

## 4.11 POPULATION AND HOUSING

This chapter discusses the existing population and housing conditions in the Project area and related impacts that could result from Project implementation.

### *A. Regulatory Setting*

#### **1. Federal Laws and Regulations**

There are no specific federal regulations applicable to population and housing.

#### **2. State and Regional Laws and Regulations**

##### **a. Regional Housing Needs Allocation**

Housing element law requires local jurisdictions to allow the construction of a share of the region's projected housing needs. This share is called the Regional Housing Needs Allocation (RHNA). State law mandates that each jurisdiction provide sufficient land to accommodate a variety of housing opportunities for all economic segments of the community to meet or exceed this number of housing units. ABAG, as the regional planning agency, calculates the RHNA for individual jurisdictions within Contra Costa County.

##### **b. Association of Bay Area Governments**

The Association of Bay Area Governments (ABAG) is the official comprehensive planning agency for the San Francisco Bay region, which is composed of the nine counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma, and contains 101 cities. ABAG produces growth forecasts on four-year cycles so that other regional agencies, including the Metropolitan Transportation Commission (MTC) and the Bay Area Air Quality Management District (BAAQMD), can use the forecast to make project funding and regulatory decisions. The most recent set of projections were issued in 2009, and the next set of growth forecasts will be published in 2013.

### 3. Local Regulations and Policies

#### a. Lafayette General Plan

The Lafayette General Plan was adopted in 2002 and has approximately a 2020 horizon year. The chapters most relevant to population and housing are the Land Use Element, the Housing Element, and the Growth Management Element. Table 4.11-1 presents goals and policies from these elements that relate to population and housing in the Project area.

The Land Use Element describes the desired mix of land uses and character of development in the Project area. The Growth Management Element allows for growth that can be supported by the City's infrastructure and does not diminish the community's quality of life and identity. For instance, the Growth Management Element includes policies and standards for public services and facilities that provide a long-range method for matching the demand for public facilities generated by new development with planning documents, capital improvement plans, and development mitigation programs. Since managing growth is integral to preserving all aspects of Lafayette's unique character, policies and programs are integrated into the respective chapters in the General Plan.

The Housing Element addresses the provision of housing for City residents, including affordable, mixed-use, and infill housing, and analyzes whether Lafayette has provided adequate sites to meet its RHNA obligations. The RHNA assigns communities targets to meet their anticipated current and future regional housing needs. Table 4.11-2 shows the housing allocation for the City of Lafayette for the period from 2007 to 2014.

The Housing Element emphasizes the goal of providing an adequate supply of safe, decent housing for all Lafayette residents by:

- ◆ Maintaining and preserving existing housing stock.
- ◆ Preserving the character of Lafayette's residential neighborhoods.
- ◆ Meeting the City's regional housing needs allocations.
- ◆ Providing additional affordable housing, particularly for senior citizens and young families.

TABLE 4.11-1 GENERAL PLAN GOALS AND POLICIES RELEVANT TO POPULATION AND HOUSING

Goal/Policy Number	Goal/Policy Content
<b>Land Use Element</b>	
Goal LU-13	<i>Ensure that the Eastern Deer Hill Road area near the intersection of Pleasant Hill Road is developed, where development is appropriate, in a manner consistent with Lafayette's community identity.</i>
Policy LU-13.1	Preserve and enhance the semi rural single-family residential character north of Deer Hill Road where not adjacent to Pleasant Hill Road.
Policy LU-13.2	Consider options for development south of Deer Hill Road and north of Deer Hill Road where adjacent to Pleasant Hill Road.
Goal LU-14	<i>Protect the single-family residential neighborhoods north of Hwy 24 from commercial and multi family development.</i>
Policy LU-14.1	Continue to maintain the freeway as the dividing line separating the Downtown from the semi-rural, single-family residential areas to the north.
Goal LU-19	<i>Maintain the existing infrastructure essential to the public health and safety of the community.</i>
Policy LU-19.2	<u>Finance Capital Improvements</u> ; Provide public facilities to meet the needs generated by new development within Lafayette through continued planning and budgeting for public facilities and coordination with other agencies for public services the City does not provide.
Program LU-19.2.4	Require new developments to pay their "fair share" of capital improvements and the cost of public services to maintain adequate levels of service. New development that creates incremental demand that exceeds the capacity of existing infrastructure shall be considered only through the development agreement process.
<b>Housing Element</b>	
Goal H-2	<i>Facilitate and encourage the development of diverse housing types and additional affordable housing units to accommodate a diversity of Lafayette citizens in terms of age and socio-economic background and to meet regional housing needs as quantified in this Chapter.</i>
Policy H-2.1	<u>Mixed Use</u> : Encourage the development of residential uses in commercial areas where the viability of the commercial activities would not be adversely affected.

