

4.9 Population and Housing

A number of sources were evaluated for the preparation of the data contained in this section. These sources include (but are not limited to); the City of Huntington Beach General Plan and draft Downtown Specific Plan, the Southern California Association of Governments 2008 Regional Comprehensive Plan and Regional Transportation Plan population projections, and the 2000 Census data. All of the document sources are identified in the Section 7, References of this EIR.

4.9.1 Environmental Setting

The DTSP Update proposes to reconfigure 11 existing districts into 7 new districts with the intention of encouraging and facilitating development opportunities within the DTSP area by revising development standards, including increases in allowable densities, floor area ratios, and building heights for certain districts. The DTSP Update will allow for revitalization and increase of density in downtown Huntington Beach. The downtown area includes an eclectic mix of housing that ranges from beach bungalows to duplexes to apartment buildings to single-family homes on narrow lots that rise to three stories. Development within the existing downtown core (Main Street and outlying streets from Pacific Coast Highway to Orange Avenue) primarily consists of commercial and mixed-use developments. Existing developments range from one-story stand-alone commercial buildings to four-story mixed use (commercial/office/residential) developments with residential uses interspersed throughout, although mostly occurring on the outlying streets (3rd Street and 5th Street). One notable project within the third block of Main Street is Plaza Almeria, a mixed use (commercial/residential) development. North of Orange Avenue, Main Street is developed with older commercial buildings, a three-story multi-family residential development (Townsquare condominiums) with ground floor commercial at street level, the Huntington Beach Art Center, and the Main Street branch library. The streets adjacent to Main Street within the downtown core, particularly on 3rd Street and 5th Streets are interspersed with a mix of residential and commercial uses.

Development within the DTSP area outside of the “downtown core” includes the Hilton Waterfront Beach Resort and the Hyatt Regency Huntington Beach Resort and Spa. These projects are large-scale hotel developments located on Pacific Coast Highway. In addition, Pacific City, which is under construction, is a large mixed-use project consisting of seven commercial buildings with retail, office, restaurant, cultural, and entertainment uses. The commercial portion of Pacific City is planned to have carts, kiosks, outdoor dining, live entertainment indoors and outdoors, and a boutique hotel. The Pacific City residential component is approved for 516 condominium units and outdoor recreational amenities, including a two-acre Village Green park.

The remaining outlying districts of the DTSP area (outside the downtown core) include established single-family and multi-family residential uses on properties within the first block between Pacific Coast Highway and Walnut Avenue from 9th Street to Goldenwest Street, properties along 6th Street, and properties along Lake Street, 1st Street, and 2nd Street. The northern portion of the DTSP area between Acacia Avenue and Palm Avenue is developed primarily with residential uses. Newer

residential development within the downtown area includes the 184-unit Waterfront Residential development, which was completed in 2004 and is located behind the Waterfront hotels west of Beach Boulevard.

The DTSP Update could lead to an increase in housing opportunities within the DTSP area through redevelopment activity and density bonuses associated with proposed residential development of affordable housing stock or encouraging higher densities through new development regulations applied to the DTSP area. The DTSP Update allows for an increase of 648 dwelling units across the plan area, which could include single-family residences and multi-family housing, depending upon the district in which the new housing is proposed.

4.9.2 Significance Criteria

Impacts resulting from the implementation of the project would be considered significant if the project would:

- Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure);
- Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere; or
- Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

4.9.3 Impacts

The following is a summary of potential project impacts to population and housing (based on the significance thresholds presented above), including impacts to the various relevant planning programs which influence the land uses within the project area.

- *Would the project induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?*

The DTSP Update could induce population growth in the area. The project proposes additional development opportunities in the DTSP area including retail, restaurant, office, cultural facilities, hotel and residential. The potential new residential units could include 648 units. For estimation purposes, the average household size of units projected within the DTSP area is assumed to be 2.41 persons. The General Plan Housing Element, adopted in June 2008, indicates that between 55% and 76% of housing units in the DTSP area are rental properties and the 2006 American Community Survey sponsored by the U.S. Census Bureau indicates that the average rental household size for Huntington Beach is 2.41 persons per household. Although the DTSP Update does not preclude the development of housing units

for ownership, the average household size for the census tracts in the DTSP area, based on 2000 Census data, ranges from 1.89 to 2.16 persons per household. However, given that rental properties make up a large percentage of the housing stock in the DTSP area, the more conservative estimate of 2.41 persons per household is appropriate for analysis of potential population changes associated with the DTSP Update. Based on the average rental household size in the City of 2.41 persons per household, the proposed DTSP Update could result in an increase of approximately 1,562 residents (648 dwelling units × 2.41 persons per household). That number is within the SCAG population increase projections of 2,056 from 2005 to 2030 in the census tracts included in the DTSP area.

