

## 3.13 POPULATION AND HOUSING

This section describes the baseline population and housing conditions for UC Santa Cruz, Santa Cruz County, the city of Santa Cruz, and other nearby cities and communities. This section estimates the growth in population (students, faculty, and staff) related to the implementation of the 2021 LRDP, and the potential population and housing impacts that could result from 2021 LRDP implementation.

Comments received on the NOP (See Appendix B) related to population and housing included concerns regarding increased population in the city of Santa Cruz and in the county, increased demand for off-campus housing, changes in housing availability, and the cost of housing. Issues pertaining to economic issues, such as housing affordability, are not directly subject to CEQA (refer to State CEQA Guidelines Sections 15064 and 15131), unless they would indirectly result in physical environmental impacts; those issues are not addressed in this EIR. All other population and housing-related comments are addressed in the environmental analysis in this section.

### 3.13.1 Regulatory Setting

#### FEDERAL

There are no federal regulations related to population and housing that apply to the 2021 LRDP.

#### STATE

##### 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 and is based on a regional housing needs plan developed by councils of government. Association of Monterey Bay Area Governments (AMBAG) is the lead agency responsible for overseeing the Regional Housing Needs Allocation process for jurisdictions in Monterey and Santa Cruz counties (AMBAG 2020; City of Santa Cruz 2011). If approved, the 2021 LRDP would be included as part of future housing need projections developed by AMBAG.

##### California Education Code

The University of California Master Plan for Higher Education provides enrollment goals for new and transfer students. The California Education Code contains several provisions mandating enrollment access levels. Section 66202.5 of the Education Code states the following:

The State of California reaffirms its historic commitment to ensure adequate resources to support enrollment growth, within the systemwide academic and individual campus plans to accommodate eligible California freshmen applicants and eligible California Community College transfer students, as specified in Sections 66202 and 66730.

The University of California and the California State University are expected to plan that adequate spaces are available to accommodate all California resident students who are eligible and likely to apply to attend an appropriate place within the system. The State of California likewise reaffirms its historic commitment to ensure that resources are provided to make this expansion possible, and shall commit resources to ensure that students from enrollment categories designated in subdivision (a) of Section 66202 are accommodated in a place within the system.

Similarly, Section 66011(a) of the California Education Code provides that all resident applicants to California institutions of public higher education, who are determined to be qualified by law or by admission standards established by the respective governing boards, should be admitted to either (1) a district of the California Community Colleges, in accordance with Section 76000; (2) the California State University; or (3) the University of California.

Section 66741 of the California Education Code requires acceptance of qualified transfer students at the advanced standing level.

### **California Public Resources Code**

Under Section 21080.09(b) of the California Public Resources Code, the environmental effects relating to changes in enrollment are to be considered for each campus or medical center of public higher education in the EIR prepared for the LRDP for the campus or medical center. California Public Resources Code Section 21080.09(d) states the following:

Compliance with this section satisfies the obligations of public higher education pursuant to this division to consider the environmental impact of academic and enrollment plans as they affect campuses or medical centers, provided that any such plans shall become effective for a campus or medical center only after the environmental effects of those plans have been analyzed as required by this division in a long range development plan environmental impact report or tiered analysis based upon that environmental impact report for that campus or medical center, and addressed as required by this division.

## **UNIVERSITY OF CALIFORNIA**

### **University of California Operating Budget/Enrollment Plan and State Budget Act**

The State of California's has directed the University to increase its enrollment capacity to accommodate growing demand for a UC undergraduate and graduate education in California. These directives are reflected in recent operating budgets of the UC and recent State Budget Acts. The State Budget Act of 2019-20 included \$49.9 million to support enrollment of 4,860 additional California resident undergraduates over 2018-19 enrollment levels by 2020-21. The resumption of State support for undergraduate enrollment growth is a positive development. Nevertheless, actual California resident enrollment growth has far outpaced the levels supported in recent Budget Acts. Undergraduate enrollment growth beyond the levels supported by State funds creates an ongoing challenge to UC system campuses as they strive to maintain the quality of a UC education (UC n.d.).

