

4.12 POPULATION AND HOUSING

This section evaluates the potential of the Proposed Action to induce substantial population growth and to displace a substantial number of existing housing units or people, necessitating the construction of replacement housing. Potential impacts are identified and measures, if needed to reduce or eliminate potentially significant impacts are recommended. Due to the nature of the subject matter, the majority of the ensuing discussion is on a City-wide and regional basis and not site specific except for certain topics dealing with on-site housing displacement.

4.12.1 AFFECTED ENVIRONMENT/ENVIRONMENTAL SETTING – ALTERNATIVE SITES 1, 2 AND 3

The following discussions on historic and current population and housing, and vacancy rates were derived from *City of Redding Housing Element 2003-2008 General Plan Update*

Historic and Current Population Profile

“The 1990 Census reported a population of 66,462 (or 26,105 households), an increase of over 58 percent since 1980. The 2000 Census reported a population of 81,198 (or 32,191 households), an increase of over 22 percent since 1990. The California Department of Finance provides annual population estimates for California counties and cities. The Department of Finance population estimate for the City of Redding is 85,700 as of January 2003 (or 35,434 housing units). This figure implies an average growth rate of 1.8 percent each year since 2000.

The City’s General Plan estimates that the City of Redding’s population may reach 113,500 by the year 2020 based on a study conducted in October 1998 by The Economic Sciences Corporation. The projection included numerous factors which could affect population growth, such as fertility, mortality, in-migration, annexations, etc. Assuming all factors remain predictable, Redding's population is projected to reach 113,500 by the year 2020, reflecting an annual average growth rate of about 1.8 percent for the next 17 years.”¹

The 2000 Census identified a County population of 175,651. Year 2020 projections show a County population of 227,922. The County growth rate is slightly less than the City’s 1.8 percent growth rate.

Historic and Current Housing Profile

“According to the 2000 Census, there were 33,802 housing units within the City of Redding. The State Department of Finance has estimated the total number of dwelling units within the City of Redding as of January 2003 to be 35,434, an increase of 1,632 units, or 4.8 percent, in available housing units between 2000–2003. An additional 600 dwelling units were constructed in calendar year 2003, for a total of 36,034 dwelling units.

New construction is responsible for approximately 99 percent of the overall increase in available housing stock. According to figures compiled by the City of Redding Development Services Department, new housing units constructed from January 2001 through December 2003 had the following characteristics:

¹ Page 3. Historic and Current Population Profile. *City of Redding Housing Element 2003-2008 General Plan Update*

- 86 percent were single-family homes
- 13 percent were multi-family homes
- 1 percent were mobile homes”²

Vacancy Rates

“According to the 2000 Census, Redding's vacancy rate for all types of dwelling units available for sale or rent in 2000 was 4.9 percent. The vacancy rate for all types of owner-occupied dwelling units was reported to be approximately 1.9 percent. For rental units alone, the reported vacancy rate was approximately 4.6 percent.

Vacancy rates, as an indicator of market conditions, typically run a fine line between an overbuilt market (typically considered above 7 percent vacancy) and an underbuilt market (generally anything under 3 percent). In a healthy market, there should be some number of vacant units in all sizes, locations, and price ranges.

Redding’s housing market for owner-occupied units has changed over the past 5 years. The low vacancy rate for these units as indicated in the 2000 Census seems to indicate a tight market for available units that is, in part, contributing to an escalation in housing prices.

While vacancy rates for non-owner-occupied units were reportedly around 2 percent in 2002 and early 2003, it appears that the market had stabilized by the last quarter of 2003. Sun Country Properties, one of the largest rental management firms in Redding, reported that the vacancy rate for single-family rental units increased to approximately 7 percent by December 2003. The vacancy rate for multiple-family units rose to approximately 3 to 4 percent. From a rental vacancy perspective, these rates indicate a relatively stable market.”³

Business Park Employment Projections

Alternative 1 proposes 4,410,000 million square feet of building space, whereas **Alternatives 2** and **3** each propose 4,323,600 square feet.

Alternative 1, which proposes the largest amount of square footage and resulting impact, is used to determine the number of employees that would occupy the business park. The Alternative would generate approximately 7,000 employees. The estimate is based on the employment densities identified in **Table 4.12-1**. For the purposes of describing growth represented by the proposed Project, the estimate of 7,000 employees will be used.

TABLE 4.12-1	
EMPLOYEE GENERATION FACTORS ⁴	
Land Use	Density (Sq. Ft. per employee)
Professional Offices	250-275
Light and General Industrial	450-500
Distribution/Warehousing	1,750-4,200

² Page 6. Historic and Current Housing Profile. *City of Redding Housing Element 2003-2008 General Plan Update*

³ Page 7. Vacancy Rates. *City of Redding Housing Element 2003-2008 General Plan Update*

⁴ The Institute of Traffic Engineers (ITE) *Trip Generation (Sixth Edition)* was used to determine employee densities for Professional Office and Light and General Industrial uses. An economic evaluation by Rieger & Associates was used to determine the employee density for Distribution/Warehousing uses.

