

The purpose of this EIR section is to identify the existing land use conditions on The Cannery project site and the surrounding areas, analyze the project's compatibility with existing land uses, and analyze the project's consistency with relevant planning documents and policies, and recommend mitigation measures to avoid or minimize the significance of potential impacts.

Information in this section is based on information provided by the project applicant in the December 2012 project application package submitted to the City of Davis, site surveys conducted by De Novo Planning Group in 2012, ground and aerial photographs, and the following reference materials:

- City of Davis General Plan (City of Davis, May 2001, Amended through 2013)
- *Program EIR for the City of Davis General Plan Update and Project EIR for Establishment of a New Junior High School* (General Plan Update EIR),
- *City of Davis Housing Element*,
- *City of Davis Zoning Ordinance*,
- US Census data,
- California Department of Finance population and housing estimates (E-5 reports), and
- *Analysis of the Value of Economic Development and Potential Employment Growth in the City of Davis* prepared for the City of Davis by the Center for Strategic Economic Research.

3.12.1 ENVIRONMENTAL SETTING

DEMOGRAPHICS

POPULATION TRENDS

US Census data indicates that the City of Davis experienced strong population growth from 1990 to 2000, increasing from 46,322 to 60,308 persons at an annual average increase of 3.0 percent as shown in Table 3.12-1. During the decade from 2000 to 2010, the rate of growth declined to an annual average increase of 0.9 percent, reaching a total population of 65,622 in 2010. The City's population has declined slightly during this decade to a population of 65,062 in 2012 (California Department of Finance, 2012).

3.12 POPULATION AND HOUSING

TABLE 3.12 -1: POPULATION GROWTH - DAVIS

YEAR	POPULATION	ANNUAL AVERAGE CHANGE
1990	46,322	--
2000	60,308	3.0%
2010	65,622	0.9%
2012	65,052	<0.4%>

SOURCE: US CENSUS, 2012; CALIFORNIA DEPARTMENT OF FINANCE, 2012

HOUSING STOCK

Table 3.12-2 summarizes the growth of the City of Davis' housing stock over the last twelve years based on information from the US Census and California Department of Finance. The number of housing units has increased from 25,689 in 2010 to 25,908 in 2012, an average annual increase of 0.4 percent.

TABLE 3.12 -1: HOUSING UNIT GROWTH - DAVIS

YEAR	HOUSING UNITS	ANNUAL AVERAGE CHANGE
2000	23,617	--
2010	25,689	0.9%
2012	25,908	0.4%

SOURCE: US CENSUS, 2012; CALIFORNIA DEPARTMENT OF FINANCE, 2012

PERSONS PER DWELLING UNIT

The average number of persons residing in a dwelling unit in Davis is 2.55 (US Census, 2010). However, for the purposes of the analysis in this EIR, it is assumed that the Cannery would result in approximately 2.71 persons per residential unit. This number was derived from the August 2012 memo titled: *Guidance on Items Related to Utilities for the ConAgra Development Project*, prepared by the City of Davis Public Works Department.

JOBS:HOUSING BALANCE

In 2008, there were 18,249 jobs in the City of Davis (*Analysis of the Value of Economic Development and Potential Employment Growth in the City of Davis*, City of Davis, 2010) and 21,143 jobs at UC Davis (UC Davis Employee Population by Fund Source, 2012). As shown in Table 3.12-3, the City's jobs:housing balance is approximately 0.70:1. Combined, the City and UC Davis have a jobs:housing balance of 1.46:1.

TABLE 3.12-3: JOBS: HOUSING BALANCE

	CITY	UC DAVIS	TOTAL
Jobs	18,249	21,143	39,392
Housing	25,908	1,125	27,033
Jobs:Housing Balance	0.70:1	18.79:1	1.46:1

SOURCE: CITY OF DAVIS, 2010; US CENSUS, 2010; DEPARTMENT OF FINANCE, 2012; UC DAVIS, 2012

GROWTH PROJECTIONS

As part of the Sacramento Region Blueprint process, the Sacramento Area Council of Governments (SACOG) produced regional growth projections through 2035. Table 3.12-4 identifies SACOG's growth projections for the City of Davis and Yolo County through 2035. The City is projected to have approximately 31,618 housing units and 21,298 jobs by 2035. By 2035, the City's population is projected to increase to 76,665.

