environment unless the changes can be directly linked to a physical adverse change. Additionally, CEQA Guidelines Appendix G indicates that a project could have a significant effect if it would induce substantial unplanned population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure). Therefore, population impacts are considered potentially significant if growth associated with the proposed Project would exceed projections for the area and if such an exceedance would have the potential to create a significant adverse physical change to the environment.

The methodology used to determine population, housing, and employment impacts began with data collection regarding existing population and housing trends, which was obtained from the State of California Department of Finance, Center for Demographic Research, and SCAG. The anticipated population that would be generated by the proposed Project was determined in the Persons per Household Evaluation, prepared by Stanly R. Hoffman Associates (Appendix J). Then, the scale of population at build out and full occupancy of the proposed Project was evaluated in comparison to the population growth forecasts for the Project region. The Project area's population and growth trends are examined in the context of existing and projected population, housing, and employment for the City of Santa Ana; in addition to, the Cities of Tustin and Irvine, and Orange County as a whole. If projected growth with the Project would exceed SCAG growth projections and could create a significant change to the environment, the resulting growth would be considered "substantial," and a significant impact would result.

5.11.6 ENVIRONMENTAL IMPACTS

IMPACT POP-1: THE PROJECT WOULD NOT INDUCE SUBSTANTIAL UNPLANNED POPULATION GROWTH IN AN AREA, EITHER DIRECTLY (FOR EXAMPLE, BY PROPOSING NEW HOMES AND BUSINESSES) OR INDIRECTLY (FOR EXAMPLE THROUGH THE EXTENSION OF ROADS OR OTHER INFRASTRUCTURE).

Less than Significant.

Housing and Population Growth

The proposed Project would redevelop the Project site to provide 1,150 multi-family apartments and 80,000 square feet of commercial retail and restaurant space. As described previously, the average number of persons per household in the City of Santa Ana is 4.4. However, this ratio considers all housing types within the City, including single-family residences, which consists of 45.4 percent of the housing within the City and typically attracts and accommodates larger household sizes. As described previously, the Census Factfinder 2017 information for the City identifies that married family households reside in 54.1 percent of the City's housing units and 53.1 percent of these families have household sizes of 4 or more persons. The information also states that 68.5 percent of the housing units have 1 occupant or less per room.

The proposed Project's unit mix consists of 204 studios (17.7 percent), 602 one-bedroom (52.4 percent), and 344 two-bedroom (29.9 percent) residential units. The size of the units would range size from 635 square foot studios to 1,120 square foot two-bedroom units. These are smaller multi-family units that would not accommodate or attract large households. The proposed unit mix and smaller unit size of the Project suggests an orientation towards singles and young families that differ significantly in demographic features from the relatively large average Santa Ana household size of approximately 4.4 members per household.

Therefore, a more accurate calculation of the anticipated population that would be generated by the proposed Project was determined in the Persons per Household Evaluation (PPH 2019) by utilizing U.S. Census data for a market area that represents similar multi-family residential housing types and costs of rent. The Persons per Household Evaluation determined that the number of persons per dwelling unit is anticipated to rage from 1.17 to 2.73. As shown in Table 5.11-7, at full occupancy the Project would house approximately 2,081 residents.

| Unit Type | Number of Units | Persons per Unit | Total Residents |
|-------------|--------------------|---------------------|--------------------|
| Studio | 204 | 1.17 | 239 |
| One-bedroom | 602 | 1.50 | 903 |
| Two-bedroom | 344 | 2.73 | 939 |
| Total | 1,150 | - | 2,081 |

 Table 5.11-7: Anticipated Residents at Full Occupancy

Source: Stanly R. Hoffman Associates, Appendix J

The 2,081 residents at full occupancy would constitute a 0.62 percent increase over the existing (2019) City of Santa Ana population of 337,716. In addition, the 1,150 new multi-family units would constitute a 1.5 percent increase in the total number of residential units in the City, and a 4.5 percent increase in the number of the multi-family residential units (5+ units) within the City.

As described previously in Section 5.11.3, *Environmental Setting*, it is projected that the City and County will experience a population increase of 7.4 percent by 2040. Thus, the population of the Project would be within the projected population growth. Similarly, SCAG anticipates the number of housing units throughout

the County would increase by 10.2 percent by 2040. Thus, the 1,150 new multi-family units would also be within the SCAG projected growth.

The Economic and Fiscal Analysis prepared for the proposed Project determined that the Project would result in an average of one employee per every 250 square feet of commercial space. Thus, the proposed 80,000 square feet of commercial space would generate approximately 320 employees at full occupancy of the commercial space. The additional 320 employment opportunities would be 0.27 percent of the existing jobs within 2-miles of the Project site; and therefore, would not result in induced unplanned employment growth.

Jobs-Housing Balance

Effects of the Project on jobs-housing balance is evaluated by adding project-generated jobs and housing units to forecasts of employment and housing. As described previously, the Santa Ana is jobs-rich.

The existing jobs-housing ratio is 2.08 in Santa Ana and is projected to be 2.13 in 2040. The proposed Project would reduce the jobs-housing ratio slightly to 2.05; and to 2.10 in 2040, as shown in Table 5.11-8. This would be a beneficial effect of providing multi-family housing on the Project site in a jobs-rich area, where employees can easily travel to nearby employment opportunities.

| | Year | Employment | Housing Units | Jobs – Housing Ratio |
|-------------------|----------|------------|-------------------------|-------------------------|
| City of Santa Ana | Existing | 163,504 | 78,563 + 1,150 = 79,713 | 2.05 |
| | 2040 | 166,000 | 78,000 + 1,150 = 79,150 | 2.10 |

Source: SCAG 2019 Local Profiles for Santa Ana, SCAG 2016 Growth Projections, CA Depart of Finance, E-5 Population and Housing Estimates, 2010 - 2019.

