

3.10 POPULATION AND HOUSING

3.10.1 INTRODUCTION

This section evaluates the potential population and housing impacts from the proposed project. Sources of information used to prepare the analysis in this section include site visits, census data, estimates prepared by the State of California Department of Finance, city and regional projections prepared by the Association of Bay Area Governments (ABAG), and the Housing Element of the *Hercules General Plan*. These documents are available at the City of Hercules Planning Department, 111 Civic Drive, Hercules.

3.10.2 ENVIRONMENTAL SETTING

3.10.2.1 Housing

Based on the 2005–2007 American Community Survey, there were 8,192 housing units in the City of Hercules. In 2007, 351 of these housing units, or 4.3 percent, were vacant. (US Census Bureau 2008) Of the occupied housing units, 86.2 percent, or 6,761 units, are owner-occupied, while the remaining 13.8 percent of units are rented. The median value of an owner-occupied unit in 2007 was \$622,500. While the American Community Survey does not provide data on units in a structure, the 2000 US Census indicated that 61.6 percent of housing in Hercules consisted of single-family detached structures, followed by single-family attached structures, which made up 24.7 percent of the housing stock.

Between 2000 and 2007, the number of households in Hercules increased by 20.1 percent, from 6,546 households in 2000 to 8,192 households in 2007. The California Department of Finance (2008) estimates the number of households in Hercules to be 8,304 in 2008. ABAG estimates that the number of households in the City will increase between the years 2000 and 2035 by approximately 37.1 percent, for a total of 10,220 in 2035. (ABAG 2007)

3.10.2.2 Population Growth

According to the 2005–2007 American Community Survey data, the population of the City of Hercules totaled 24,156 persons in 2007, an increase of 19.3 percent over the population in 2000. The California Department of Finance (2008) estimates the current population in Hercules in 2008 to be 24,324. ABAG projects the City's population will be 29,800 in the year 2035, which would be an 18.4 percent increase over the City's current population, or approximately 5,746 additional residents.

3.10.2.3 Employment

According to estimates from ABAG, the job growth rate is expected to outpace the population growth rate in Hercules between the year 2000 and 2035, with a 58.0 percent increase in jobs compared to a 34.6 percent increase in population. The number of jobs in Hercules in the year 2000 was 2,890. That number is expected to reach approximately 6,880 by the year 2035. **Table 3.10-1, City of Hercules Employment Characteristics**, illustrates the occupations in the City and the distribution of employees.

Table 3.10-1
City of Hercules Employment Characteristics

Occupation	Employees	Percent (%)
Management, professional, and related	6,020	47.0
Service	1,608	12.6
Sales and office	3,262	25.5
Farming, fishing, and forestry	0	0.0
Construction, extraction, maintenance, and repair	978	7.6
Production, transportation, and material moving	929	7.3
Total	12,797	100.0

Source: US Census Bureau 2008

3.10.2.4 Jobs-Housing Balance

The jobs-housing balance is a measure of employment opportunities compared with dwelling units in a specific area. According to the ABAG's Projections 2007, the City's 2005 housing inventory was estimated at 7,750 units, while the City was estimated to provide 2,980 employment opportunities, which is a jobs-housing ratio of 0.39. This ratio indicates that Hercules is currently a job-poor community. However, ABAG estimates are that job growth in Hercules will outpace housing production over the next 30 years, which would improve the City's jobs-housing ratio.

3.10.3 REGULATORY CONSIDERATIONS

In February 2003, the State of California Housing Policy Division, Housing and Community Development Department, certified the Housing Element, 1996–2006, for the *City of Hercules General Plan*. The Housing Element identifies the City's housing needs and strategies for meeting those needs over a seven-year planning period.

The policies of the Housing Element listed below are applicable to the project:

- **Policy 1.2:** Continue to ensure adequate residential development sites at appropriate densities to meet the City's housing needs. When and where necessary, rezone properties to higher residential densities or rezone non-residential land for residential or mixed use to create adequate development opportunities.
- **Policy 2.1:** Encourage the development of variety of housing types, at various densities and price levels, providing a broader range of choice than is currently available, in keeping with community design goals and standards.
- **Policy 2.2:** Expand the number of rental units for those who cannot afford to purchase or who choose to rent.
- **Policy 3.1:** Encourage barrier-free design in all new residential developments, and ensure that new multi-family developments comply with the State's accessibility design standards.
- **Policy 5.1:** Where appropriate, encourage residential uses in commercial areas, and limited commercial uses in residential areas to promote access to services.
- **Policy 6.1:** Require timely and full compliance by the building industry with the California residential energy conservation standards (Title 24) and with the Solar Rights Act.
- **Policy 6.3:** Promote energy-efficient patterns of development, such as clustering townhouses, duplexes, multifamily construction, and mixed uses.

3.10.4 IMPACTS AND MITIGATION MEASURES

3.10.4.1 Significance Criteria

The impact of the proposed project on population and housing would be considered significant if it would exceed the following standards of significance, in accordance with Appendix G of the 2008 *California Environmental Quality Act (CEQA) Statutes and Guidelines*:

- 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 existing people, necessitating the construction of replacement housing elsewhere.

3.10.4.2 Methodology

Data sources were reviewed to describe existing conditions in the project region related to population, housing, and employment. Data from the 2000 US Census, 2005–2007 American Community Survey, California Department of Finance City/County Population Estimates 2008, and ABAG Projections 2007 were used to determine if implementing the proposed project would exceed the City's population and housing projections. Potential housing and population effects of the project were evaluated using the standards of significance listed above to determine if the project-related impacts would be significant. The cumulative impacts evaluate whether the project would contribute to population or housing impacts arising from an exceedance of demographic projections when taken in combination with other proposed, planned, and pending projects in the City.