TABLE 3.12-4: GROWTH PROJECTIONS

	CITY OF DAVIS				YOLO COUNTY			
	2005	2035	CHANGE	ANNUAL AVERAGE PERCENT CHANGE	2005	2035	CHANGE	ANNUAL AVERAGE PERCENT CHANGE
Population	61,854	76,665	14,811	0.8%	172,872	278,786	105,914	2.0%
Housing Units	24,832	31,618	6,786	0.9%	66,549	111,245	44,696	2.2%
Employment	16,236*	21,298	4,972	1.0%	92,047	145,562	53,515	1.9%

SOURCE: SACOG, 2008

*EMPLOYMENT PROJECTIONS FOR THE CITY DO NOT INCLUDE UC DAVIS

3.12.2 REGULATORY SETTING

REGIONAL HOUSING NEEDS PLAN

California General Plan law requires each city and county to have land zoned to accommodate a fair share of the regional housing need. The share is known as the Regional Housing Needs Allocation (RHNA) and is based on a Regional Housing Needs Plan (RHNP) developed by councils of government. SACOG is the lead agency for developing the RHNP for a six county area that includes Yolo County and the City of Davis. The latest housing allocation for the City of Davis covers the nearly eight year period from January 1, 2013 through October 31, 2021 and consists of 1,066 units (248 very low, 174 low, 198 moderate, and 446 above moderate income). The City is not required to make development occur; however, the City must facilitate housing production by ensuring that land is available and that unnecessary development constraints have been removed. The City has not yet prepared and adopted an updated Housing Element to cover the 2013-2021 regional housing needs cycle.

CITY OF DAVIS GENERAL PLAN

The City of Davis General Plan articulates the community's vision of its long-term physical form and development. The general plan is comprehensive in scope and represents the city's expression of quality of life and community values. General plans are prepared under a mandate from the State of California, which requires that each city and county prepare and adopt a comprehensive, long-term general plan for its jurisdiction and any adjacent related lands. State law requires General Plans to address seven mandated components: circulation, conservation, housing, land use, noise, open space, and safety. Population, housing, and growth policies relevant to this EIR are identified below.

Section IV, Chapter 1: Land Use and Growth Management

Policy LU.3 Require a mix of housing types, densities, prices and rents, and designs in each new development area.

Policy LU 1.1 Recognize that the edge of the urbanized area of the City depicted on the land use map under this General Plan represents the maximum extent of urbanization through 2010, unless modified through the Measure J process.

Standards

- a. The General Plan Map is a representation of the ultimate geographic size of the city in the year 2010. No expansion of the City beyond those areas shown for urban use on the land use map will be permitted unless authorized through the Measure J process.

Housing Element

Policy HOUSING 1.1. Encourage a variety of housing types that meet the housing needs of an economically and socially diverse Davis.

Policy HOUSING 1.7. Analyze the models and options to promote housing for local employees.

1% GROWTH POLICY

In 2008, the City Council adopted an annual average growth guideline of one percent based on the number of housing units and dwelling unit equivalents. At adoption, the growth guideline was approximately 260 units per year and the allotted number increases proportionate to City growth. The allowed number of units increases proportionate to City growth. Second units, vertical mixed use units, and permanently affordable very low, low, and moderate income and senior housing are exempt from the growth guideline. The growth guideline limits peripheral growth to 60 percent of the allowed units each year, manages infill growth, and provides for Council approval of infill projects that exceed the growth guideline. The 1% growth guideline represents a cap that is not to be exceeded except for units that are specifically exempted or allowed by the City Council as an infill project with extraordinary circumstances and community benefits.

PHASED ALLOCATION ORDINANCE

The Phased Allocation Ordinance provides for orderly development through the annual adoption of a resolution by the City Council which designates the total number of units to be constructed in the fifth year following adoption of the resolution. The resolution may adjust the allocations, made by previous resolutions, for the first through fourth years following the resolution. The City Council's determination is based upon criteria set forth in the Phased Allocation Ordinance. In order to receive an allocation, a developer must submit an application in accordance with the ordinance, which requires a master plan sketch map and an internal project phasing plan for both single-family and multi-family units.