In addition, because the area is jobs-rich, the addition of residential units in the area would not require additional jobs that could result in growth. Conversely, the new residents would fill the need for employees that are anticipated by SCAG projections. Thus, the additional residential units would not indirectly result in the need for additional employment opportunities, which could result in growth. Therefore, this indirect impact related to growth would be less than significant.

Furthermore, the Project location is in close proximity to existing developed transportation infrastructure that provides mobility for residents to employment opportunities within the region. The Project site is east of the State Route (SR)-55 Freeway that is easily accessible via Dyer Road. In addition, the site is by an existing Orange County Transportation Agency bus route that travels to the Anaheim Regional Transportation Center that provides transit service throughout southern California. In addition, the Project site is bound by sidewalks on both sides of Red Hill Avenue and Warner Avenue.

The residents of the proposed Project would have convenient access to sustainable multimodal transportation that would allow for walking, biking, and the use of existing transit, which could reduce vehicular trips and would reduce the effects of employees traveling to work (such as traffic, air quality, greenhouse gas emissions, and noise impacts), which would be an indirect physical benefit of the proposed Project.

Infrastructure

Infrastructure improvements would not be necessary to accommodate the development of the new residential uses. The Project site is adjacent to existing roadways that would not be extended to serve the Project. Likewise, water and wastewater services would be provided by connections to the existing infrastructure within Red Hill Avenue and Warner Avenue, which would accommodate the proposed Project, as described in Section 5.15, *Utilities and Service Systems*. Provision of continued (but greater volumes) water and sewer

services to the Project site would not result in the need to extend infrastructure. Furthermore, no infrastructure would be extended or constructed to serve areas beyond the Project site, and indirect impacts related to the extension of infrastructure would not occur from implementation of the proposed Project.

Overall, the Project would not result in inducement of population growth that would have the potential to create a significant physical change to the environment. As a result, impacts related to population growth are less than significant.

IMPACT POP-2: THE PROJECT WOULD NOT DISPLACE SUBSTANTIAL NUMBERS OF EXISTING PEOPLE OR HOUSING, NECESSITATING THE CONSTRUCTION OF REPLACEMENT HOUSING ELSEWHERE.

Less than Significant. As described previously, the Project site is currently developed with three industrial buildings, one of which is currently being used as a temporary 200-bed homeless shelter through a short-term lease for use of the site on an interim basis until redevelopment of the site commences. The City of Santa Ana is working on various homeless shelter solutions, including the purchase of a permanent homeless shelter site, that are anticipated to be available for the existing persons on the Project site prior to construction of the proposed Project. Therefore, the proposed Project would not result in displacement of substantial numbers of people, such that construction of replacement housing elsewhere would be necessary. As a result, impacts would be less than significant.

5.11.7 CUMULATIVE IMPACTS

The geographic area in which cumulative impacts to population and housing could occur is the central Orange County area that could be influenced by development on the Project site, which includes the Cities of Santa Ana, Tustin, and Irvine. Implementation of the proposed Project would result in 1,150 additional multi-family residential units, which would be a 1.5 percent increase in residential units within the City, and an estimated 2,081 residents at complete occupancy (a conservative estimate as vacancy in the City is 4.1 percent), which is 0.62 percent of the City's population.

Table 5-1 (in Section 5.0) lists the development within the vicinity of the proposed Project site. A large majority of these projects are for multi-family residential uses. The projects within the Cities of Santa Ana, Tustin, and Irvine include 7,996 multi-family residential units. The total number of units from the proposed Project and the cumulative projects would total 9,146 units. Combined, these projects would represent 19 percent of the anticipated growth of 48,136 units in Orange County through 2040.

Based on SCAG's 2016 Integrated Growth Forecast, a 7.4 percent increase in growth throughout the County is anticipated to occur through 2040. Hence, the cumulative growth with implementation of the proposed Project would be consistent with the SCAG growth forecasts and population base. Development of the proposed Project, in combination with other development projects in the vicinity would result in a cumulative increase in population. However, the Project's portion of the cumulative increase in residential units (1,150) is 2.39 percent. Thus, the Project's contribution to the cumulative growth in housing is limited.

As described above, the addition of housing within the Project area would have a favorable effect on the jobs-housing balance, which could reduce environmental effects of long commute trips, such as air quality and greenhouse gas emissions (further detailed throughout other sections of this EIR).

Also, infrastructure improvements would not be necessary to accommodate the proposed development on the Project site, and the proposed Project would not extend services to areas beyond its boundary. As a result, no extension of infrastructure would occur that could induce growth. Furthermore, infrastructure upgrades and extensions that may be included in related Projects would not affect or be related to the proposed Project. Therefore, Project impacts are less than cumulatively considerable, and therefore, less than significant.

5.11.8 EXISTING STANDARD CONDITIONS AND PLANS, PROGRAMS, OR POLICIES

There are no applicable regulations related to population and housing.

5.11.9 LEVEL OF SIGNIFICANCE BEFORE MITIGATION

Impacts POP-1 and POP-2 would be less than significant

5.11.10 MITIGATION MEASURES

No mitigation measures are required.

5.11.11 LEVEL OF SIGNIFICANCE AFTER MITIGATION

No significant unavoidable adverse impacts related to population and housing would occur.

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