5. Environmental Analysis

5.11 POPULATION AND HOUSING

This section of the Draft Environmental Impact Report (DEIR) examines the potential for socioeconomic impacts of the proposed Creekside Specific Plan on the City of San Juan Capistrano, including changes in population, employment, and demand for housing.

5.11.1 Environmental Setting

5.11.1.1 REGULATORY BACKGROUND

State

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 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.

State law recognizes the vital role local governments play in the supply and affordability of housing. To that end, California Government Code requires that the housing element achieve legislative goals to:

- Identify adequate sites to facilitate and encourage the development, maintenance, and improvement of housing for households of all economic levels, including persons with disabilities.
- Remove, as legally feasible and appropriate, governmental constraints to the production, maintenance, and improvement of housing for persons of all incomes, including those with disabilities.
- Assist in the development of adequate housing to meet the needs of low and moderate income households.
- Conserve and improve the condition of housing and neighborhoods, including existing affordable housing.
 Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.
- Preserve for lower income households the publicly assisted multifamily housing developments in each community.

California housing element laws (California Government Code §§ 65580–65589) 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. The City of San Juan Capistrano General Plan Housing Element was certified in 2017 for the 2014–2021 housing element cycle.

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 and cannot be mitigated in any other way.

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, the local agency is required to provide the applicant with written documentation identifying 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 within specified time periods. If the local agency fails to provide this documentation, the housing development project would be 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.

Regional

Southern California Association of Governments

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 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

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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 metropolitan planning organization, SCAG cooperates with the South Coast Air Quality Management District, the California Department of Transportation, and other agencies in preparing regional planning documents. The City of San Juan Capistrano is within the Orange County Council of Governments subregion of SCAG.

SCAG has developed regional plans to achieve specific regional objectives. On April 7, 2016, SCAG adopted the 2016–2040 Regional Transportation Plan/Sustainable Communities Strategy (2016–2040 RTP/SCS), a long-range visioning plan that balances future mobility and housing needs with economic, environmental, and public health goals (SCAG 2016a). This long-range plan, which is a requirement of the state of California and the federal government, is updated by SCAG every four years as demographic, economic, and policy circumstances change. A component of the 2016–2040 RTP/SCS is a set of growth forecasts that estimates employment, population, and housing growth. These estimates are used by SCAG, transportation agencies, and local agencies to anticipate and plan for growth. SCAG partially adopted the Connect SoCal plan (2020-2045 RTP/SCS, update to the 2016-2040 RTP/SCS) on May 7, 2020 for the limited purpose of meeting Federal transportation conformity. Full adoption is planned in September 2020.

Local

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

Housing Element

- **Goal 1:** Provide a broad range of housing opportunities with emphasis on providing housing which meets the special needs of the community.
- Goal 2: To the maximum extent feasible, encourage and provide housing opportunities for persons of lower and moderate incomes.
- Goal 3: Reduce or remove governmental constraints to the development, improvement, and maintenance of housing where feasible and legally permissible.
- Goal 4: Create and maintain decent housing and a suitable living environment for all households in the community.
- Goal 5: Promote equal opportunity for all residents to reside in housing of their choice.

Land Use Element

- Land Use Goal 2: Control and direct future growth within the City to preserve the rural village-like character of the community.
- Land Use Goal 3: Distribute additional population within the City based on risk factors.

■ Land Use Goal 6: Enhance or redevelop underperforming commercial centers.

5.11.1.2 EXISTING CONDITIONS

Population

US Census Data

The United States Bureau of the Census publishes population, household, and employment data gathered through the decennial census. The most recent census was conducted in 2010. The American Community Survey (ACS) is a nationwide survey designed to give communities more frequent overviews of how they are changing. The ACS eliminated the need for a decennial census long form in 2010. The ACS collects long-form information (employment, migration, educational attainment, veteran status, etc.) throughout the decade, publishing statistics yearly rather than only once every 10 years. The American Community Survey produces demographic, social, housing, and economic statistics in the form of 1-year and 5-year estimates based on population thresholds. The strength of the ACS is in estimating characteristic distributions. Table 5.11-1, *Population Growth Trends*, shows historical population trends for the City of San Juan Capistrano and the County of Orange. Since 2010, the City's population grew by 1,359 residents, or 3.9 percent. In the same time frame, the Orange County population grew by 6.7 percent (198,657 residents).