3.12.3 IMPACTS AND MITIGATION MEASURES

THRESHOLDS OF SIGNIFICANCE

Based on the standards established by Appendix G of the CEQA Guidelines and the jobs/housing ratio specified in the General Plan Update EIR, the proposed project will have a significant impact on population and housing if it will:

- 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;
- Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere; and/or
- Conflict with the jobs/housing ratio specified in the General Plan Update EIR, which ranges between 0.8:1 to 1.2:1.

IMPACTS AND MITIGATION MEASURES

Impact 3.12-1: Implementation of the proposed project may induce substantial population growth (Less than Significant)

The project site is designated as a growth area in the Sacramento Region Blueprint, as described in Chapter 3.7, Greenhouse Gases and Climate Change. The growth associated with the project is consistent with the population, housing, and employment projections prepared by SACOG.

Growth in the City of Davis is limited by the 1% Growth Policy, which implements General Plan Policy LU 1.1 and associated Actions d and e. The City's 1% Growth Policy would allow approximately 259 dwelling units per year, based on the DOF estimate of 25,908 units in 2012.

3.12 POPULATION AND HOUSING

The Cannery's land use mix would result in the addition of up to 551 new residential units and approximately 1,493 residents, based on an average household size of approximately 2.71 persons. Of the 551 units, 24 mixed use units are exempt from the 1% growth policy as they would provide vertical mixed use. The 1% Growth Policy is applicable to the remaining 527 units, which would result in population growth of approximately 1,428 persons.

While the number of units proposed by The Cannery exceeds the number of units allowed to be constructed in a given year, the 1% Growth Policy includes provisions to accommodate larger projects. The 1% Growth Policy requires larger projects (such as 100 or more units) to use a development agreement or a metered allocation system to phase units. The City's Housing Element, in discussing constraints to growth, identifies that larger projects such as the Lewis Cannery Project (which references the proposed project site while under previous ownership) would include provisions for phasing development through a development agreement.

The 1% Growth Policy also includes provisions to allow for extraordinary projects, which provides the City Council the ability to allow an infill project that provides for particular community needs with extraordinary community benefits even if the project would exceed the growth guideline of 1%.

In the event that the rate of growth associated with the proposed project is not regulated by a development agreement and the City Council did not determine that the project is an "extraordinary project," the project would be subject to the City's Phased Allocation Ordinance.

The City's requirements associated with the 1% Growth Policy and the City's Phased Allocation Ordinance would ensure that the population growth associated with the project is consistent with the City's growth management requirements. The project is consistent with the regional growth projections prepared by SACOG. Therefore, this impact is **less than significant**.

Impact 3.12-2: Implementation of the proposed project may displace substantial numbers of people or existing housing (No Impact)

There are no existing homes or other types of residential structures on the project site. Therefore, the project would not displace any persons or existing housing. There is **no impact**.

Impact 3.12-3: Implementation of the proposed project may conflict with the jobs/housing ratio of 0.8:1 to 1.2:1 specified in the General Plan Update EIR (Less than Significant)

The Cannery project would result in the generation of up to 850 job, as estimated by the project applicant and described in Chapter 2.0. As shown in Table 3.12-5, the project would have a jobs:housing balance of approximately 1.39:1, which is slightly above the 0.8:1 to 1.2:1

range identified in the General Plan Update EIR. The proposed project would slightly increase the City's jobs:housing balance from 0.70:1 to 0.72:1, which would help bring the City's jobs:housing balance toward the ratio identified in the General Plan Update EIR. The project would not result in any changes to the local jobs:housing balance, when taking UC Davis into account, from 1.46 (City plus UC Davis) to 1.46:1 (City plus UC Davis plus project).

TABLE 3.12-5: JOBS: HOUSING BALANCE WITH PROJECT

	PROJECT	CITY + PROJECT	CITY + PROJECT + UCD
Jobs	850	19099	40,242
Housing	610	26,518	27,643
Jobs:Housing Balance	1.39	0.72	1.46

SOURCE: CITY OF DAVIS, 2010; US CENSUS, 2010; DEPARTMENT OF FINANCE, 2012; UC DAVIS, 2012; DE NOVO PLANNING GROUP, 2012

Overall, the project would not cause a significant shift in the City's jobs:housing balance but would assist in bringing the balance closer to the range specified in the General Plan Update EIR. Therefore, this impact is **less than significant**.

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