

3.11 POPULATION AND HOUSING

This EIR section analyzes the potential for adverse impacts on population and housing resulting from implementation of the proposed project. The EIR analysis is limited to those socioeconomic issues that could result in a direct change on the physical environment (CEQA Guidelines Section 15131). As such, the effect of the proposed project on property values and its economic effect on surrounding businesses are not considered environmental issues, and would not be analyzed. The Initial Study (Appendix A) identified the potential for impacts associated with the inducement of substantial population growth in the City of Huntington Beach. Issues scoped out from detailed analysis in the EIR include the displacement of any existing housing or people, as the current site is vacant. Data used to prepare this section were taken from the United States Bureau of the Census, the Southern California Association of Governments (“SCAG”), and the City of Huntington Beach General Plan 2000–2005 Housing Element (“Housing Element”). It should be noted that the Housing Element was prepared prior to availability of the 2000 U.S. Census data and relies on current data provided by the Department of Finance. Consequently, because the 2000 Census provides the most current information, comparative analysis performed on demographic data in this chapter is based on data from this information source unless otherwise noted. Full bibliographic entries for all reference materials are provided in Chapter 7 (References) of this document.

3.11.1 Existing Conditions

The 31.5-gross-acre proposed project site is currently vacant, with some disturbed vegetation occupying portions of the site. There is no existing housing on the project site.

Population, housing, and employment data are available on a city, county, regional, and state level. This EIR uses data collected and provided at the city and county level, in an effort to focus the analysis specifically on the City of Huntington Beach.

Population

According to the 2000 U.S. Census, the City of Huntington Beach has a population of 189,594. The City’s 2000–2005 Housing Element estimated the City’s 2000 population, using population figures from the State Department of Finance, to be 199,326. For purposes of this analysis, the U.S. Census population total was used. Table 3.11-1 shows the population growth in the City over the past three decades. Based on the 2000 U.S. Census data, the population in the City of Huntington Beach has increased by a total of 10 percent since 1980, which recorded a Census population of 170,505. The City’s Census population of 189,594 in 2000 represented 6.7 percent of Orange County’s total population (2,846,289). Huntington Beach ranks as

the third most populated city in Orange County, following Anaheim and Santa Ana. However, the population growth rate of 6.46 percent in Huntington Beach between 1990 and 2000 is among the lowest growth rates in the County, and is lower than the Countywide average growth rate of 17 percent.

**Table 3.11-1 Population Growth: City of
Huntington Beach (1980–2000)**

<i>Year</i>	<i>Population</i>	<i>Decade Increase (%)</i>	<i>Average Annual Growth (persons/year)</i>
1980	170,505	—	—
1990	181,519	6.46	1,101
2000	189,594	4.45	808

SOURCE: U.S. Census Bureau, 2000.

Households

A household is defined by the U.S. Census as a group of people who occupy a housing unit. A household differs from a dwelling unit because the number of dwelling units includes both occupied and vacant dwelling units. It is important to note that not all of the population lives in households. A portion lives in group quarters, such as board and care facilities; others are homeless.

Household Size

Small households (1 to 2 persons per household [pph]) traditionally reside in units with 0 to 2 bedrooms; family households (3 to 4 pph) normally reside in units with 3 to 4 bedrooms. Large households (5 or more pph) reside in units with 4 or more bedrooms. However, the number of units in relation to the household size may also reflect preference and economics: many small households obtain larger units, and some large families live in small units for economic reasons.

Table 3.11-2 compares the number of households in the City of Huntington Beach and the County of Orange for the period 1990–2000. According to Census data, the average household size in the City of Huntington Beach decreased slightly from 2.62 persons per household (pph) in 1990 to 2.56 pph in 2000. The City’s 2000–2005 Housing Element, which is based on data obtained from the Department of Finance, identified a rise in average household size from 2.62 persons in 1990 to 2.75 persons in 2000. For the purpose of providing a conservative analysis, the average household size of 2.75 persons in 2000 is used for projections in this EIR. The average household size in Huntington Beach of 2.75 pph is still less than in other areas of Orange County, where the average household size is 3.00 pph, and less than the State of California rate, which is 2.87 pph.

Table 3.11-2 Households in Huntington Beach and Orange County (1990–2000)

<i>Area</i>	<i>1990</i>	<i>2000</i>
<i>Total Households</i>		
Huntington Beach	68,879	73,657
Orange County	827,066	935,287
<i>Average Household Size (persons per household)</i>		
Huntington Beach	2.62	2.56 (2.75*)
Orange County	2.87	3.00

Household figures represent occupied house units.