Table 5.11-1 Population Growth Trends

	City of San Juan Capistrano		Orange County		
Year	Population	Percent Change	Population	Percent Change	
2010 ¹	34,593	n/a	2,965,525	n/a	
2011	34,869	0.80%	2,989,948	0.82%	
2012	35,112	0.70%	3,021,840	1.07%	
2013	35,549	1.24%	3,051,771	0.99%	
2014	35,812	0.74%	3,086,331	1.13%	
2015	35,981	0.47%	3,116,069	0.96%	
2016	35,999	0.05%	3,132,211	0.52%	
2017	35,948	-0.16%	3,155,816	0.75%	
2018	35,952	0.01%	3,164,182	0.27%	

Source: US Census Bureau 2018a.

US Census Bureau 2010.

Housing

Housing Growth Trends

Table 5.11-2, *Housing Growth Trends*, shows the rate of housing growth from 2010 to 2018 for the City of San Juan Capistrano and the County of Orange. Since 2010, 1,176 housing units have been constructed in San Juan Capistrano, an approximately 9.8 percent increase. In Orange County 49,122 additional housing units were provided, an increase of approximately 4.7 percent.

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Table 5.11-2 Housing Growth Trends

	City of San Juan Capistrano		County of Orange		
Year	Housing Units	Percent Change	Housing Units	Percent Change	
2010 ¹	11,940	n/a	1,042,254	n/a	
2011	12,021	0.68%	1,046,323	0.39%	
2012	12,165	1.2%	1,049,031	0.26%	
2013	12,048	-0.96%	1,052,959	0.37%	
2014	12,302	2.1%	1,058,466	0.52%	
2015	12,520	1.7%	1,064,642	0.58%	
2016	12,498	-0.18	1,072,121	0.70%	
2017	12,905	3.26%	1,081,701	0.89%	
2018	13,116	1.6%	1,091,376	0.89%	

Source: US Census Bureau 2018b.

Regional Housing Needs Assessment

As shown in Table 5.11-3, City of San Juan Capistrano 2014–2021 Regional Housing Needs Assessment, San Juan Capistrano's RHNA allocation for the 2014–2021 planning period is 638 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.

Table 5.11-3 City of San Juan Capistrano 2014–2021 Regional Housing Needs Assessment

Income Category (% of County AMI¹)	Number of Units	Percentage
Extremely/Very Low Income (50% or less) ²	147	23%
Low (51% to 80%)	104	16%
Moderate (81% to 120%)	120	19%
Above Moderate (Over 120%)	267	42%
Total	638	100%

Source: City of San Juan Capistrano 2017 (revised).

The City's Housing Element planned for 638 new housing units for the City during the 2014-2021 planning period as determined by the RHNA allocation. According to the 5th Cycle Annual Progress Report Permit Summary from HCD, the City permitted 443 housing units as of 2018 (0 extremely and very low income units; 2 low income units; 26 moderate income units; and 415 above moderate income units) (HCD 2019).

It should be noted that the Proposed Project is anticipated to start rough grading by May 2021 after demolishing the existing development, and it would complete construction by 2024. Therefore, the Proposed Project is not within SCAG's current cycle. SCAG's 6th Cycle RHNA allocation for the 2021–2029 period is currently being developed, and the 6th Cycle Final RHNA Plan is scheduled for adoption October 1, 2020 (SCAG 2020a).

^{1 2010} Census.

¹ AMI = Area Median Income

² An estimated half of the city's 147 very low income housing needs (74 units) are for extremely low income households earning less than 30% AMI.

Employment

Employment Trends

According to the California Employment Development Department, the growth rate of employment in San Juan Capistrano increased throughout 2010 to 2017. The city's employment and annual percentage changes are shown in Table 5.11-4, *City of San Juan Capistrano Employment Trends*.