Each campus within the UC system and within the California State University system provides varying amounts of on-campus housing. The State of California does not plan, budget, or direct a set amount of planned or desired housing for campuses within California. Each UC campus provides student housing within the overall objective of first meeting the UC mission of teaching, research, and public service for California. Based on local housing markets, historic construction rates at each campus, availability of campus land and infrastructure to support additional housing, and student desires related to housing type, location, and affordability, each campus plans for housing needs and new housing projects.

### **University of California President's Student Housing Initiative**

On January 20, 2016, UC President Janet Napolitano announced a housing initiative aimed at supporting current students and future enrollment growth across the UC system. Through the initiative, UC planned to expand the pool of student housing through 2020 and to accelerate the timetable for completing student housing developments that are already in the planning phase. This includes the creation of new beds for undergraduates in residence halls and the addition of more graduate student housing and other apartments that are generally open to all students. Recent estimates for the UC system project that 14,000 new affordable student housing beds are targeted for occupancy before fall 2020. Projects resulting in an additional 15,000 student beds across the UC system are planned to open before fall 2024. As a result of UC Santa Cruz participation in the President's Student Housing Initiative, the campus planned the Student Housing West Project, which at buildout in 2024 would result in 3,072 student beds (a net increase of 1,972 beds within the main residential campus) at UC Santa Cruz (UCOP 2018).

### **UC Santa Cruz Housing Policy**

The Student Housing Office guarantees housing for both incoming first-year students and incoming transfer students, provided students meet specific requirements and deadlines. These are offers of housing, and are not mandatory and UC Santa Cruz does not require students to live on campus or within a certain distance of campus.

## LOCAL

As noted in Section 3.0.1, “University of California Autonomy,” UC Santa Cruz, a constitutionally created State entity, is not subject to municipal regulations of surrounding local governments for uses on property owned or controlled by UC Santa Cruz that are in furtherance of the university’s educational purposes. However, UC Santa Cruz may consider, for coordination purposes, aspects of local plans and policies of the communities surrounding the campus when it is appropriate and feasible, but it is not bound by those plans and policies in its planning efforts.

### County of Santa Cruz County General Plan

The Santa Cruz County General Plan Housing Element contains the following policies related to population and housing in the county and that may be relevant to the 2021 LRDP:

- ▶ **Policy 1.1:** Ensure that currently available sites that are able to accommodate a range of housing types continue to be zoned appropriately for housing and mixed use developments, so that opportunity to develop projects and provide affordable housing choices for all income levels is maintained through the planning period.

### City of Santa Cruz General Plan

The City of Santa Cruz General Plan contains the following policies related to population and housing in the city and that may be relevant to the 2021 LRDP:

- ▶ **Policy CC2.1:** Provide community services and facilities in keeping with the needs of a growing and diverse population.
- ▶ **Policy CC2.1.5:** Work with UCSC in planning for community facilities and services on and off campus.
- ▶ **Policy CC2.1.6:** Utilize faculty, staff, and student expertise in the areas of resource protection, enhancement, and restoration.
- ▶ **Policy LU3.1.2:** Work with representatives from regional, State, and federal agencies to include Santa Cruz in any incentives programs that link housing to transportation and jobs.
- ▶ **Policy LU3.1.3:** Work with the County and other agencies to develop strategies for improving the region’s jobs/housing balance and matching employment opportunities with housing costs.
- ▶ **Policy ED4.2.1:** Encourage the expansion and selective attraction of commercial businesses and industries that create diverse opportunities for employment at wages adequate to buy or rent decent housing in Santa Cruz.
- ▶ **Policy CC7.2.7:** Support housing projects that promote the proprietary interest of residents in their neighborhoods and apartment complexes.

### City of Santa Cruz Municipal Code Chapter 16.22, Impact Mitigation - University Growth

In response to UC Santa Cruz’s approval of the 2005 LRDP, the City of Santa Cruz adopted an ordinance in 2008 that codified the City’s opposition to further growth of UC Santa Cruz “unless all significant impacts are fully mitigated.” It also established policy that the City shall not expand services (water and sewer) to UC Santa Cruz “beyond existing city limits without prior approval of the Local Agency Formation Commission (LACFO).”