* City of Huntington Beach General Plan 2000-2005 Housing Element, per Department of Finance.

SOURCE: U.S. Census Bureau, 1990, 2000.

Housing

According to Census data, housing units in Huntington Beach have increased from 72,736 to 75,793 units during the 1990–2000 period. Of the 75,793 housing units in 2000, 2,005 units (2.6 percent) are vacant. According to the Redevelopment Agency’s affordable housing status report (May 2002), the Agency’s existing housing surplus includes 112 very low-income housing units and 113 low- to moderate-income housing units.

Growth Trends

A city’s housing market is driven by supply and demand and can be influenced by population growth, income, housing cost, and housing locations. However, age distribution is a key market characteristic because housing demand within the market is influenced by the housing preference of certain age groups: due to limited income, the majority of the young adult population (20 to 34 years old) tends to occupy apartments, low- to moderate-cost condominiums, and smaller single-family units. The 35- to 65-year-old group provides the market for moderate to high cost apartments and condominiums and larger single-family units because, on average, people of this age group have higher incomes and larger household sizes. Housing demand for the elderly population (65 years of age and up) is similar to young adults, but can also include group quarters as housing options. Table 3.11-3 provides age distribution in the City of Huntington Beach in 2000.

Table 3.11-3 City of Huntington Beach Age Distribution in 2000

<i>Age Group/Year</i>	<i>Population</i>	<i>% of Total</i>
Preschool (0 to 4)	11,728	6.2%
School (5 to 19)	34,650	18.3%
Young Adults (20 to 24)	11,735	6.2%
Prime Working (25 to 54)	93,196	49.2%
Retirement (55 to 64)	18,629	9.8%
Seniors (65+)	19,656	10.4%
Total	189,594	100.10%

Percent of Total figure exceeds 100 percent due to rounding.

SOURCE: U.S. Census Bureau, 2000.

Types of Housing Stock

Census data show that the housing stock in the City of Huntington Beach increased by 3,057 units between 1990 and 2000, while data derived from the Department of Finance in the City’s 2000-20005 Housing Element indicate an increase of 3,412 units between 1990 and 2000. The total housing stock in these two decades is shown in Table 3.11-4. The number of housing units in 1990 and 2000, as defined by units per structure in the City, is shown in Table 3.11-5.

Table 3.11-4 Housing Stock in the City of Huntington Beach

<i>Year</i>	<i>Number of Units</i>
1990	72,736
2000	75,793 (76,148*)

* Figure as identified in the City of Huntington Beach 2000-2005 Housing Element.

SOURCE: U.S. Census Bureau 1990, 2000

Table 3.11-5 Total Housing Units: City of Huntington Beach (1990–2000) Defined by Units per Structure

<i>Year</i>	<i>Housing Type</i>			<i>Mobile Homes/Other</i>	<i>Total Number of Units</i>	<i>Occupied Units</i>
	<i>Single-Family</i>	<i>Multifamily</i>				
		<i>2 to 4 units</i>	<i>5+ units</i>			
1990	43,441	9,487	15,866	3,942	72,736	68,879
2000	46,478	9,681	16,488	3,146	75,793	73,808

SOURCE: US Census Bureau 1990, 2000

The 2000 percentage breakdown for housing by type is (derived from Table 3.11-5) as follows:

- 61.3 percent single-family
- 12.8 percent multifamily (2 to 4 units)
- 21.8 percent multifamily (5+ units)
- 4.2 percent mobile homes/other

Vacancy Rates

The vacancy rates and affordability of the housing stock are also key elements in the balance between supply and demand in the City's housing market. High vacancy rates usually indicate low demand and/or high prices in the housing market or significant mismatches between the desired and available types of housing. Conversely, low vacancy rates usually indicate high demand and/or low prices in the housing market. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market and economy. Vacancy rates, which indicate a "market balance" (i.e., a reasonable level of vacancy to avoid local housing shortages, and appropriate price competition and consumer choice), generally range from 1 percent to 3 percent for single-family units, and from 3 to 5 percent for multifamily units. The City's overall vacancy rate decreased to 2.60 percent in 2000, from 5.30 percent in 1990, according to the U.S. Census.

It should be noted that the total vacancy rates include vacant units that are not available for rent or sale. This includes units that are for rent for occasional, seasonal, or recreational purposes; units that have been rented or sold, but have not yet been occupied as of the date of the census; and units being held for repairs/modernization or for personal reasons of the owner (i.e., probate). Ultimately, these units should not be included in the vacancy rate because they are not on the market, and are not available for rental or purchase. In 2000, however, there were only 515 vacant units in this category. In addition, the vacant rental units should include both assisted and unassisted living units, as well as units available only to senior citizens.