Table 5.11-4 City of San Juan Capistrano Employment Trends

	City of San Juan Capistrano			
Year	Employment (persons)	Percent Change		
2010	15,100	N/A		
2011	15,300	1.32%		
2012	15,600	1.96%		
2013	15,900	1.92%		
2014	16,200	1.89%		
2015	16,500	1.85%		
2016	16,600	0.61%		
2017	16,600	0.00%		
2018	16,900	1.81%		
2019 ¹	17,000	0.59%		

Source: EDD 2019.

Existing Employment

Table 5.11-5, City of San Juan Capistrano: Industry by Occupation, shows the city's total workforce by occupation and industry between 2014 and 2018. According to the estimates of the US Census, the city had an employed civilian labor force (16 years and older) of 16,343 between 2014 and 2018. The three largest occupational categories during period were educational services, and health care and social assistance; professional, scientific, and management, and administrative and waste management services; and arts, entertainment, and recreation, and accommodation and food services.

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Table 5.11-5 City of San Juan Capistrano: Industry by Occupation

Industry/Occupation	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	200	1.22%
Construction	1,423	8.71%
Manufacturing	1,155	7.07%
Wholesale Trade	469	2.87%
Retail trade	1,782	10.9%
Transportation and warehousing, and utilities	398	2.44%
Information	455	2.78%
Finance and insurance, and real estate and rental and leasing	1,174	7.2%
Professional, scientific, and management, and administrative and waste management	2,646	16.2%
Educational services, and health care and social assistance	2,951	18.1%
Arts, entertainment, and recreation, and accommodation and food services	2,268	13.9%
Other services, except public administration	1,134	6.94%
Public administration	288	1.76%
Total	16,343	100%

Source: US Census Bureau 2018c.

Note: Numbers of employees were rounded up to the nearest whole number. Percentages were rounded to the nearest hundredth. Employment figures count civilian employees 16 years and older.

Growth Projections

SCAG undertakes comprehensive regional planning with an emphasis on transportation. The RTP/SCS provides projections of population, households, and total employment for the city. While Connect SoCal (2020-2045 RTP/SCS) has not been fully adopted, it has been adopted for Federal transportation conformity purposes and provides the most up-to-date growth projections. It is also expected to be fully adopted in September 2020. Therefore, growth projections from Connect SoCal (2020-2045 RTP/SCS) were used in this section and not the 2016-2040 RTP/SCS. Connect SoCal 2020-2045 RTP/SCS) is a long-range visioning plan that balances future mobility and housing needs with economic, environmental and public health goals. Connect SoCal embodies a collective vision for the region's future and is developed with input from local governments, county transportation commissions (CTCs), tribal governments, non-profit organizations, businesses and local stakeholders within the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura. Based on the city's share of California's and the region's employment growth, migration and immigration trends, and birth rates, SCAG projects the population, housing, and employment will grow at an increasing rate in San Juan Capistrano. These projections are summarized in Table 5.11-6, SCAG Growth Projections for the City of San Juan Capistrano.

Table 5.11-6 SCAG Growth Projections for the City of San Juan Capistrano

	2016	2045
Population	36,100	41,900
Households	11,600	13,400
Housing Units ¹	12,180	14,070
Employment	17,200	19,200
Jobs-Housing Ratio	1.41	1.36

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 jobs 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 in order 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. 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 Table 5.11-6, based on SCAG's growth projections, the City is projected to be a somewhat balanced community, with the jobs-housing ratio ranging from 1.41 to 1.36, close to the recommended range of 1.3.

5.11.2 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.

The Initial Study, included as Appendix A, substantiates that impacts associated with the following threshold would be less than significant:

■ Threshold P-2

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Housing units in SCAG projections are estimated based on number of households and a healthy vacancy rate of 5 percent.

This impact will not be addressed in the following analysis.

5.11.3 Plans, Programs, and Policies

No existing regulations are applicable to population and housing impacts of the Proposed Project.

5.11.4 Environmental Impacts

5.11.4.1 IMPACT ANALYSIS

The following impact analysis addresses thresholds of significance for which the Initial Study disclosed potentially significant impacts. The applicable thresholds are identified in brackets after the impact statement.