Whereas, it is not possible to accurately project the extent or location of the secondary growth resulting from the Project, it is assumed that the primary growth will occur in the City of Redding and the balance in Shasta County. Ratios of primary to secondary employment range between 1:1.5 and 1:2 (primary to secondary jobs) for the various business park sectors.⁵ Utilizing these ratios, an additional 10,500 to 14,000 secondary jobs could be created because of the Project. Therefore, a total of 17,500 to 21,000 jobs could be created. The secondary jobs are included in the urban mix that comprises the existing and planned uses in the City's General Plan and have been accounted for. However, for this evaluation, comparisons are made with and without the secondary jobs.

According to the 2000 Census the estimated total civilian labor force in Shasta County was approximately 73,300 people, an increase of 7,500 persons from the 65,800 reported in the 1990 Census. In 2004, the labor force estimate is 83,100 persons. Projections are that the labor force will grow at a rate of approximately two percent per year between 2000 and 2020. Therefore, in 2020, the labor force will be approximately 109,000. This size labor force will require approximately 43,250 residential housing units.

Based on year 2004 EDD estimates, City of Redding residents comprise about 48 percent of the labor force, or 39,900 persons. The number is projected to increase to 50,400 persons by 2020.

Population Growth and Housing Need

Table 4.12-2 illustrates that by the year 2020 Shasta County, including the incorporated Cities of Anderson and Shasta Lake will require approximately 90,450 residential units to accommodate a projected population of 227,900 persons. The City of Redding will require 45,950 units of the total 90,450 units to accommodate a population of 113,500.

TABLE 4.12-2					
POPULATION GROWTH AND HOUSING NEED					
Jurisdiction	2000 Population	2000 Housing Units	2020 Population	2020 Housing Units	Needed Housing Units
City of Redding	81,200	33,800	113,500	45,950	12,150
Shasta County	94,450	35,900	114,400	44,500	8,600
Total	175,650	69,700	227,900	90,450	20,750

The City labor force will require an approximate 29,650 residential housing units, or 64.5 percent of the total City housing stock. On the other hand, Shasta County will require 34,500 housing units for its' labor force, or 77.5 percent of its project housing stock. **Table 12-3** provides an overview of the labor market growth and housing needs.

Cumulatively, the entire region will require 64,150 housing units to accommodate a projected labor work force of 109,000 persons. The projected housing stock for the entire County is 90,450, of which the labor force will utilize 70.1 percent.

The information provides a brief analysis to determine the number of housing units that will be needed in the foreseeable future based on the projected growth in the labor market, regardless of whether the Proposed Action is advanced or not.

⁵ Gary Olson. May 2003. *Minnesota Economic Development Report*

TABLE 12-3					
CIVILIAN LABOR MARKET GROWTH AND HOUSING NEED					
Jurisdiction	2000 Labor Market	2000 Housing Units	2020 Labor Market	2020 Housing Units	Needed Housing Units
City of Redding	39,900	23,500	50,400	29,650	6,150
Shasta County	33,400	19,600	58,600	34,500	14,900
Total	73,300	43,100	109,000	64,150	21,050

4.12.2 REGULATORY SETTING

A. City of Redding General Plan

The following discussion is derived from the *City of Redding Housing Element 2003-2008 General Plan Update* discussion regarding land inventory which begins on page 25 of the document.

“Housing Element Law requires the element to contain an identification of land in the community that is suitable for residential development commensurate with the community’s share of the regional housing need for all income levels. Both residential "holding capacity" and site availability for different residential products play critical roles in making a determination of adequacy.

Residential holding capacity refers to the number of dwelling units that could theoretically be accommodated in the City if all land were to develop to the maximum potential allowed by the land use classifications of the General Plan. However, the maximum holding capacity will rarely occur in a community given such factors as localized infrastructure limitations, choices by individual property owners, and difficulties in redeveloping sites at the maximum densities afforded by the General Plan due to surrounding land uses and other considerations. To determine the residential holding capacity for Redding, it is necessary to consider not only those lands designated and zoned for residential uses, but also those designated for commercial/residential uses and mixed-use developments. The following discussion addresses the ability of the City to accommodate projected needs for additional housing. It includes the following:

1. The General Plan residential holding capacity, based on the mid-point of each residential density range, is approximately 220,000 persons. (**Table 4.12-4**) The General Plan incorporates approximately 25 square miles of land in excess of that currently in the city limits.
2. The number of additional dwelling units that can be accommodated under the City’s Zoning Ordinance, based on a GIS analysis of vacant residentially zoned properties in the City is approximately 33,700 dwelling units (**Table 4.12-5**).
3. A discussion of opportunities and incentives afforded by both the General Plan and implementing ordinances for development of residential units in the following:
 - Various commercial districts.
 - Mixed-use districts and developments.

