

3.11 POPULATION AND HOUSING

This section describes the existing population and housing conditions on the site and its surrounding area. Descriptions and analysis in this section are based on information provided by the Elk Grove General Plan, the California Department of Finance (DOF), and the Sacramento Area Council of Governments (SACOG). The analysis includes a description of the methods used for assessment, as well as the potential direct and indirect impacts of project implementation.

Comments regarding growth inducement were received in response to the notice of preparation. This issue is addressed in this section.

3.11.1 Environmental Setting

POPULATION

The City of Elk Grove's total population has increased from 72,665 at its incorporation in 2000 to 171,059 in 2016, an increase of 135 percent, or about 5.5 percent annually (City of Elk Grove 2014; DOF 2017). According to the City, rate of growth occurred as a result of an increase in available jobs in the Sacramento region and the land that was made available in Elk Grove for residential development, as well as the annexation of the Laguna West-Lakeside Census Designated Place, which added 25,000 residents (City of Elk Grove 2014). Most the residential growth in the last decade occurred west of State Route 99. As of 2016, it was estimated that the city is almost 76 percent built-out in terms of residential uses (SACOG 2016). The City's population is expected to increase to 210,084 by 2036, an increase of 23 percent (SACOG 2016).

HOUSING

According to DOF, the total number of housing units in the City of Elk Grove was 53,829 in 2017, with an average household size of 3.29 persons per unit, compared to 2.82 countywide in Sacramento County (DOF 2017). Approximately 90 percent of these housing units were attached and detached single-family houses, compared to 71 percent countywide (DOF 2017).

SACOG estimates that the total number of housing units in the City of Elk Grove will be 65,282 by 2036 (SACOG 2016), a projected increase of 21 percent.

EMPLOYMENT

As of 2013, the City of Elk Grove has 44,806 jobs at 8,710 businesses (City of Elk Grove 2016). City job annual growth rate between 2000 and 2013 was 8.7 percent, with the following business types having the largest increases in employment between 2009 and 2013:

- ▲ Education services, health care, and social services: 4,353
- ▲ Retail: 1,923
- ▲ Administrative and waste services: 1,675
- ▲ Professional, scientific, and technical services: 702
- ▲ Accommodation and food services: 610 (City of Elk Grove 2016)

The SACOG 2036 *Metropolitan Transportation Plan/Sustainable Communities Strategy* (MTP/SCS) projects that the City will have 50,865 jobs by the year 2036 and 55,966 jobs at build out (SACOG 2016).

JOBS/HOUSING BALANCE

The jobs/housing balance is defined as the ratio of the number of jobs to the number of housing units in an area. Jobs and housing are balanced when there are an equal number of employed residents and jobs in an area, with a ratio of approximately 1.0. The City of Elk Grove has estimated that its current jobs/housing ratio is 0.84 and would be 1.25 at build out of its current General Plan. The SACOG 2036 MTP/SCS projects the City's job/housing ratio will be 0.80 by the year 2036 and 1.04 at build out (SACOG 2016).

3.11.2 Regulatory Framework

STATE

State California Environmental Quality Act Guidelines Section 15131

State CEQA Section 15131 provides that economic or social information may be included in an EIR, but those economic or social effects shall not be considered significant effects on the environment. In an EIR, the lead agency is responsible for researching economic or social changes resulting from a project, which may eventually lead to physical changes in the environment. These economic or social changes can be used to determine the significance of physical changes on the environment.

Government Code Section 65040.12

Government Code Section 65040.12 (e) defines environmental justice as: "the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws and policies."

Cortese-Knox-Hertzberg Local Government Reorganization Act

The Cortese-Knox-Hertzberg Local Government Reorganization Act Section 56668(o) defines environmental justice as the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. Environmental justice addresses issues concerning whether an activity could expose minority or disadvantaged populations to proportionately greater impacts compared with those borne by other individuals.

Senate Bill 244, Disadvantaged Unincorporated Communities

In 2011, Senate Bill (SB) 244 was enacted, resulting in changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Cortese-Knox-Hertzberg Act). LAFCo's are now required to deny any application to annex to a city territory that is contiguous to a disadvantaged unincorporated community unless a second application is submitted to annex the disadvantaged community as well and LAFCo's are required to evaluate disadvantaged unincorporated communities in a municipal service review. SB 244 defines "disadvantaged unincorporated community" as any area with 12 or more registered voters where the median household income is less than 80 percent of the statewide annual median.

