

4.7 POPULATION AND HOUSING

A. INTRODUCTION

This section of the Draft Environmental Impact Report (DEIR) examines the potential for the Project to result in environmental impacts related to changes in population and housing. This section relies on population and housing data from the US Census, the California Department of Finance (DOF), and the Southern California Association of Governments (SCAG).

B. ENVIRONMENTAL SETTING

Population data for the City of Pasadena from the 2000 and 2010 US Census, an estimate from the DOF for 2017, and forecasts from the Southern California Association of Governments (SCAG) for 2012 and 2040, are presented in **Table 4.7-1, City of Pasadena Population: Census Data and Forecasts**. The population of the City is forecast to increase to 150,700 by 2040, an increase of approximately 7,367 people, or 5.1 percent, from the current 2017 DOF estimate of 143,333. The number of housing units, households, vacant units and vacancy rates from US Census data and CDF estimates are shown in **Table 4.7-2, City of Pasadena Housing Units and Vacancy Rates: Census Data and Projections**.

The Project Site currently contains 173 housing units that, at the City’s average household size of 2.42 persons per household¹, could house approximately 418 persons. The Site was formerly owned by Fuller Theological Seminary (“Fuller”) and was included within the Master Plan and Development Agreement between the City and Fuller. Fuller had provided the existing units to students, staff, and faculty at below market rents. At the time the current Master Plan was prepared in 2006, Fuller anticipated increasing enrollment. The Master Plan identified the site as a potential location for additional student housing. Specifically, the conceptual plan identified a building envelope that could accommodate 392 units on the Project Site. However, Fuller is currently preparing an amendment to the Master Plan. This amendment includes a decrease of enrollment from the 2,014-student capacity approved in the 2006 Master Plan to a 1,090-student capacity in the amended Master Plan.

**Table 4.7-1
City of Pasadena Population: Census Data and Forecasts**

US Census		CDF Estimate		SCAG Forecasts				
2000	2010	Change, 2000–2010		2017	2012	2040	Change, 2012–2040	
		Total	Percent				Total	Percent
133,936	137,122	3,186	2.4	143,333	140,300	150,700	10,400	7.4

Sources: US Census Bureau; California Department of Finance 2017; SCAG 2016–2040 RTP/SCS Growth Forecast by Jurisdiction.

1 City of Pasadena, *General Plan EIR*, “Section 5.10 Population and Housing” (certified August 2015).

Table 4.7-2
City of Pasadena Housing Units and Vacancy Rates: Census Data and CDF Estimates

	Housing Units	Households	Vacant Housing Units	Vacancy Rate (percent)
2010 US Census Data	59,551	55,270	4,281	7.2
2017 CDF Estimates	61,766	56,816	4,950	8.0
2020 SCAG Projection	—	59,900	—	—
2040 SCAG Projection	—	62,400	—	—

Sources: US Census Bureau; California Department of Finance. Table E-5, 2017; SCAG 2016–2040 RTP/SCS Growth Forecast by Jurisdiction.

C. REGULATORY SETTING

1. 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 (DOF) population projections and historical growth trends. These figures are compiled by HCD in a Regional Housing Needs Assessment (RHNA) for each region of California. Where there is a regional council of governments, HCD provides the RHNA to the council. Such is the case for the City of Pasadena, which is a member of SCAG. The council, in this case SCAG, then assigns a share of the regional housing need to each of its cities and counties. The process of assigning shares gives cities and counties the opportunity to comment on the proposed allocations. 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.

The State of California housing element laws (Section 65580 to 65589 of the California Government Code) 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.

a. 2014–2021 Pasadena Housing Element

The City’s most recent Housing Element was adopted by City Council on February 3, 2014. For the 2014–2021 planning period, SCAG determined that Pasadena’s RHNA allocation was 1,332 units. The affordability breakdown of the City’s 2014–2021 RHNA is 340 very low income units, 207 low-income units, 224 moderate-income units, and 561 above moderate income units. Consistent with State housing law, the 2014–2021 Housing Element demonstrates that the City can accommodate its RHNA allocation through the construction of planned residential projects and utilization of its inventory of appropriate housing sites. The Project Site is not shown in the City’s Housing Element in either the list of housing projects in the pipeline or the inventory of housing sites.

The Housing Element also identifies goals, policies, and programs designed to address the City’s overall housing needs.

The goals articulated in the Housing Element are:

- Goal HE-1: Sustainable neighborhoods of quality housing, parks and community services, infrastructure, and other associated services that maintain and enhance neighborhood quality, character, and the health of residents.
- Goal HE-2: An adequate supply and diversity of quality rental and ownership housing opportunities suited to residents of varying lifestyle needs and income levels.
- Goal HE-3: Expand, protect, and preserve opportunities for households to find and retain housing in Pasadena and afford a greater choice of rental and homeownership opportunities.
- Goal HE-4: Adequate housing opportunities and support services for seniors, people with disabilities, families with children, college students, and people in need of emergency, transitional, or supportive housing.