- Senior citizen housing complexes.
- Second dwellings.
- Planned development overlay districts.”

TABLE 4.12-4				
GENERAL PLAN HOLDING CAPACITY – RESIDENTIAL LAND USES				
Land Use Designations	Assumed Typical Residential Density	Acres	Dwelling Units	Population
1 Dwelling Unit /5 Acre	1 Dwelling Unit /5 Acre	5,776	1,155	2,922
1 Dwelling Unit /1 to 5 Acre	1 Dwelling Unit /2.5 Acres	9,619	3,848	9,735
1-2 Dwelling Units/Acre	1.5 Dwelling Units/Acre	3,990	5,985	15,142
2-3.5 Dwelling Units/Acre	2.75 Dwelling Units/Acre	13,654	37,549	94,999
3.5-6 Dwelling Units/Acre	4.75 Dwelling Units/Acre	2,145	10,189	24,778
6-10 Dwelling Units/Acre	8 Dwelling Units/Acre	1,702	13,616	34,448
10-20 Dwelling Units/Acre	15 Dwelling Units/Acre	1,017	15,255	38,595
20-30 Dwelling Units/Acre	25 Dwelling Units/Acre	33	825	1,087
Totals	N/A	36,780	88,422	223,706

TABLE 4.12-5			
VACANT RESIDENTIAL LAND INVENTORY			
SINGLE-FAMILY ZONING DISTRICT	VACANT ACRES	ALLOWABLE DENSITY	TOTAL DWELLING UNITS
RE-1	710	1 DU/Ac	710
RE-2	177	2 DU/Ac	344
RS-2	2,470	2 DU/Ac	4,940
RS-2.5	1,276	2.5 DU/Ac	3,190
RS-3	2,420	3 DU/Ac	7,260
RS-3.5	307	3.5 DU/Ac	1,075
RS-4	77	4 DU/Ac	308
SUBTOTAL	7,437		17,827
MULTIPLE-FAMILY ZONING DISTRICT	VACANT ACRES	ALLOWABLE DENSITY	TOTAL DWELLING UNITS
RM-6	315	1 du/5,500 sq. ft. (8 DU/Ac)	2,495
RM-9	372	1 du/4,500 sq. ft. (10 DU/Ac)	3,601
RM-10	67	1 du/3,500 sq. ft. (13 DU/Ac)	834
RM-12	168	1 du/3,000 sq. ft. (15 DU/Ac)	2,439
RM-15	359	1 du/2,500 sq. ft. (18 DU/Ac)	6,255
RM-18	9	1 du/2,225 sq. ft. (20 DU/Ac)	176
RM-20	2	1 du/1,850 sq. ft. (24 DU/Ac)	47
RM-30	2	1 du/1,450 sq. ft. (30 DU/Ac)	60
SUBTOTAL	1,294		15,907
TOTAL	8,731		33,734

Consistency Analysis

The employment resulting from the Proposed Action and the associated secondary job growth, represent a portion of the population and housing growth that is planned for the City of Redding and the region. New employees to the area as a result of the Proposed Action can be readily accommodated by the amount of existing vacant residential land and housing that could be developed in response to the demand.

4.12.3 ENVIRONMENTAL CONSEQUENCES/IMPACTS AND MITIGATION MEASURES

A. Basis for Environmental Consequences/Impacts – All Alternatives

There is the potential that the Proposed Action could induce substantial population growth if the entire 4,410,000 million square feet of building space were built at once and the majority of primary and secondary employees were from out of the area. This would cause an immediate need for additional housing since the existing housing inventory in the City of Redding could not accommodate the sudden influx of people.

B. Thresholds of Significance

Significant effects could occur if development of the proposed Project were to:

- a. 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?)

Alternatives 1, 2, and 3

*The potential to induce substantial population growth in the area directly or indirectly is possible due to the employment opportunities that would be available. Therefore, potential impacts could normally be considered **significant** thereby, requiring **mitigation**. However, analysis has determined that the potential impact is **less than significant** and requires **no mitigation**.*

- b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

Alternatives 1 and 2

*There are no existing residences that would be displaced due to the construction of the proposed project. The land is vacant. The potential impact **does not exist** and requires **no mitigation**.*

Alternative 3

*Two residences would need to be acquired, however, the number is not considered substantial. The potential impact is **less than significant** and requires **no mitigation**.*

- c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

Alternatives 1 and 2

There are no existing residences on the site requiring the displacement of people.