### City of Santa Cruz Measure U

Measure U, approved by voters in 2018, established a policy for the City to provide input on population growth proposed by UC Santa Cruz as part of the 2021 LRDP planning and implementation process. While the City of Santa Cruz and its residents have no direct regulatory authority over UC Santa Cruz, Measure U is intended to guide City officials in participating in and responding to development proposed in the 2021 LRDP. Specifically, Measure U directs City officials to actively and fully participate in the 2021 LRDP review process; to take policy and legal actions to limit the growth proposed for UC Santa Cruz by the Regents; and to eliminate or, at a minimum, reduce the adverse effects of additional UC Santa Cruz growth, particularly in the areas of housing, traffic, and water.

## 3.13.2 Environmental Setting

### POPULATION

#### Regional Population

The population of Santa Cruz County, including its four cities, was estimated to be 271,233 persons in 2020 (DOF 2020a), of which the city of Santa Cruz represents the largest incorporated city with an estimated 2020 population of 64,424. Table 3.13-1 shows the total population of the county, the four incorporated cities, and the unincorporated area for 2019 and 2020. The population of the City of Santa Cruz has increased by approximately 14,713 people (30 percent) from 1990 to 2020. The City's estimated population also decreased by approximately 817 people (1 percent) from 2019 to 2020.

**Table 3.13-1 Regional Population Characteristics**

County/City	1990	2019	2020	Numeric Change, 1990-2020	Percent Change, 1990-2020
<b>Santa Cruz County</b>	<b>229,734</b>	<b>272,501</b>	<b>271,233</b>	<b>41,499</b>	
Capitola	10,171	10,130	10,108	63	-0.6
Santa Cruz	49,711	65,241	64,424	14,713	30
Scotts Valley	8,667	11,646	11,693	3,026	35
Watsonville	31,099	51,672	51,515	20,416	66
Unincorporated	99,648	133,812	133,493	33,845	34

Source: DOF 2020a, DOF 2007

#### UC Santa Cruz Enrollment and Population

Within the context of CEQA, population typically refers to residents within a particular jurisdiction. Within the context of a university like UC Santa Cruz, the term "on-campus population" is more encompassing and refers to residents (including students, faculty/staff, and dependents of UC students/faculty/staff residents), students living off-campus, faculty/staff who commute to/from campus on a given day, and non-UC employees (e.g., daycare facility staff and third-party vendor support staff) that similarly commute from their residence to the UC Santa Cruz main residential campus and/or the Westside Research Park. Additional population related to UC Santa Cruz is located on the Coastal Science Campus, Scotts Valley Center, and at Monterey Bay Education, Science and Technology (MBEST) Center. However, as noted previously, those three sites are not within the scope of the 2021 LRDP and are not included in the 2021 LRDP impact analysis in this section.

Table 3.13-2 presents the main residential campus and Westside Research Park enrollment, employment, and other related population for the baseline year of 2018-2019.

**Table 3.13-2 Baseline Campus Enrollment and Population**

Population Type	Baseline Condition (2018-2019)
Students <sup>1</sup>	18,518 <sup>1</sup>
Faculty and Staff <sup>2</sup>	2,800 <sup>2</sup>
Non-UC employees	640
Other Daily Population	386 <sup>3</sup>
<b>Total</b>	<b>22,344</b>

<sup>1</sup> Three-quarter average FTE enrollment of UC Santa Cruz-based student population in the 2018-2019 academic year.

<sup>2</sup> The 2,800 three quarter average employee FTE represents 3,657 headcount employees.

<sup>3</sup> Other daily population is estimated based on 270 homes for faculty and staff located at Phase 1 of Ranch View Terrace, Laureate Court, Cardiff Terrace, Hagar Meadows Townhomes, and Hagar Court, and an average household size of 2.43 persons for the city of Santa Cruz (DOF 2019).