3.10.4.3 Issues Not Discussed Further

The project would not displace existing housing or people, as no housing is present on either of the project sites in the Added Area. The proposed project would establish a redevelopment project area on vacant land that is not currently zoned for residential use. No further discussion of these issues is necessary.

3.10.4.4 Project Impacts and Mitigation Measures

Impact Pop-1: The proposed RDA-3, along with the proposed general plan amendment and zone change, could lead to population growth. However, the potential growth that could occur as a result of the proposal would be consistent with the City's General Plan and overall planning efforts. (*Less than Significant*)

As described in **Section 2.0, Project Description**, the proposed project includes changing the zoning and land use designations of the Sycamore Crossing and Hill Town sites from General Commercial and Industrial, respectively, to Planned Commercial-Residential. While the proposed project does not involve development, the proposed general plan amendment and zone change would establish new allowed and conditional uses for the sites. In addition, by incorporating the sites into a redevelopment project area, the proposed project would likely result in redevelopment incentives for future development of the Sycamore Crossing and Hill Town sites.

Sycamore Crossing

Based on the proposed general plan amendment, zone change, and the vision for the Central Quarter outlined in the *Central Hercules Plan*, a mix of commercial, residential, and office uses are anticipated for

the Sycamore Crossing site. The anticipated uses for the Sycamore Crossing site include, but are not limited to:

- 140,000 square feet (sf) of retail commercial space;
- 25,000-sf supermarket;
- 170,000 sf of office space;
- 180-room hotel;
- 170 attached residential units; and
- 2 parking garages.

The proposed land use designation and zone change would allow uses that would create more employment opportunities than the current regulations allow. The additional residential units would also encourage population growth in the City of Hercules. Based on the City average of 2.11 persons per household, the Sycamore Crossing project would be expected to add 359 new residents.

Hill Town

A conceptual Initial Planned Development Plan was approved for the Hill Town site in 2007. This Initial Planned Development Plan is consistent with the proposed zoning, land use designation, and the vision for Hill Town outlined in the *Central Hercules Plan*. The Initial Planned Development Plan consists of the following:

- A multi-family residential community with 640 dwelling units on approximately 28 acres
- Approximately 4,000 sf of retail commercial space
- Passive open spaces and recreational spaces (13 acres)
- Approximately 2.5 acres set aside for major highways

The proposed general plan amendment and zone change would allow uses that would create fewer employment opportunities than the current permitted uses allow and would induce population growth in the City of Hercules. Based on the City average of 2.11 persons per household, the Hill Town project would be expected to add 1,350 new residents.

Analysis

The proposed Planned Commercial-Residential designation and zoning at the Sycamore Crossing site would provide similar employment opportunities to the existing General Commercial uses allowed. Under the current land use designation and zoning, a variety of commercial, retail, and office uses could be constructed on the Sycamore Crossing site, which would allow for new professional, service, or sales employment opportunities. The proposed general plan amendment or zone change would allow the site to be developed with similar commercial uses and, thus, would provide similar employment opportunities. However, the proposed general plan amendment and zone change for the Hill Town site would allow developments with fewer employment opportunities than the current Industrial designation and zoning allow. It is estimated that, upon buildout, both Sycamore Crossing and Hill Town would generate fewer jobs under the proposed land use designations than would have been generated under the existing land use designations.

As mentioned above, the City of Hercules is currently a job-poor community with a jobs-housing ratio of 0.39. Like the adjacent communities, the City of Hercules is considered to be a bedroom community. (City of Hercules 2003) Much of the labor force commutes to the nearby Oakland and San Francisco metropolitan areas. The average commute time for employed residents is 36.6 minutes (US Census Bureau 2008), and the City is expected to remain a bedroom community with a greater number of residents in the labor force than employment opportunities. However, there are planned developments that are being designed that could provide additional employment opportunities in the community. Other employment-generating projects planned or being undertaken in the community include Sycamore Downtown, a mixed-use retail/residential development; the New Town Center, a mixed-use development with office, commercial, and residential uses proposed; the Hercules Intermodal Transit Center, and the Waterfront transit-oriented development with retail uses. Given the anticipated future mix of uses in Hercules, the city's jobs-housing ratio is expected to increase. In addition, the potential population growth induced by the proposed project is consistent with the growth projections outlined in the *Hercules General Plan*. Therefore, the impact of the project on population growth would be less than significant. No mitigation is required.

Cumulative Impacts

As mentioned above, the City of Hercules population is expected to increase 18.4 percent by the year 2035. The City's population is projected to increase by about 5,746 persons by the year 2035, and the number of households in the City is anticipated to increase accordingly. The proposed project would contribute to these projected increases. However, the increase in population and housing resulting from

the proposed project is consistent with the *Hercules General Plan*. Therefore, the project contribution to the cumulative increase in population and housing in Hercules is not considerable.

3.10.5 REFERENCES

Association of Bay Area Governments (ABAG). 2007. *Projections 2007: Forecasts for the San Francisco Bay Area to the Year 2035*.

California Department of Finance. 2008. *E-5 Population and Housing Estimates, for Cities, Counties, and the State, 2001–2008, with 2000 Benchmark*.

City of Hercules. 2003. *Housing Element, 1999–2006*.

US Census Bureau. 2000. "Census 2000 Demographic Profile, Hercules, California."

US Census Bureau. 2008. 2005–2007 "American Community Survey 3-Year Estimates, Hercules, California."