As shown by 2000 census data, approximately 59 percent of the housing stock was owner-occupied, while 38.3 percent of the Huntington Beach housing stock was renter-occupied, and 2.65 percent was vacant. The homeowner vacancy rate in the City is 0.9 percent; the rental vacancy rate, 2.0 percent. These rates are lower than the statewide averages, which are 3.7 percent for rental units and 1.4 percent for owner-occupied units (5.8 percent overall), and are indicative of the overall high demand for housing within the City. Table 3.11-6 shows the characteristics of the city's vacant housing units per the 2000 Census.

Table 3.11-6 Occupancy Status of Housing Stock in Huntington Beach in 2000

<i>Status</i>	<i>No. of Units</i>
Occupied	73,657
Vacant	2,005
For Rent	602
For Sale Only	412
Rented or Sold, not occupied	276
For Seasonal/Recreational or Occasional Use	515
For Migratory Workers	1
Other Vacant	199

SOURCE: 2000 Census of Population and Housing

Housing Needs Assessment

California’s Housing Element Law requires that each city and county, when preparing its State-mandated Housing Element of a General Plan, must develop local housing programs designed to meet its “fair share” of existing and future housing needs for all income groups, as determined by the jurisdiction’s Council of Governments. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for those households who might reasonably be expected to reside within the jurisdiction, particularly lower-income households, were there a variety and choice of housing accommodations appropriate to their needs.

In the six-county southern California region, the agency responsible for assigning these fair share targets to each jurisdiction is the SCAG. As part of the Regional Housing Needs Assessment (RHNA), the SCAG determines the five-year housing growth needs for municipalities within its jurisdiction, which includes the City of Huntington Beach. In Orange County, the Orange County Council of Governments (OCCOG) was delegated responsibility for developing the RHNA in coordination with the cities and the County.

The RHNA adopted by OCCOG and SCAG has identified a 1998–2005 future housing need for Huntington Beach of 2,015 units. Table 3.11-7 shows the 1999 RHNA allocation for the City of Huntington Beach. Huntington Beach’s RHNA allocation is based, in part, on SCAG’s regional growth forecast to 2025, which was prepared for the 2001 Regional Transportation Plan Update. Proposed project housing would be available for occupancy from beginning in 2006. All housing construction would be completed by 2010, at which time a new set of RHNA numbers will be applicable to the City. The information in Table 3.11-7 provides an overview of the types of housing needs in the City.

Table 3.11-7 RHNA Needs by Income Category for Huntington Beach (June 1, 1998, through June 30, 2005)

<i>Income Category</i>	<i>RHNA-Identified Need</i>
Very Low	388
Low	255
Moderate	400
Upper	972
Total	2,015

SOURCE: 2000 SCAG RHNA

Table 3.11-8 shows SCAG’s regional growth forecast for the City and Orange County.

Table 3.11-8 SCAG Population, Households, and Employment Forecast						
	<i>2000</i>	<i>2005</i>	<i>2010</i>	<i>2015</i>	<i>2020</i>	<i>2025</i>
<i>Huntington Beach</i>						
Population	198,915	208,983	216,087	221,279	224,932	228,110
Households	70,516	72,861	74,560	75,683	76,465	77,085
Employment	79,466	85,324	89,931	93,148	96,144	98,646
<i>Orange County</i>						
Population	2,813,368	3,003,179	3,160,512	3,272,412	3,352,947	3,426,458
Households	917,169	966,122	1,009,370	1,035,379	1,054,849	1,073,131
Employment	1,501,864	1,666,733	1,798,088	1,888,935	1,980,067	2,052,091

SOURCE: SCAG, 2001 RTP Update, small area forecast.

Total “construction need” for RHNA numbers is comprised of three components: (1) the number of housing units needed to accommodate future household growth; (2) an additional allowance for vacant units to ensure a healthy housing market; and (3) a further additional allowance to account for units that will be demolished, converted to nonhousing uses or otherwise removed from the housing stock. The calculation of each component is based on a combination of the method that HCD uses to calculate statewide housing need and past SCAG practice in preparing the RHNA.

The construction need totals cover the period of 1998 to 2005, though the Housing Element Planning period is from 2000 to 2005. Thus, the RHNA construction need numbers that are used as a planning target in the City’s Housing Element Update may be reduced by new units produced since January 1, 1998. According to the 2000–2005 Housing Element, the City has already constructed a total of 1,118 units between January 1, 1998, and July 1, 2000. Thus, the City is left with a remaining RHNA of 897 units out of the original projected 2,015 units.