No disadvantaged unincorporated communities are located on or contiguous to the project site (or "SOIA area") (Sacramento LAFCo 2016: Exhibit 3.11-2).

LOCAL

The project site lies within the jurisdictional boundaries of Sacramento County; therefore, the County's policies, as well as the Sacramento LAFCo's policies, would apply. Furthermore, if the SOIA is approved, it would likely lead to annexation to the City of Elk Grove. Thus, applicable policies of the City of Elk Grove's General Plan are described below.

Sacramento LAFCo Policy, Standards, and Procedures Manual

Sacramento Local Agency Formation Commission (LAFCo) has developed standards and guidelines in its Plans, Policies, and Procedures Manual that aid in the implementation of the Cortese-Knox-Hertzberg Act (described in Section 3.9, “Land Use”). According to Standard F.4 in Chapter IV, Section F, a project would have substantial growth-inducing potential if it would:

- ▲ extend a major roadway into an undeveloped area;
- ▲ extend a sewer trunk line to a substantial area not currently served;
- ▲ extending water service to a substantial area not currently served;
- ▲ provide electric service to a substantial area not currently served;
- ▲ provide or require flood control or other public facility which will protect the public safety so as to permit new development in an area substantially larger than the project;
- ▲ provide any other public service or facility to a substantial area which could not grow without such service; and
- ▲ encourage or foster growth in a substantial area.

Sacramento Area Council of Governments’ Blueprint

The Sacramento Area Council of Governments (SACOG) is an association of local governments in the six-county Sacramento Region that includes the City of Sacramento. SACOG provides transportation planning and funding for the region, prepares the region’s long-range transportation plan, approves the distribution of affordable housing in the region, and assists in planning for transit, bicycle networks, and airport land uses. The Blueprint Project was a regional effort by SACOG to build a consensus around a long-term vision for the growth and development of the Sacramento region. The Blueprint was adopted by the SACOG Board of Directors in December 2004 and is a voluntary framework for guiding future growth in the region. The Blueprint is not a policy document and does not regulate land use or approve or prohibit growth in the region. The Blueprint is intended by SACOG to be advisory and to guide the region’s transportation planning and funding decisions (such as the development of the MTP/SCS). The SOIA area is identified as a growth area under the Blueprint.

Sacramento Area Council of Government’s Metropolitan Transportation Plan/Sustainable Communities Strategy

In 2016, the SACOG approved the 2036 MTP/SCS, which is a regional transportation plan and land use strategy designed to support good growth patterns, including:

- ▲ increased housing and transportation options;
- ▲ inwardly-focused growth and improved economic viability of rural areas;
- ▲ minimized direct and indirect transportation impacts on the environment;
- ▲ a transportation system that delivers cost- effective results and is feasible to construct and maintain;
- ▲ effective connections between people and jobs;
- ▲ improved opportunities for businesses and citizens to easily access goods, jobs, services, and housing; and,
- ▲ real, viable choices for methods of travel.

The MTP/SCS built on the foundation provided by the Blueprint project and includes a land use strategy to improve mobility and reduce travel demand from passenger vehicles by prioritizing compact and transit-oriented development, reducing the growth in vehicle miles traveled (VMT) and associated greenhouse gas emissions. The MTP/SCS also includes projections for the location of growth within the region, between jurisdictions and among housing place types (i.e., infill and greenfield development). The 2016 MTP/SCS maps

show the SOIA area as “Blueprint Growth Footprint Not Identified for Development in the MTP/SCS Planning Period.” The 2016 MTP/SCS includes no growth projections for the SOIA area for 2036 (SACOG 2016).

Sacramento County General Plan

The current County of Sacramento General Plan, titled *Sacramento County General Plan of 2005–2030* (2030 General Plan), was adopted on November 9, 2011. The Sacramento County General Plan provides an inventory of land supply within the County, and projects the amount and location of land and density, and intensity of development that will be required to accommodate future populations and economic growth through 2030.

The following policies and actions from the Land Use Element of 2030 General Plan apply to the SOIA.