TABLE 4.11-1 GENERAL PLAN GOALS AND POLICIES RELEVANT TO POPULATION AND HOUSING (CONTINUED)

Goal/Policy Number	Goal/Policy Content
Program H-2.1.1	<u>Housing Rehabilitation in Non-Residential Areas</u> : Continue to permit new housing units and housing rehabilitation in commercial zoning districts subject to approval of a land use permit as specified in the Zoning Ordinance.
Policy H-2.4	Provide for additional housing by encouraging the construction of multi-family housing to meet the City's regional housing needs.
Goal H-3	<i>Expand affordable housing opportunities for persons with special housing needs such as the elderly, developmentally disabled, households with very low to moderate incomes, and first time homebuyers.</i>
Policy H-3.5	<u>Large Families</u> : Recognize the need for providing multifamily housing for large families. Encourage developers of housing to include larger units (2+ bedrooms) in their proposed projects for families.

Source: Lafayette General Plan, 2002, Lafayette Housing Element, 2009, available at <http://www.ci.lafayette.ca.us>, accessed on October 31, 2011.

TABLE 4.11-2 REGIONAL HOUSING NEEDS ALLOCATION FOR LAFAYETTE, 2007- 2014

	Income Category				Total Projected Need
	Very Low	Low	Moderate	Above Moderate	
Housing Units	113	77	80	91	361
Percent of Total	31%	21%	22%	25%	100%

Source: City of Lafayette, Addendum to Housing Element, Chapter V of Lafayette General Plan, 2011.

## *B. Existing Conditions*

This section describes existing population and housing conditions, including income and employment, in the City of Lafayette.

### **1. Housing Units**

In 2010, the U.S. Census Bureau reported 9,651 housing units in Lafayette, which represents a 3 percent increase over 2000 Census numbers. Lafayette's average household size in 2010, at 2.58, was similar to that of Contra Costa County.<sup>1</sup> The average household size for owner-occupied units in Lafayette is 2.74, and the average household size for renter occupied units is 2.09.<sup>2</sup> The homeowner vacancy rate was approximately 1 percent. The renter vacancy rate was approximately 6 percent. According to California Department of Finance (DOF) estimates, single-family attached and multi-family units account for approximately 3 percent and 17 percent of Lafayette's housing stock, respectively.<sup>3</sup>

California cities have the lowest homeowner affordability rates in the country, defined as the percentage of homes affordable to the median income family. Despite the high median incomes, few can afford to buy a house in the Bay Area. The Oakland Metropolitan Division, of which Lafayette is a part, ranked 155th out of 221 metropolitan areas in the third quarter of 2008.<sup>4</sup>

The supply of affordable rental units also has been decreasing in Contra Costa County. Most households earning less than 50 percent of the area median

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<sup>1</sup> U.S. Census Bureau American FactFinder, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, accessed on November 3, 2011.

<sup>2</sup> U.S. Census Bureau American FactFinder, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, accessed on November 3, 2011.

<sup>3</sup> California Department of Finance, <http://www.dof.ca.gov/research/demographic/reports/estimates/e-5/2001-10/view.php>, accessed on November 3, 2011.

<sup>4</sup> City of Lafayette, 2011, Addendum to Housing Element, Chapter V of Lafayette General Plan.

income face difficulties in finding affordable rental housing.<sup>5</sup> According to the Contra Costa County Housing Authority, 46 households in Lafayette received Section 8 rental assistance, in the form of Housing Choice Vouchers, in 2007.