Alternative 3

*The potential impact is not substantial since only two residences would need to be acquired. This impact is **less than significant** therefore **no mitigation** is required.*

C. Analysis of Environmental Consequences/Impacts, & Mitigation Measures – All Alternative Sites

One of the potential effects of the Proposed Action could be a demand for additional housing than what currently exists or is projected in the future. The 2000 census identifies that there are 1.22 employed persons per household in Shasta County. Based on 1.22 employed residents per household, the Proposed Action demand for housing units to serve 7,000 employees would be approximately 5,700. The California Department of Finance 2004 statistics for Redding assumes 2.48 persons per household, therefore, the potential 5,700 households could result in a population increase of approximately 14,100 persons.

Conclusions could be made that the creation of 7,000 new jobs will create a demand for 5,700 new and existing homes, whose 14,100 residents would directly and indirectly impact the housing market, services, and facilities, in particularly schools. The number of secondary jobs created, 10,500 to 14,000 will result in a demand for an additional 8,550 to 11,400 housing units. Therefore, the total housing demand could range from 14,250 to 17,100 new residences.

However, such a conclusion cannot be made due to several factors. The first is that the City of Redding General Plan accommodates projected growth resulting from the development of the Proposed Action by designating lands, including portions of the alternative sites as “General Industrial.”⁶ Secondly, as previously discussed, there is enough land designated for residential development that can easily accommodate additional population. Third, infrastructure throughout the City of Redding has been master planned to accommodate future development and the infrastructure to serve the Project, regardless of Alternative site, will not induce growth.⁷ Lastly, it is highly unlikely that the business park will attract a significant amount of out of the area employees based on past and current trends. It would be totally speculative to assume that all of the future employees would be from out of the area.⁸

As noted in **Tables 4.12-2** and **4.12-3**, the number of housing units needed to accommodate the general and labor force population projections for the year 2020 is sufficient to accommodate the potential number of employees and secondary jobs the business park could generate. However, an evaluation of whether or not the housing is being constructed is necessary.

In the City of Redding, as of January 2004, approximately 1,630 residential units were built since 2000. As of July 2004, estimates indicate that there are approximately 1,325 single-family lots and 850 multi-family residential units that have been approved and not yet constructed. In addition, there are approximately 1,700 single family and multi-family residential lots and units that are currently being processed for approval. Therefore, 3,865 new residential housing units could possibly be available plus an additional 1,765 existing units that are currently vacant. A total of 5,450 residential units could be available which would be an insufficient amount to accommodate the 5,700 households that could seek employment in the business park. In addition, 8,550 to 11,400 homes would be needed for the secondary jobs resulting from the primary ones. However, this scenario assumes that the Project Action would develop at once and all primary and secondary employees would be from out of the area and employed all at once within the next several years. Such a scenario is not within the realm of possibilities and additional discussion would be speculative.

⁶ Refer to Subsection **6.5.1.2 General Plan Accommodation** in **Chapter Six – Growth Inducement** for discussion on this subject

⁷ Refer to Subsection **6.5.1.4 – Infrastructure Expansion** in **Chapter Six – Growth Inducement**

⁸ Refer to Subsection **6.5.1.3 – Attracting Employees From Out of the Area** in **Chapter Six – Growth Inducement**

However, as the Proposed Action develops over the years, a sufficient number of housing units could be constructed to meet the housing demands of future primary and secondary employees both from within and out of the area.

In the year 2003, the number of housing units in the City of Redding totaled 36,034. The City of Redding General Plan has a residential holding capacity, based on the mid-point of each residential density range, of approximately 220,000 persons. Based on a factor of 2.48 residents per household, at ultimate development, the City would have approximately 88,700 residential units, which are approximately 52,700 more than in 2003. Over a period of time, which is how development of the Proposed Action would occur, housing will be constructed to meet the demand by not only the Proposed Action, but by other commercial and industrial projects due to the sufficient amount of available residential land and planned infrastructure.

With respect to indirect growth inducement resulting from the infrastructure being developed for either one of the Alternative sites, refer to Subsection **6.5.1.4 – Infrastructure Expansion** in **Chapter Six – Growth Inducement**.

D. Conclusion

Alternatives 1, 2, and 3

The Proposed Action would induce substantial population growth if the entire 4,410,000 million square feet of building space were built at once and the majority of primary and secondary employees were from out of the area. This would cause an immediate need for additional housing since the existing housing inventory in the City of Redding could not accommodate the sudden influx of people. However, this is not the case and potential impacts resulting from growth inducement and the lack of housing will not occur.

No Action Alternative

Under the No-Action Alternative development will continue to occur in the City and housing will continue to be constructed. The Alternative sites can still develop per the General Plan. Discussion is provided in **Section 4.4 – Land Use**.

4.12.4 REFERENCES

City of Redding, General Plan - 2000.

City of Redding, Zoning Ordinance, February 2000.

City of Redding Housing Element 2003-2008 General Plan Update