- ▲ **Policy LU-2.** The County shall maintain an Urban Service Boundary that defines the long-range plans (beyond twenty five years) for urbanization and extension of public infrastructure and services, and defines important areas for protecting as open space and agriculture.
- ▲ **Policy LU-12.** The County will prohibit land use projects which are not contiguous to the existing UPA, city boundaries, or existing planned communities or master plan areas (i.e. leapfrog development).
- ▲ **Policy LU-111.** Annexations should only be advocated which:
 - ensure provisions and demonstrate maintenance for adequate municipal services;
 - are consistent with state law and LAFCo standards and criteria;
 - provide for equitable distribution, based on region-wide analysis, of social services and low income housing needs; and
 - preserve community identity.

City of Elk Grove General Plan

Approval by LAFCo of this SOIA does not authorize any change in land use or governance. However, the project would adjust the City of Elk Grove’s sphere of influence and allow the City the opportunity to file an annexation request with LAFCo to annex lands within the SOIA area. The City of Elk Grove General Plan establishes goals and policies to guide both present and future development within the City’s jurisdiction. The Housing Element of the Elk Grove General Plan identifies and analyzes the existing and projected housing needs for all income groups and implements actions with measurable performance objectives to address those needs. The Housing Element goal is to promote an adequate supply of decent, safe, and affordable housing to meet the needs of all residents of the City without regard to race, color, age, sex, religion, national origin, family status, or disability.

The following policies and actions from the Housing, Economic Development, and Land Use Elements of the City of Elk Grove General Plan. The reader is referred to Section 3.9, “Land Use,” for a detailed description of the proposed City of Elk Grove General Plan Update.

- ▲ **Policy H-1:** Maintain an adequate supply of appropriately zoned land with available or planned public services and infrastructure to accommodate the City’s projected housing needs for all income levels and for special needs groups. The acreage of appropriately zoned land needed to meet housing needs will be updated annually, based on construction of housing units (tallied by income group and special needs group) and loss of sites through rezoning, in accordance with Action 10.
- ▲ **Policy H-12:** Encourage the development of a variety of housing in order to maintain a diverse housing stock intended for all levels of income.

- ▲ **Policy ED-1:** Strive to establish a balanced mix of commercial, office and industrial businesses to the City to ensure a variety of employment and business opportunities.
- ▲ **Policy ED-7:** Maximize the use of non-residential land for employment -generating and revenue-generating uses.
- ▲ **Policy ED-9:** Provide sufficient land for business expansion and attraction of new employers that utilize the City's existing labor pool.
- ▲ **Policy LU-9:** The City should seek to designate sufficient land in all employment-generating categories to provide a minimum 1:1 correspondence between Elk Grove's working population and jobs in categories matching their employment level.
- ▲ **Policy LU-13:** The City shall apply the following policies to potential annexations:
 - Annexations should conform to an orderly expansion of city boundaries within planned urban growth areas and provide for a contiguous development pattern.
 - Annexations should include a comprehensive land use plan for the affected territory, including Pre-zoning and a plan for infrastructure financing and phasing;
 - Annexations should:
 - Constitute fiscally sound additions to the existing City.
 - Be consistent with State law and Local Agency Formation Commission policies, standards and criteria.
 - Preserve neighborhood identities.
 - Ensure the provision of adequate municipal services.
 - Be consistent with General Plan and Community Plan land use policies.
 - Incorporate Smart Growth criteria for sustainable economic growth while maintaining environmental integrity, and providing for social equity.
 - Promote fiscally sound, efficient service boundaries.

3.11.3 Environmental Impacts and Mitigation Measures

ANALYSIS METHODOLOGY

Impacts on population and housing were assessed by reviewing existing and anticipated population and housing projections provided by the Elk Grove General Plan, DOF, and SACOG. The project's impacts were evaluated by determining their consistency with these estimates and projections. For further discussion of growth inducing effects, see Chapter 5, "Other CEQA Considerations."

THRESHOLDS OF SIGNIFICANCE

Based on Appendix G of the State CEQA Guidelines and the Cortese-Knox-Hertzberg Local Government Reorganization Act, a population and housing impact would be significant if implementation of the project would do any of the following:

- ▲ 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 homes, necessitating the construction of replacement housing elsewhere;
- ▲ displace substantial numbers of people, necessitating the construction of replacement housing elsewhere; or
- ▲ result in adverse effects or impacts that are appreciably more severe in magnitude or are predominately borne by low-income and minority populations or unincorporated disadvantage communities.