Potential Future Housing Development

An analysis of short-term (5-year) residential development potential was completed as part of the City Housing Element, and this analysis identified total potential development of approximately 3,753 units (refer to Table 3.11-9). A vacant land analysis was completed, based on a vacant residential land survey conducted by the City in 1998 and updated by comparing vacant sites to building permits granted since 1998. Site visits were conducted to verify the data. The vacant land inventory excludes sites that could not be developed within the five-year planning horizon due to special circumstances (i.e., contaminated sites). Based on the site analysis, relatively little vacant land suitable for residential development remains in Huntington Beach. Approximately 117 acres (less than 1 percent of the City) of the City’s residential land are vacant and have no project entitlements or pending development projects. Under the existing zoning and General Plan land use designations, this acreage could accommodate an additional 2,212 dwelling units.

<i>Land Use Category</i>	<i>Acres</i>	<i>Total Units</i>
Vacant Land with No Entitlements		
Low (3 to 7 du/ac)	41.74	292
Medium (0 to 15 du/ac)	6.14	92
Medium High (0 to 25 du/ac)	48.53	1,213
High (30+ du/ac)	20.50	615
<i>Subtotal</i>	<i>116.91</i>	<i>2,212</i>
Vacant Land Projects with Entitlements	N/A	372
Vacant Land Projects Pending Approval	N/A	889
Residential Development Capacity, Downtown Specific Plan	11.54	280
Total		3,753

SOURCE: City of Huntington Beach 2000a

In addition to vacant land, residential development potential exists from projects recently approved or pending approval, and development potential in the Downtown Specific Plan area. At the time the Housing Element was prepared, vacant residentially designated properties with entitlements provided for an additional 372 residential units, including 260 market rate and 112 very low- to moderate-income households, which reflects projects with entitlements that are likely to be built within the near term planning horizon. A total of 889 units were pending approval—275 units for lower income households and 614 market rate units. Aside from development on vacant land, the Downtown Specific Plan also provides for multifamily and mixed-use infill. According to the 2000–2005 Housing Element of the City’s General Plan, a total of approximately 280 dwelling units ranging from medium to high density can be provided for in the Downtown core, which excludes the project site.

The City has sufficient capacity to accommodate the projected housing need both in aggregate and by income category. Table 3.11-10 compares the City’s remaining RHNA of 897 units with the residential sites inventory, which provides for approximately 3,753 units. The City’s zoning can accommodate over 2,480 new units at 25+ units per acre, providing densities appropriate to support lower income development, and well in excess of the need for 639 lower income units. The City has also provided for the development of 107 units at densities that should offer affordability to moderate income households, just short of the RHNA’s 146 moderate-income units; however, the City anticipates that a portion of the lower income sites, given their abundance, can compensate for this shortfall.

Table 3.11-10 Housing Growth Need and Development Potential by Income Group

<i>Income Group</i>	<i>Total RHNA</i>	<i>Units Constructed (1/98-7/00)</i>	<i>Remaining RHNA</i>	<i>Minimum Density Guidelines</i>	<i>Site Inventory Feasible Units Capacity</i>
Very Low	388	4	384	≥25 units/acre	2,480
Low	255	0	255		
Moderate	400	254	146	≥8 units/acre	107
Above Moderate	972	860	112	<8 units/acre	1,166
Total	2,015	1,118	897		3,753

SOURCE: City of Huntington Beach 2000a

Affordable Housing

A key issue facing the City is the affordability of housing to its citizens. The 1990 Census documented a median housing unit value of \$287,100 in Huntington Beach, while the 2000 Census documented a median housing unit value of \$311,800. Data from the California Association of Realtors (CAR) indicate that the median sales price of a home in Huntington Beach in the first quarter of 2000 was \$285,000. The median monthly rent for the City was \$808 in 1990 and \$985 in 2000.

The median housing unit value in Orange County is one of the highest in the state of California. By targeting programs and monetary assistance towards households with the greatest need, the City can achieve the goal of assuring the availability of adequate housing for all social and economic segments of Huntington Beach’s present and future population. The City has access to a variety of local, State, federal, and private resources that can be used for affordable housing activities. The three most significant funding sources used in Huntington Beach are: (1) Community Development Block Grants (CDBG); (2) the HOME Investment Partnership Program (HOME); and (3) Redevelopment Set Asides. As for the CDBG funds, the City receives an annual CDBG entitlement of approximately \$1.8 million from the federal Department of Housing and Urban Development (HUD) for a variety of community development and housing activities

primarily benefiting lower income households. The HOME Program is a federal program intended to expand and preserve the affordable housing supply for very low– and low-income households. Under this program, the City receives an annual entitlement of approximately \$600,000 from HUD, which can be used towards housing rehabilitation, acquisition, new construction, rental assistance, and assistance for first-time homebuyers.