Impact 5.11-1: The Proposed 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 extension of roads or other infrastructure). [Threshold P-1]

Construction

During construction, contractors and laborers would be necessary, creating temporary employment. The construction is anticipated to last approximately 3 years and 5 months. Considering the size of the project, the City expects that the supply of general construction labor would be available from the local and regional labor pool, and they would commute to the Project Site. The project would not result in a long-term increase in employment from short-term construction activities, and construction of additional housing for construction workers would not be necessary. 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

Population

Assuming an average of 3.09 residents per unit, based on the Department of Finance's May 2019 estimates, the proposed 188 units would result in a population increase of 581 residents (DOF 2019). The current population in the City is 35,952 residents, so the existing plus project population is projected to be 36,533, or an increase of 1.6 percent from the existing population. As shown in Table 5.11-7, Estimated Population and Housing Growth Trend Summary (2018–2045), SCAG forecasts that the city's population would increase from 35,952 in 2018 to 41,900 by 2045, an increase of 5,948 residents, or 14.2 percent. The proposed 188 units would result in a total population increase of 581, or 1.6 percent to 36,533. Therefore, the projected population increase would be within the projected 16.5 percent increase by 2045, and the Proposed Project is within SCAG's population growth forecast. Population impacts would be less than significant.

Table 5.11-7 Estimated Population Housing Growth Trend Summary (2018–2045)

	Existing (2018) ¹	Proposed Project	Existing Plus Project	% Change (2018—Existing Plus Project)	Buildout Year 2045	Change (2018—2045)	% Change (2018—2045)
Population	35,952	581	36,533	1.6%	41,900	5,948	16.5%
Housing Units ²	13,116	188	13,304	1.4%	14,070	954	7.3%
Employment	16,343	0	16,343	0%	19,200	2,857	17.5%
Jobs-Housing Ratio	1.25	n/a	1.23		1.36		

Source: SCAG 2020b.

Housing

As shown in Table 5.11-7, SCAG projected that the city's housing would increase by 954 units from 2018 to 2045, an increase of 7.3 percent, from 13,116 units to 14,070 units. There are currently 13,116 housing units in the City. The Proposed Project would increase the housing units in the city by 188 units, for an overall total of 13,304 units, an increase of 1.4 percent from 2018. Therefore, the Proposed Project is within the SCAG's housing growth forecast for the city, and impacts would not be significant.

Jobs-Housing Ratio

The City currently has a jobs-housing ratio of 1.25 and is projected to have a ratio of 1.36 by 2045, which is within the recommended range of 1.3 to 1.7 by the APA. As shown in Table 5.11-7, the Proposed Project is consistent with the growth projections for the City and would not impact the City's projected jobs-housing ratio of 1.36. In addition, the units would be owner-occupied units comprised of 107 single-family units (comprised of cottage lots and traditional lots) and 81 attached townhome units. According to Census data, the homeowner vacancy rates for the past five years (2014–2018) ranged from 0.1 to 0.8, indicating that city does not have an adequate supply of owner-occupied units. The Proposed Project would directly increase the number of housing units in the City, but the increase would meet the current demand for owner-occupied units in the city, and the impacts would not be considered significant.

Level of Significance Before Mitigation: Less than significant impact.

5.11.5 Cumulative Impacts

The area considered for cumulative impacts is the City of San Juan Capistrano. Impacts are analyzed using SCAG's 2020-2045 RTP/SCS Growth Forecast. As shown on Table 4-1, *Cumulative Projects List*, in Chapter 4 of this DEIR, cumulative development would result in 1,040 additional units. With the Proposed Project, a total of 1,228 units are anticipated, which exceeds SCAG's growth projection of 954 units by 274 units (22 percent). Although cumulative housing growth would exceed SCAG's projections for the City, this is considered a beneficial impact based on the State's on-going housing crisis. To address the current housing shortage,

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¹ Census 2018.