During the period between 1999 and 2007, the City of Lafayette has been generally successful in achieving the RHNA goals, as shown in Table 4.11-3. HCD requires that the City project new construction needs over the next five years. Based on the seven-year housing needs as shown in Table 4.11-1, the City has estimated that a total of 258 units are needed for the period from July 1, 2007 through June 30, 2012. As shown in Table 4-1 of this Draft EIR, five housing projects have been approved by the City and would bring a total of 221 residential units to Lafayette. This represents approximately 85 percent of the City's goal.<sup>6</sup>

## 2. Population

The U.S. Census reports Contra Costa County's population in 2010 as 1,049,025, an 11 percent increase from 2000.<sup>7</sup> In contrast to the county, over the same time period the population of Lafayette decreased slightly from 23,908 to 23,893 residents.<sup>8</sup>

As shown in Table 4.11-4, according to ABAG 2009 projections, Lafayette's population is projected to grow to a total of 26,900 by 2035.<sup>9</sup> ABAG projects that household size will decrease by 0.02 percent between 2010 and 2035. As

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<sup>5</sup> City of Lafayette, 2011, Addendum to Housing Element, Chapter V of Lafayette General Plan.

<sup>6</sup> 221 units / 258 units = 85 percent.

<sup>7</sup> U.S. Census Bureau American FactFinder, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, accessed on November 3, 2011.

<sup>8</sup> U.S. Census Bureau American FactFinder, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, accessed on November 3, 2011.

<sup>9</sup> ABAG, 2009, Projections and Priorities 2009: Building Momentum, Projections through 2035.

TABLE 4.11-3 **PROGRESS TOWARDS MEETING REGIONAL HOUSING NEEDS ALLOCATION (RHNA), 1999 TO 2007**

Income	RHNA 1999-2007	Building Permits Issued	Percentage of RHNA
Very Low	30	15	50%
Low	17	2	12%
Moderate	42	78	186%
Above Moderate	105	97	92%

Source: City of Lafayette, Addendum to Housing Element, Chapter V of Lafayette General Plan, 2011.

shown in Table 4.11-4, the 2010 population estimate for Lafayette was 24,400 in 2009, which is higher than the 2010 population of 23,893 residents reported by the 2010 Census.

### 3. Income

The median family income for Contra Costa County as of July 2011 was \$92,300. A moderate income household has an annual income between 80 and 120 percent of the median. For a family of four, the moderate income would be \$110,750.<sup>10</sup>

Table 4.11-5 illustrates the distribution of households by income categories in Lafayette for 1990 and 2000. As shown in Table 4.11-5, the percentage and the number of very low- and low-income households have declined since 1990, while those of moderate income and above-moderate income households have increased.

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<sup>10</sup> Department of Housing and Community Development, [http://www.hcd.ca.gov/fa/mprop/2011\\_IncomeLimits.pdf](http://www.hcd.ca.gov/fa/mprop/2011_IncomeLimits.pdf), accessed on April 11, 2012.

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TABLE 4.11-4 **ASSOCIATION OF BAY AREA GOVERNMENTS 2009  
 PROJECTIONS FOR LAFAYETTE**

	2010	2020	2035
Population	24,400	25,500	26,900
Households	9,350	9,670	10,390
Household Size	2.61	2.64	2.59

Source: ABAG, 2009, Projections and Priorities 2009: Building Momentum, Projections through 2035.

TABLE 4.11-5 **DISTRIBUTION OF LAFAYETTE HOUSEHOLDS BY INCOME  
 CATEGORY IN 1990 AND 2000**

Income Category	1990		2000	
	# of Households	%	# of Households	%
Extremely/Very Low Income Households (0-50% MFI)	1,174	13.0%	733	8.2%
Low Income Households (50-80% MFI)	813	9.0%	651	7.3%
Median/Moderate Income Households and Above (> 80% MFI)	7,046	78.0%	7,592	84.6%
<b>Total</b>	<b>9,033</b>	<b>100%</b>	<b>8,976</b>	<b>100%</b>

Note: MFI= Median Family Income.