The Redevelopment Set-Aside fund stems from redevelopment regulations that require redevelopment agencies to reserve 20 percent of the tax increment collected annually for the purpose of providing affordable housing. Additionally, State community redevelopment law (as outlined in the Regulatory Framework discussion below) requires that Redevelopment agencies allocate 15 percent of the units produced in a Redevelopment Project area for low- to moderate-income households. Because the City of Huntington Beach has merged what were once five separate redevelopment areas in the City into one, the provision of affordable housing could now occur across a larger region to accommodate the housing needs of the City. A Redevelopment Agency Affordable Housing Compliance Plan, adopted by the Redevelopment Agency in December 1999, specifies anticipated contributions to the Redevelopment Set-Aside fund, and how these monies are to be spent.

3.11.2 Regulatory Framework

There are no federal regulations related to population and housing that apply to the proposed project.

State

Community Redevelopment Law

The California Community Redevelopment Law contains affordable housing requirements that are applicable to this project because of its location in a Redevelopment Project Area. Specifically, § 33413(b) of the Health & Safety Code, which implements the California Redevelopment Law, contains a provision that at least 15% of all new or rehabilitated dwelling units be available at affordable housing cost to persons of low or moderate income. (Beatty *et al.* 1995). Units could be provided either on or off site. If units are provided off site and outside of the Redevelopment Project Area, then the total number of affordable units would need to be provided at a 2:1 ratio at 15 percent of the total on-site units. That is, if 100 units are proposed, 15 units need to be developed as affordable housing as part of the project. If units are provided off-site in the Project Area, 15 affordable units would satisfy Agency requirements. If units are provided off-site outside the Project Area, then 30 affordable units would be necessary to satisfy Agency requirements.

Local

The General Plan Housing Element, Huntington Beach Municipal Code, Growth Management Element, and Southern California Association of Governments Regional Comprehensive Plan and Guide govern regulations applicable to population and housing for the proposed project.

Southern California Association of Governments

SCAG’s Regional Comprehensive Plan and Guide (RCPG) and RHNA are tools for coordinating regional planning and housing development strategies in southern California. State Housing Law mandates that local governments, through Councils of Governments, identify existing and future housing needs in a RHNA. The Regional Housing Needs Assessment provides recommendations and guidelines to identify housing needs within cities. It does not impose requirements as to housing development in cities. Policies identified by SCAG as relevant to the proposed project are identified in Table 3.11-11, and this table also includes an assessment of the proposed project’s consistency with these policies.

Table 3.11-11 SCAG Regional Comprehensive Plan and Guide—Policies Applicable to Population and Housing

<i>Policies</i>	<i>Project Consistency</i>
Policy 3.01. The population, housing, and jobs forecasts, which are adopted by SCAG’s Regional Council and that reflect local plans and policies, shall be used by SCAG in all phases of implementation and review.	Sections 3.11.4 and 3.11.5, below, employ SCAG’s population and employment forecasts to determine the significance of potential project impacts with respect to growth, and the SCAG RHNA allocation for the City is also used as a basis for evaluating impacts to affordable housing opportunities. This analysis has, therefore, been conducted in a manner that is consistent with this policy.
Policy 3.24. Encourage efforts of local jurisdictions in the implementation of programs that increase the supply and quality of housing and provide affordable housing as evaluated in the Regional Housing Needs Assessment.	As described above, the impact analysis in this section employed SCAG’s RHNA allocation for the City to determine whether the proposed project would impede the ability of the City to provide adequate affordable housing. The proposed project would not, as described below, impede this ability. In addition, the project would include affordable housing units, as outlined in the On-Site Affordable Housing Program. This environmental analysis and the proposed project would, therefore, be consistent with this policy.

General Plan Housing Element

The 2000-2005 Housing Element provides an examination of the City’s housing problems and needs, the opportunities and constraints related to addressing these needs, and formulates policies to address these needs. The Housing Element further addresses housing construction needs to accommodate the City’s share of regional growth for the period 1998–2005, including the improvement and provision of affordable housing. Table 3.11-12 identifies goals and objectives presented in the Housing Element of the General Plan related to population and housing that are potentially relevant to the proposed project. This table also includes an assessment of the proposed project’s consistency with the policies adopted in support of these goals and objectives.