² Housing units in SCAG projections are estimated based on number of households and a healthy vacancy rate of 5 percent

Governor Newsom has called for the construction of 3.5 million new homes by 2025, or 500,000 per year. According to the California Department of Housing and Community Development, California's current housing challenges include:

- Not enough housing being built: During the last ten years, housing production averaged fewer than 80,000 new homes each year, and ongoing production continues to fall far below the projected need of 180,000 additional homes annually.
- Increased inequality and lack of opportunities: Lack of supply and rising costs are compounding growing inequality and limiting advancement opportunities for younger Californians. Without intervention, much of the new housing growth is expected to be focused in areas where fewer jobs are available to the families that live there.
- Too much of people's incomes going toward rent: The majority of Californian renters more than 3 million households pay more than 30 percent of their income toward rent, and nearly one-third more than 1.5 million households pay more than 50 percent of their income toward rent.
- Fewer people becoming homeowners: Overall homeownership rates are at their lowest since the 1940s.
- Disproportionate number of Californians experiencing homelessness: California is home to 12 percent of the nation's population, but a disproportionate 22 percent of the nation's homeless population.
- Many people facing multiple, seemingly insurmountable barriers beyond just cost in trying to find an affordable place to live: For California's vulnerable populations, discrimination and inadequate accommodations for people with disabilities are worsening housing cost and affordability challenges.

The Proposed Project and the related projects in the City would assist the City, County, and State in addressing these challenges. In addition, the Proposed Project and the related projects would be required to be consistent with adopted state and city development standards, regulations, plans, and policies to minimize the physical impacts on the environment from the effect of population increase. Upon approval, the Proposed Project would increase the City's housing supply. Therefore, the Proposed Project combined with related projects would not result in cumulatively considerable impacts to population and housing.

5.11.6 Level of Significance Before Mitigation

Upon implementation of regulatory requirements and standard conditions of approval, the following impacts would be less than significant: 5.11-1.

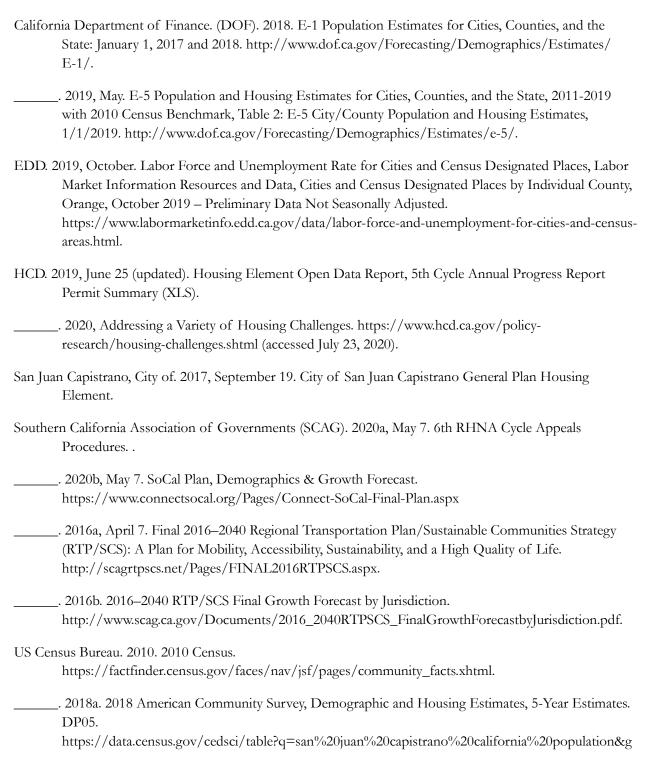
5.11.7 Mitigation Measures

No mitigation measures are required.

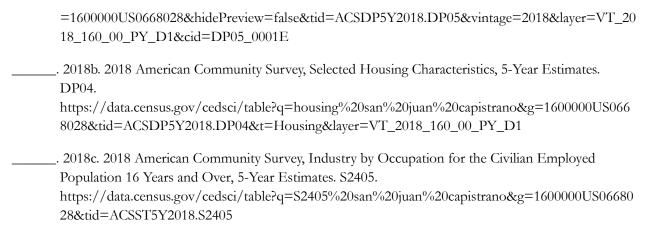
5.11.8 Level of Significance After Mitigation

Impacts would be less than significant.

5.11.9 References



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Weltz, Jerry. 2003. Jobs-Housing Balance. Planning Advisory Service Report Number 516. American Planning Association.

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