2. Pasadena's Inclusionary Housing Ordinance

The City's Inclusionary Housing Ordinance (IHO) requires that residential and mixed-use projects of 10 or more units, dedicate 15 percent of the units as affordable to low- and moderate-income households. Ownership projects can fulfill the requirement with all moderate-income units, whereas at least 10 percent of the required inclusionary units in rental projects must be set aside for low income (80 percent Median Family Income (MFI)) households, and the other 5 percent would be for moderate income (120 percent MFI). As an alternative to constructing the inclusionary units, a developer may choose one of three options: (1) construct the required units on another site; (2) donate another site for a portion or total number of units; or (3) pay a fee in lieu of building the units.

3. Pasadena General Plan Land Use Element

The City of Pasadena adopted the updated the General Plan Land Use Element on August 18, 2015. It was later amended on January 25, 2016. The plan established development capacities for each specific plan area. Cumulative new development with each specific plan area is limited to the number of housing units and commercial square feet specified in the element. The maximum number of housing units allowed does not include affordable housing units.

The Project Site is in the Central District Specific Plan area which allows for 4,272 residential units.²

In August 2015, the City of Pasadena certified a Program EIR for the update of the General Plan Land Use and Mobility Elements. The population and housing section of that EIR compared the projected buildout based on the development potential allowed under the General Plan Update to SCAG projections. As shown in **Table 4.7-3, Comparison of SCAG and General Plan Buildout Projections for Pasadena**, the City's calculated buildout potential slightly exceeds SCAG's projections.

2 City of Pasadena, *General Plan*, "Land Use Element," <http://www.cityofpasadena.net/GeneralPlan/> (amended January 25, 2016).

4.7-3
Comparison of SCAG and General Plan Buildout Projects for Pasadena

	Existing 2013 Conditions	SCAG Projections ^a		General Plan Build Out	Planned Growth ^d
		2020	2035		
Population	135,938	143,400	152,500	163,411	27,473
Households	56,659 ^b	58,400	61,400	68,926 ^b	12,267
Housing Units	59,641	61,474 ^c	64,631 ^c	71,953	12,312

Source: Pasadena General Plan Draft EIR, Population and Housing, Table 5.10-11.

^a SCAG projections are for the City only and not the entire planning area or the City's sphere of influence.

^b Household estimates for existing conditions and Project buildout are calculated based on number of housing units and vacancy rate of 5 percent.

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

^d Difference between 2013 existing conditions and buildout.

D. ENVIRONMENTAL IMPACTS

1. Methodology

This analysis considers population and household growth that would occur with implementation of the Project and whether this growth is within local or regional forecasts; whether it is considered substantial with respect to remaining growth potential in the City, as articulated in the City's General Plan; and/or whether it would result in the displacement of housing or people necessitating the construction of replacement housing elsewhere.

2. Thresholds of Significance

The Project is considered to have a significant impact to population and housing, if it would:

- Threshold 4.7-1:** 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).
- Threshold 4.7-2:** Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.
- Threshold 4.7-3:** Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

3. Project Impacts

Threshold 4.7-1: 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)?

A significant impact could occur if the Project were to introduce substantial new population or substantially induce growth that would otherwise not have occurred as rapidly or in as great a magnitude. SCAG has estimated that Pasadena's population will grow by approximately 5.1 percent over the next 23 years. Based on the City's household size in 2010 (2.42 persons per household),³ the construction of the Project would result in approximately 743 residents, an increase of approximately 325 residents from the previous capacity of approximately 418 residents. This projected population increase accounts for approximately 4.4 percent of the City's population growth expected by SCAG over the next 23 years,⁴ which will be within the forecasted growth of Pasadena.

As previously stated, the 2015 Land Use Element (amended in January, 2016) establishes a cap of 4,272 total new residential units for the Central District Specific Plan area.⁵ The proposed Project would demolish 173 residential units and replace them with 307 residential units, a net increase of 134 residential units, which is well within the established development cap for growth in the CDSP.

Additionally, like the existing employment opportunities in the Project area, the proposed Project would generate minimal employment opportunities potentially including landscaping, pool care, office managers, general maintenance, and security. These few positions would not substantially effect population growth in the area and could be accommodated by the existing available workforce in the region. Therefore, the Project would not induce substantial population growth, and impacts would be less than significant.