Table 3.11-12 General Plan Housing Element—Policies Applicable to Population and Housing

<i>Goal, Objective, or Policy</i>	<i>Project Consistency</i>
Goal HE 2. Provide adequate housing sites.	Conformance with implementing policies, as discussed below, results in conformance with this goal.
Objective HE 2.1. Provide appropriate zoning and regulatory incentives to facilitate the production of 388 very low, 255 low, 400 moderate, and 972 upper income units through this planning period.	Conformance with implementing policies, as discussed below, results in conformance with this objective.
Policy HE 2.1.2. Facilitate the development of mixed-use projects containing residential and nonresidential uses, which can take advantage of shared land costs to reduce the costs of land for residential uses through General Plan designation and the Specific Plan process.	The proposed project involves a mixed-use project within the Downtown Specific Plan Area. The project combines residential development with visitor-serving commercial development, according to the requirements of Downtown Specific Plan Districts 7 and 8A.
Policy HE 2.1.4. Plan for residential land uses which accommodate anticipated growth from new employment opportunities.	As described below, the proposed project would create 601 new jobs and would provide 516 residential units. The project would include an On Site Affordable Housing Program designating 39 of the total 516 units on-site as affordable housing units . Although the proposed project does not fully balance jobs and housing units, not all employees are anticipated to move to the City: many would likely be drawn from the employment base of adjacent Cities and elsewhere in the County. Further, the pattern proposed under the project (i.e., more jobs than new housing units) is consistent with SCAG projections for the City, which anticipate a growing number of jobs with respect to population and households and the provision of additional employment opportunities for existing and future residents in the City and County.
Goal HE 3. Assist in development of affordable housing.	Conformance with implementing policies, as discussed below, results in conformance with this goal.
Objective HE 3.1. Facilitate the development of housing for low and moderate income households which is compatible with and complements adjacent uses and is located in close proximity to public and commercial services.	Conformance with implementing policies, as discussed below, results in conformance with this objective.
Policy HE 3.1.1. Encourage the provision and continued availability of a range of housing types throughout the community, with variety in the number of rooms and level of amenities.	As described below, the proposed project would provide 516 residential units in the Above Moderate income range, with a range of floor plans and unit sizes. The project would include an On Site Affordable Housing Program designating 39 of the total 516 units on-site as affordable housing units. Additionally, as further described in Section 3.11.4, the proposed project would not impede the ability of the City to meet its RHNA allocation for very-low-, low-, and moderate-income housing.
Goal HE 5. Provide equal housing opportunity.	Conformance with implementing policies, as discussed below, results in conformance with this goal.
Objective HE 5.1. Promote equal housing opportunity for all residents to reside in the housing of their choice.	Conformance with implementing policies, as discussed below, results in conformance with this objective.
Policy HE 5.1.3. Encourage the provision of adequate numbers of housing units to meet the needs of families of all sizes.	As described below, the proposed project would provide 516 residential units in the Above Moderate income range, with a range of floor plans and unit sizes. The project would include an On Site Affordable Housing Program designating 39 of the total 516 units on-site as affordable housing units. Additionally, as further described in Section 3.11.4, the proposed project would not impede the ability of the City to meet its RHNA allocation for very-low-, low-, and moderate-income housing. The proposed project would therefore provide residential units of various sizes and configurations and would facilitate the provision of housing for a range of income groups.

3.11.3 Thresholds of Significance

Project impacts would be considered significant if the following would occur:

- 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)

As indicated in the introduction to this section, the Initial Study indicates that the project would not displace any existing housing or households. Therefore, these issues are not analyzed in the EIR.

3.11.4 Project Impacts

For the purposes of this analysis, impacts would be considered significant if the inducement of population growth results in increases in population at a level that largely exceeds projected/planned levels for the year of project occupancy/buildout.

Impact P-1 Implementation of the proposed project would not directly or indirectly induce substantial population growth beyond current growth projections established by the City.

As described in Section 2.3.1 (Visitor-Serving Commercial Center), the proposed project would develop a 400-room hotel, up to 240,000 sf of visitor-serving commercial uses, and 516 condominium units. The project also includes the extension of Pacific View Avenue from First Street to Huntington Street.

Roadway Extension

Roadway extensions, particularly freeways, are often considered to induce growth because the provision of vehicular access to a previously inaccessible site can facilitate development; however, the extension of Pacific View Avenue through the project site would be consistent with proposed improvements in the City's General Plan Circulation Element (refer to Figure CE-3, Potential for 2010 Circulation Plan of Arterial Highways), as well as Precise Plan of Street Alignment No. 88-1 (refer to Section 2.2.3 of the Project Description), and would not provide or improve access to an undeveloped parcel for which development or redevelopment has not previously been evaluated and/or approved by the City. Because the extension of Pacific View Avenue across the project site would not provide access to previously undeveloped parcels other than the project site and would not induce or facilitate development other than the project, no significant growth-inducing impact would occur as a result of this extension.