ISSUES NOT EVALUATED FURTHER

If approved, the SOIA would change a policy boundary, placing a portion of land that is currently subject to the jurisdiction of Sacramento County within the City of Elk Grove's sphere of influence. This would not affect the current land use jurisdiction. This boundary change would not displace either housing or people. There is no impact related to replacing substantial numbers of existing homes or substantial numbers of people as the SOIA area contains minimal housing (10 dwelling units); therefore, this topic is not discussed further.

The SOIA area and surrounding areas do not contain low-income and/or minority populations or unincorporated disadvantage communities (Sacramento LAFCo 2016: Exhibit 3.11-2). As shown in Exhibit 2-2, the SOIA area and land areas to the south and east consists of agricultural lands and open space. Therefore, there is no impact and this topic is not discussed further.

IMPACT ANALYSIS

Impact 3.11-1: Induce substantial population growth.

The SOIA could indirectly induce substantial population growth through removing an obstacle to future annexation of the SOIA area and development. This would be a **significant** impact.

The proposed SOIA does not include the construction of new houses or businesses, or the extension of roads, utilities, or other infrastructure. The proposed SOIA would not result in a change in existing zoning or land use designation and, therefore, would not allow an increase in development density. The project would not include any new roadways, sewer lines, water service, electric service, or additional public facilities.

However, expansion of the City's sphere of influence could remove a policy obstacle to future development of the project site. The proposed SOIA may indirectly affect population growth in the project site through the potential for future urbanization of the SOIA area. New employees from commercial and industrial development and new population from residential development represent direct forms of growth. These direct forms of growth have a secondary effect of expanding the size of local markets and inducing additional economic activity in the area. Examples of development that would indirectly facilitate growth include the installation of new roadways or the construction or expansion of water delivery/treatment facilities.

Implementing the proposed SOIA would provide a potential area for growth. Approval of the proposed SOIA would not require development of the SOIA area, but would allow for the City of Elk Grove to plan for and guide development in that area in consultation with the County and future developers. The SOIA would "square off" the City sphere of influence along the future extension of Kammerer Road. While the SOIA is likely to induce population growth inside of the SOIA area, it may induce or encourage population growth in the neighboring unincorporated area through additional SOIA requests. Any growth outside of the SOIA area would require its own LAFCo SOIA and environmental review outside of this SOIA process. As described previously, this area was assumed for future development by both Sacramento County and SACOG.

Sacramento County included this area within their USB under the County's General Plan, indicating that it was appropriate to allow for development needing urban services in this area. The reader is referred to Section 3.9, "Land Use," for a further discussion of the Sacramento County General Plan and the USB. SACOG included this area in their growth footprint; however, it was assumed that the SOIA area would not develop in the current MTP/SCS Planning Period.

Nevertheless, the conceptual land use plan for Bilby Ridge SOIA Area shows a potential for 1,846 dwelling units; 5,540 residents; and 4,359 employees. This growth potential would be approximately 15 percent of the total growth expected to occur for the City of Elk Grove between the years 2020 and 2036. The project would have a jobs/housing ratio of 2.36 that would assist in current City planning efforts to improve the City's jobs/housing balance. Therefore, it is reasonably foreseeable that the approval of the SOIA would result in substantial population growth. The potential impacts related to substantial population growth is **significant**.

The physical environmental impacts associated with a substantial increase in population are described throughout the other sections of this EIR.

Mitigation Measures

There are no feasible mitigation measures available to address this impact. The only means to address this impact would be to deny the SOIA.

Significance after Mitigation

Mitigation presented throughout this EIR addresses directly the environmental issues associated with future development. The purpose of the project itself is to provide for consideration of future annexation of the SOIA area and future development of housing and employment opportunities, consistent with the applicable contemporary regulatory setting. There is no feasible mitigation to reduce this growth inducement impact to a less-than-significant level without changing the purposes of the project (planning for future growth needs of the City of Elk Grove). The impact is **significant and unavoidable**.

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