Threshold 4.7-2: Would the Project displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

As stated in **Section 4.0, Environmental Impact Analysis**, the baseline conditions for the proposed Project include 173 residential units, occupied generally by Fuller students and faculty at below market rents subsidized by Fuller. The Project would replace these 173 existing residential units with 307 new residential housing units, which would be an overall increase of 134 units. Additionally, it would change the target market of the housing on the site from rent-subsidized Fuller students and faculty to market-

3 City of Pasadena, *General Plan EIR*, "Section 5.10 Population and Housing" (certified August 2015).

4 Expected population growth from 2017 to 2040 is 7,367 325 residents accounts for 4.4 percent of this projected amount.

5 City of Pasadena, *General Plan*, Land Use Element, <http://www.cityofpasadena.net/GeneralPlan/> (amended January 25, 2016).

rate renters. Policy HE-4.5 of the Housing Element is to “[w]ork with educational institutions to update campus master plans and provide housing accommodations for students, faculty, and employees that reflect the housing needs and preferences of their respective institution.” Under the Fuller Master Plan and Development Agreement, the site would have been developed with housing intended for Fuller students, rather than the public at large. Fuller Theological Seminary has experienced a previously unplanned contraction in on-campus growth in the past decade. The contraction in on-campus growth is in large part due to the shift toward online programs, which enable students to receive the same degrees without having to relocate to, or otherwise live within Pasadena. Additionally, Fuller has shifted the focus of its growth to other campuses. Consequently, the need for Fuller to expand its residential facilities in Pasadena is no longer a part of its vision. In 2013, Fuller sold approximately 3.8 acres of land, already developed and envisioned for redevelopment in its 2006 Master Plan, which included the proposed Project Site. Once Fuller sold the site, the vision expressed in the Master Plan became inoperative.

As previously mentioned, the proposed Project would change the target market of the housing on the site from Fuller students and faculty, to market-rate renters. However, as indicated in the Master Plan amendment being sought by Fuller, this housing is no longer a necessity for their students because the population of their campus has decreased. Due to the decline in on-campus enrollment at Fuller, removing the existing units would not result in an unmet housing demand from Fuller students and staff. As such, the Project would not necessitate the construction of replacement housing for Fuller students and staff.

Additionally, as noted previously, the City has adopted the Inclusionary Housing Ordinance (IHO), which requires that residential rental projects of 10 or more units dedicate 10 percent of the units as low-income housing, and 5 percent as moderate-income housing. As an alternative to constructing the inclusionary units, a developer may choose one of three options: (1) construct the required units on another site; (2) donate another site for a portion or total number of units; or (3) pay a fee in lieu of building the units. The Applicant would be required to comply with the IHO. Impacts would be considered less than significant.

Threshold 4.7-3: Would the Project displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

The proposed Project involves the demolition of 173 residential units. Although these units are currently vacant, as previously mentioned, the baseline for the proposed Project is the existing 173 residential units occupied with approximately 418 residents. While the proposed Project would demolish 173 units, there would be a total of 307 new residential units built, a net increase of 134 residential units, which would provide housing opportunities for an additional 325 residents. Fuller Theological Seminary has experienced a contraction in on-campus growth and has stated that the existing housing on the site is no

longer needed. As such, replacement housing is not needed to accommodate Fuller students and staff. Impacts would be less than significant.

E. CUMULATIVE IMPACTS

Cumulative impacts occur when incremental impacts that are significant or less than significant from a proposed Project combine with similar impacts from other past, present, or reasonably foreseeable projects in a similar geographic area to create a cumulatively considerable impact. As described in **Section 4.0, Environmental Impact Analysis**, there are 62 related projects within Pasadena. Thirty-eight of the related projects include residential units for a cumulative total of 4,203 residential units.⁶ As noted in **Table 4.7-2**, SCAG has projected an increase of 3,084 housing units by 2020 as compared with the 2017 DOF estimates, of 56,816 housing units. Based on the City's average of 2.42 persons per household, the 38 related residential projects would increase the City's residential population by approximately 10,171 persons. As noted in **Table 4.7-1**, SCAG has forecasted a population increase of 7,367 by 2040 from the 2017 DOF estimates of 143,333. However, it should be noted that the 4,203 proposed residential units include one single-family home, 2,979 apartments, 837 condominiums, and 386 assisted-living and senior apartments. Many of these proposed units would have fewer than the City-average persons per household, due to multifamily units on average having fewer bedrooms and less living space when compared to single-family homes in Pasadena. All the related residential projects would be required to comply with the City's IHO.

Adding the Project to the related residential projects would result in a total of 4,337 residential units and 10,496 additional residents. As such, the cumulative population and housing projections would slightly, though not substantially, exceed SCAG's growth forecasts for the City of Pasadena. However, the cumulative population growth would not exceed the General Plan buildout population. The General Plan accommodates future growth in the City by providing for infrastructure and public services to accommodate such growth. Therefore, slightly exceeding SCAG's projections would not result in significant impacts.

F. MITIGATION MEASURES

Project level and cumulative impacts on population and housing would be considered less than significant. Therefore, no mitigation measures are required.

G. LEVEL OF SIGNIFICANCE AFTER MITIGATION

Project level and cumulative impacts on population and housing would be considered less than significant.

⁶ Related Project Nos. 3, 5-7, 9, 10, 12, 14, 15, 17-20, 27-34, 36, 38, 41-44, 49-56, 62, and 63.