Population Growth

New residential uses would increase the City population. Using the most conservative average household size of 2.75 persons per unit (from the 2000–2005 Housing Element), the proposed condominiums would be expected to accommodate 1,419 (516 x 2.75) persons. The population growth has been accounted for in City and regional projections, as housing units on site were identified in the General Plan and the Downtown Specific Plan. The relative proportion of the population growth in comparison to projected population levels is shown in Table 3.11-13. SCAG projections are used for this comparison, since this agency provides data for year 2010; City projections are for year 2005, and the project would not be complete by that time. Assuming that all occupants of the proposed housing are new to the City, this potential population growth would represent an increase of 0.7 percent over the 2000 baseline City population, and an increase of about 0.65 percent over the projected 2010 population. Assuming that all occupants of the proposed housing are new to the County, the project-related population increase would represent an increase of 0.05 percent over the 2000 baseline population and an increase of 0.04 percent over the projected population for 2010.

<i>Location</i>	<i>Projected Population</i>	<i>Project Contribution</i>
Project Site	1,419	100%
City of Huntington Beach, 2000 baseline population	189,594	0.07%
City of Huntington Beach, projected 2010 population	216,087	0.065%
Orange County, 2000 baseline population	2,183,368	0.05%
Orange County, projected 2010 population	3,160,512	0.04%

The project-related increase would be well within and consistent with SCAG projections for employment in the City and County. As shown in Table 3.11-8, SCAG predicts that the population and households would continue to increase from 2000 to 2020, and the project is consistent with this pattern. Because the potential direct and indirect population increase that could result from the proposed project would not result in growth that has not been planned or could not be accommodated, the direct population increase from additional residential units would be less than significant.

Visitor-Serving Commercial Uses and Employment

The proposed project would represent an increase of less than one percent in either 2000 or 2010 City employment levels and less than one tenth of one percent of County employment.

Proposed visitor-serving commercial uses would generate increases in employment opportunities. According to the Applicant's staffing projections for the project, the project would directly generate 476 employees and indirectly generate (through accommodation) 120 additional employees in the proposed office component of the project, according to the pattern shown in Table 3.11-14. These employment opportunities would likely be available beginning in 2005, when the visitor-serving commercial component is completed, and 2007, when the hotel is completed.

<i>Use</i>	<i>Generation Factor</i>	<i>Development Quantities</i>	<i>Number of Employees</i>
Hotel			
Guest Rooms	1 per 2 keys	400 keys	200
Spa	1.5 per spa treatment room	30 treatment rooms	45
Restaurant	1 per 500 sf of restaurant	5,000 sf	10
Retail	1 per 1,000 sf	141,100	142
Restaurant/Club	1 per 500 sf	38,900	78
Office			
Employees	1 per 10,000 sf	60,000	6
Tenants	1 tenant per 500 sf	60,000	120
Total (includes employees and tenants)			601

SOURCE: CUP Application, on file with City of Huntington Beach.

According to SCAG employment projections for the City and County (refer to Table 3.11-8, SCAG Population, Households, and Employment Forecasts), the projected employment levels in 2010 are 89,931 for the City, an increase of 10,465 jobs, and 1,798,088 for the County, an increase of 296,224 jobs. The proposed project would likely attract employees from this existing employee pool in the City and in the County, and would represent about 0.8 percent of the projected 2010 employment in the City. With respect to the County, the project would contribute about 0.04 percent of the projected 2010 County employment. The proposed project would represent an increase of less than one percent in 2010 City employment levels and less than 0.1 percent of County employment. As shown in Table 3.11-8, SCAG predicts that the number of jobs in the City would increase relative to population and households from 2000 to 2010, providing additional employment opportunities for a growing population, and the project is consistent with this pattern. Although the housing component of the project would not necessarily provide housing for the employees of the project, the provision of housing would help to ensure that employment opportunities provided by the project would not result in an unanticipated demand for housing that could not be accommodated in the City or County. Because the employment provided by the project would not result in growth that has not been planned or could not be accommodated, this employment increase would

not result in a significant impact with respect to population growth. This impact would, therefore, be considered less than significant.

Impact P-2 Proposed housing would not directly or indirectly induce substantial population growth beyond current growth projections established by the City, although the required number of affordable housing units may not be provided on-site by the project.