Source: CHAS special tabulations of Census data, 1990 and 2000 via City of Lafayette, Addendum to Housing Element, Chapter V of Lafayette General Plan, 2011; HUD data do not disaggregate moderate-income households and above-moderate income.



#### 4. Employment

Housing needs are affected by employment trends. Availability of jobs in a geographic area can create demand for nearby housing. The quality or pay of available employment can also determine the demand for various housing types and price levels.

According to the 2010 American Community Survey (ACS), 70.6 percent of Lafayette residents were in management, professional, and related occupations, followed by 16.5 percent who were in sales and office occupations, and 7.3 percent in service occupations. The 2010 ACS also reported 58.9 percent of Lafayette's potential labor force as employed, with a 3.8 percent unemployment rate.<sup>11</sup> This represents a slight decrease in employment and increase in unemployment over 2000 numbers.<sup>12</sup> As of 2010, there were 11,320 jobs in Lafayette, an increase of 5 percent over 2000 numbers.<sup>13</sup> The Association of Bay Area Governments (ABAG) projects 11,600 jobs in Lafayette by 2030.<sup>14</sup> This would represent a growth of approximately 7.5 percent from the 10,790 jobs in 2000.

#### C. Standards of Significance

The proposed Project would have a significant impact with regard to population and housing if it would:

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).

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<sup>11</sup> U.S. Census Bureau American FactFinder, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, accessed on November 3, 2011.

<sup>12</sup> U.S. Census Bureau American FactFinder, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, accessed on November 4, 2011.

<sup>13</sup> Association of Bay Area Governments (ABAG), 2009, *Projections 2009*.

<sup>14</sup> Association of Bay Area Governments (ABAG), 2009, *Projections 2009*.

2. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.
3. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

*D. Impact Discussion*

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).**

The Project would result in a substantial and unplanned level of growth if estimated buildout exceeds local or regional growth projections. The increase in population resulting from the construction and operation of the proposed Project would be consistent with the level of population growth foreseen in the ABAG projections. Assuming an average household size of 2.09 people, the construction of 315 residential units on the Project site would accommodate 658 residents on the Project site.<sup>15</sup> The Project's 658 residents represent approximately 60 percent of the 1,100 new residents forecast for Lafayette by 2020 in ABAG's 2009 projections. Some of the Project's residents may relocate to the Project site from other locations within Lafayette and others may move to Lafayette to occupy proposed housing units. Therefore, not all of the Project's 658 residents would represent new residents for the city.

The Project site is designated Administrative/Professional/Multi-Family Residential on the City's General Plan Land Use Map and zoned Administrative/Professional Office (APO) in the Lafayette Municipal Code. Based on the General Plan land use designation, the proposed Project would generate 59 percent fewer residential units than permitted under the City's current

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<sup>15</sup> 315 residential units x 2.09 = 658 residents.

zoning (779 residential units<sup>16</sup> versus 315 residential units). The Project's 315 units represent approximately 30 percent of the 1,026 new residential units<sup>17</sup> forecast by 2020 in the City's General Plan EIR. ABAG's regional growth forecasts are generally based on local planning documents. Therefore, although construction of all 779 units allowed under the General Plan designation would likely not be feasible due to topographic constraints, the proposed Project would not directly induce substantial population growth because the proposed growth (315 units) is less intense than the level of growth (779 units) already accounted for in the General Plan. Overall, the proposed Project is consistent with buildout of existing planning designations as well as regional projections. Therefore, increases in population due to the proposed Project would result in a *less-than-significant* impact.

Indirect growth inducement could occur if the Project involved the extension of roads or other infrastructure into undeveloped or under-developed areas. In general there is no existing infrastructure on the Project site. The Project proposes creating residential roadways within the site, which are sized and designed to serve Project residents only. The Project also includes utilities infrastructure (sewer, water, stormwater, gas, electricity, cable, and telephone) that would connect to the existing infrastructure on the Project site. Given the geographic limitations of the site to accommodate additional growth above the proposed Project, the on-site utilities and roadway infrastructure would serve only the future residents of the Project and would not facilitate additional development as a result of increased infrastructure. Therefore, impacts associated with the population growth associated with new infrastructure would be *less than significant*.