The City's Housing Element serves to guide and direct local government decision-making in all housing-related matters. Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, cities must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing production.¹⁰ California's Housing Element law requires local jurisdictions to develop local housing programs and plans to meet its fair share of existing and future housing.

The proposed DTSP Update would provide for increased housing development within the DTSP area and the City, meeting key housing production objectives of the City's Housing Element. The DTSP Update considers an additional 648 housing units within the 336 acres of the DTSP area. The City's Regional Housing Needs Assessment obligation through 2014 is 2,092 units citywide. Some of those units will likely be produced among the units projected for the DTSP Update. In addition, the City's inclusionary housing ordinance requires that 10% of all projects with three or more units (15% for redevelopment areas) be affordable. Most of the DTSP area is in a redevelopment area.

The DTSP Update was not considered when local and regional population projections were adopted by the Southern California Association of Governments in the Regional Transportation Plan and the Regional Comprehensive Plan in 2007. However, the SCAG population projections were based on the General Plan build-out scenarios and show the population of the City increasing from 212,957 in 2010 to 224,788 in 2030. According to the State Department of Finance, in 2008 the City of Huntington Beach had a population of approximately 201,127¹¹. However, past residential projects within the City of Huntington Beach have not reached the full size allowed under the General Plan for those sites. Many of these projects have been developed to 70% of the total allowable size with the City, which has not reached its full population potential within the time frame previously anticipated. For example, most of the City's new housing growth over the last ten years occurred in the Holly

¹⁰ Huntington Beach, General Plan Housing Element, adopted 2008.

¹¹ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change—January 1, 2008 and 2009. Sacramento, California, May 2009

Sea Cliff area. This growth is 33% less than what could have been built at allowed densities. Also, recent projects along the coast, such as the Waterfront Residential and Boardwalk/Mystic Point, have developed at densities that are 20% and 50% less than allowed. Therefore, the City's population increase has been below that projected by the Southern California Association of Governments and the Department of Finance. The growth associated with the proposed DTSP Update would fall below the SCAG projections for population within the City of Huntington Beach. Therefore, potential population increases associated with the DTSP Update are likely below regional projections and, therefore, less than significant.

The Regional Housing Needs Assessment adopted by the Southern California Association of Governments in July 2007 assigns a six-year target of housing provision to Huntington Beach of 2,092 units. The potential population changes that may occur as a result of the DTSP Update are, therefore, not considered significant in the context of anticipated population increases in the City projected through 2030 and would help the City reach its housing targets.

- *Would the project displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere; or*
- *Would the project displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.*

The DTSP Update will not directly result in the displacement of substantial numbers of existing housing. The DTSP Update consists of changes to the existing DTSP, which considers 648 net new housing units within the DTSP area. Development of these units would be facilitated by new and revised development standards, particularly increases in allowable densities from 30 du/ac to 60 du/ac in the downtown core where most of the net new development is anticipated to occur. Any housing demolished as part of redevelopment of a property or site would likely be replaced with the same number or more units. The Housing Element, California *Government Code* §65588 and The Mello Act (§65590) require replacement of low or very low income units that are to be demolished within the coastal zone. The City has successfully complied with these requirements in previous housing cycles (1982-2005) and will continue to monitor residential development with the Coastal zone, including the DTSP area, to ensure continued compliance. Therefore, no impacts to this topical area will result due to the project.

4.9.4 Mitigation Measures

The proposed DTSP Update will not result in any significant impacts to population and housing.

4.9.5 Level of Significance after Mitigation

Based on the significance criteria, the proposed project will not result in any significant impact relative to population and housing. Proposed residential development is consistent with projections developed as part of the General Plan Land Use and Housing Elements and regional population projections for the City of Huntington Beach.

4.9.6 Significant and Unavoidable Impacts

No significant and unavoidable impacts are associated with population and housing as a result of the proposed DTSP Update.

4.9.7 Cumulative Impacts

Cumulative development projections have been included in the General Plan analysis for the build-out of the City of Huntington Beach. Residential development contemplated in the DTSP Update would not be significant in the overall context of anticipated population growth in the General Plan. Therefore, cumulative impacts associated with population and housing as a result of the proposed DTSP Update are considered less than significant.