The residential uses proposed under the project—516 condominium units—would increase the housing supply in the City and could increase the population in the City. The proposed housing units would be provided at market rate and would be priced in the “Above Moderate” income group. The housing units proposed as part of the project have been anticipated in the General Plan Land Use Element (which allows development of greater than 30 units per acre net on the residential portion of the site) and Downtown Specific Plan (which allows development of up to 30 units per acre). As stated above, the project proposes 516 units, or 30 units per acre on 17.2 acres. The proposed project would not develop housing units in excess of those previously planned in the General Plan and the Downtown Specific Plan, such that housing would directly or indirectly induce substantial population growth beyond current growth projections established by the City. Therefore, impacts, on housing would be less than significant.

Housing would be constructed in three major phases and would be available for occupancy from beginning in 2006. All housing construction would be completed by 2010. The existing RHNA numbers would not be applicable to the project upon completion of construction, since the existing RHNA numbers apply to the 1998–2005 planning period, although it is possible this planning period may be extended to 2006, pending the outcome of current legislation. Nonetheless, the project would contribute 516 units to the housing needs in the City. The provision of “Above Moderate” housing on site would not impede the ability of the City to meet the RHNA allocation for very low-, low-, and moderate-income housing. The proposed project site was not included in the calculations of available land for housing potential in these income categories.

In compliance with Community Redevelopment law and city policy, the proposed project would be required to prepare an affordable housing plan that would identify sites for, and assist in the financing of, affordable housing within the City. Assuming all units are provided within the Merged Redevelopment Project Area, a total of 78 units would be required. Affordable housing is proposed through a combination of units on site, and funding of development of units off site.

A total of 39 affordable housing units are proposed to be provided on site. The On Site Affordable Housing Program for the proposed project identifies a range of costs of the affordable units, the target buyer, the

types of units appropriate for the affordable housing program, options to offset the developer cost, and deed restrictions. A mix of one and two bedroom units is suggested, although the final mix of units has not been determined. The units would be deed restricted for 60 years. This program represents one method of achieving 39 units of affordable housing on site, although the precise strategy of implementation has not been finalized or approved by the City.

In order to satisfy affordable housing obligations, the Applicant would contribute towards affordable housing off site. A total of 39 units of affordable housing could be provided off site within the Merged Redevelopment Project Area. Alternatively, affordable housing could be provided outside of the Merged Redevelopment Project Area on a 2:1 basis, such that 78 units would be necessary, in addition to the 39 units on site. The details of the provision of affordable housing units off-site have not been finalized. In the absence of a complete plan that has been approved by the City to provide affordable housing, the project would not be in compliance with applicable Redevelopment Agency requirements with respect to affordable housing. Impacts would be potentially significant.

3.11.5 Cumulative Impacts

The proposed project would develop residential and visitor-serving commercial uses that would—in combination with cumulative development—increase population and housing and employment opportunities in the City and could directly or indirectly induce growth in the City and County. As described above in Section 3.11.4, the anticipated growth associated with the project would, even under the most conservative assumptions, be consistent with population, housing, and employment levels anticipated in the Downtown Specific Plan and would be less than the housing intensity anticipated for the site in the General Plan. Cumulative development projects have also been included in City projections, as these projects represent implementation of the City General Plan. Thus, they are consistent with the population projections for the City. The proposed project would, in combination with cumulative development, provide additional housing and employment opportunities. This growth would serve the existing population and help to meet anticipated jobs/housing demand in the City and County. Other cumulative projects within the Merged Redevelopment Project Area would also be required to provide affordable housing. Each of these projects would be required to satisfy City requirements with respect to affordable housing, such that cumulative effects would not be significant. Because cumulative development would be within levels projected by the City, it would not represent a significant impact with respect to population and housing. The proposed project would not, therefore, result in cumulatively considerable impacts with respect to population, housing, and employment.

3.11.6 Mitigation Measures and Residual Impacts

Population and employment impacts associated with the proposed project would be less than significant, as described under Impact P-1.

The following mitigation measure (MM) would be required to reduce impacts on affordable housing, as described under Impact P-2.

MM P-1 The Applicant shall prepare an Affordable Housing Program to the satisfaction of the City Planning & Economic Development Departments. The Program shall detail the provisions for either on- or off-site affordable housing, or a combination of the two that meet the requirements of Community Redevelopment Law and City requirements. The Affordable Housing Program shall be submitted to the Planning Department for review and approval prior to submittal of the final map. The agreement shall be executed prior to the issuance of the first building permit for the residential project. The Applicant shall adhere to all provisions of the Program.

Implementation of MM P-1 would ensure that affordable housing requirements of Community Redevelopment Law are met. Impacts would be reduced to less-than-significant levels.