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<sup>16</sup> 22.27 acres x 35 dwelling units/acre = 779. This calculation assumes a flat site in the Administrative/Professional/Multi-Family Residential designation. It does not take into account the Hillside Overlay District, because growth planning is based on what is allowed under the General Plan designation.

<sup>17</sup> City of Lafayette, 2002. City Council Resolution 2002-055 Certifying an Environmental Impact Report Prepared for the Lafayette General Plan Revision and Adopting Environmental Findings Pursuant to the California Environmental Quality Act, Statement of Overriding Considerations and a Mitigation Monitoring Program.

**2. Would the Project displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.**

There is one existing vacant housing unit on the Project site, which is 0.01 percent of the total number of housing units in Lafayette. Therefore, the Project would not displace substantial numbers of existing housing, and *no impact* would occur.

**3. Would the Project displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.**

The one housing unit on the Project site is vacant. Therefore, the Project would not displace substantial people, and *no impact* would occur.

**4. Cumulative Impacts**

This section analyzes potential impacts to population and housing occurring from a combination of the Project with reasonably foreseeable projects in the surrounding area as described in Table 4-1 in Chapter 4 of this Draft EIR. A cumulative impact would be significant if, taken together with past, present, and reasonably foreseeable projects in Lafayette and other reasonably foreseeable projects in the surrounding area, it would induce substantial population growth, either directly or indirectly, or displace existing housing or people.

As shown in Table 4-1 of this EIR, buildout of the cumulative projects, together with the proposed Project, would result in 620 new residential units<sup>18</sup> in Lafayette by 2020. It is notable that some cumulative projects, including the Woodbury and Town Center, have requested General Plan amendments and proposed higher numbers of units than allowed for the site by the applicable General Plan land use designation. The 620 units represent approximately 60 percent of the 1,026 new residential units<sup>19</sup> forecast by 2020 in the City's General Plan EIR, and could bring up to 1,422 new residents in Lafa-

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<sup>18</sup> This number does not include 17 beds at Merrill Gardens at Lafayette.

<sup>19</sup> City of Lafayette, 2002. City Council Resolution 2002-055 Certifying an Environmental Impact Report Prepared for the Lafayette General Plan Revision and Adopting Environmental Findings Pursuant to the California Environmental Quality Act, Statement of Overriding Considerations and a Mitigation Monitoring Program.

ette by 2020. This exceeds the total population increase for the city as projected by ABAG for Lafayette in 2020.<sup>20</sup>

The cumulative projects included in this analysis are located in downtown Lafayette, where existing utilities and services are available and an increase in residential densities in a commercial zoning district is encouraged as addressed in General Plan Program H-2.1.1. Additionally, compliance with the City's Growth Management Element ensures that adequate infrastructure exists to support future growth in Lafayette, as called for by General Plan Goal LU-19.

Although the population buildout of the cumulative projects exceeds regional projections, the number of housing units is within the amount of growth planned for by the General Plan and is consistent with the General Plan's direction to focus new growth in the downtown. Therefore, the cumulative impact associated with induced population growth would be *less than significant*.

As there are currently no residents on the Project site, buildout of the proposed Project would not in and of itself displace housing units or people, nor would it contribute to an associated cumulative impact. The cumulative projects listed in Table 4-1 are infill projects in downtown Lafayette that would provide additional housing opportunities for the city and increase the housing supply in Lafayette. Therefore, the cumulative projects would not displace people or housing units from Lafayette and the cumulative impact would be *less than significant*.

#### ***E. Impacts and Mitigation Measures***

The Project would not result in any significant population and housing impacts; therefore, no mitigation measures are necessary.

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<sup>20</sup> As shown on Table 4.11-3, 1,100 new residents are projected for Lafayette between 2010 and 2020.

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