Source: UC Santa Cruz 2020a

## HOUSING

### Regional Housing

Housing in the region surrounding UC Santa Cruz is concentrated in the cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville. Santa Cruz County has approximately 106,135 total housing units, while the city of Santa Cruz has 23,954, as shown below in Table 3.13-3. This table does not account for housing units that were lost in the recent (summer 2020) CZU Lightning Complex Fire. Based on preliminary data, approximately 1,000 housing units were damaged by the fire, with the majority (911) destroyed. (Santa Cruz County 2020a)

**Table 3.13-3 Regional Housing Characteristics (2020 estimates)**

County/City	Total Dwelling Units	Occupied Dwelling Units	Vacancy Rate (%)	Persons per Household
<b>Santa Cruz County</b>	<b>106,135</b>	<b>97,831</b>	<b>7.8</b>	<b>2.63</b>
Capitola	5,554	4,773	14.1	2.09
Santa Cruz	23,954	22,608	5.6	2.36
Scotts Valley	4,739	4,522	4.6	2.53
Watsonville	14,226	13,772	3.2	3.70
Unincorporated	57,662	52,156	9.5	2.53

Source: DOF 2020c

A vacancy rate of 7.8 percent overall for the county suggests a housing market with relative housing availability. However, this data does not seem to be reflected in local housing conditions. Vacancy rates could reflect second-home ownership—the area is a tourist destination—and other factors, such as some housing in disrepair.

In fact, other data suggest a very tight housing market, especially as it relates to rental housing. According to the U.S. Housing and Urban Development (HUD), the county housing market is influenced by several factors, including proximity to major job centers, low for-sale inventory, and an “extremely tight” rental market, where vacancies sit at a very low 1.9 percent, down from 3.5 percent in 2010. The economic drivers behind the tight housing market are UC Santa Cruz, with an annual economic impact of \$1.3 billion (2018), the tourist industry, and proximity to major job centers such as Silicon Valley (HUD 2019).

The CZU Lightning Complex Fire and pandemic have factored into recent housing dynamics. According to information in the Santa Cruz Sentinel, the pandemic has allowed more people from the San Jose/Silicon Valley job centers to work remotely, and a lot of families have relocated to the county. People displaced by the fire have sought affordable temporary (rental) housing. Because of the pandemic and its effect on UC Santa Cruz (i.e., classes are being provided remotely), some local housing that may have been used by students has been available to displaced families. However, a general housing shortage still exists (Santa Cruz Sentinel 2020).

### City of Santa Cruz Housing and Planning

Per the City of Santa Cruz 2015-2023 Housing Element Update: Housing Characteristics, housing units are defined as a single-family home, multi-family home, and mobile home. Table 3.13-4 summarizes housing growth and trends in the city of Santa Cruz from 2010 to 2020 (City of Santa Cruz 2016). The number of housing units has increased from 23,316 in 2010 to 23,954 in 2020.

**Table 3.13-4 Housing Trends in the City of Santa Cruz**

	Population	Housing Units	Occupied	Vacancy Rate	Persons per Household
2010	59,946	23,316	21,657	7.1%	2.39
2015	64,223	23,535	22,039	6.4%	2.42
2020	64,424	23,954	22,608	5.6%	2.36

Sources: DOF 2020a, 2020b, 2020c

The city benefits from a range of amenities that distinguish it from other jurisdictions in the county: the city's Central Business District, a growing connection with the Silicon Valley, and an emerging base of technology, financial, and health-related employment. In addition to being home to UC Santa Cruz, the city provides many private schools and a variety of cultural institutions.

Between 2008 and 2013, there was a downturn in the city's housing market that reflected much of the national and local Great Recession economy. However, housing prices have escalated since 2013 and finding "affordable housing" remains a struggle for residents. The primary challenge identified for the 2015-2023 Housing Element is to accelerate the ability to develop suitable and affordable housing within the city. In addressing the community's housing needs, Santa Cruz must also balance competing goals of the City's General Plan. For example, Santa Cruz attaches great importance to protecting its environmental and cultural amenities and resources. The desire is reflected in permanent greenbelts that preserve important habitat and open space areas. In keeping with this commitment, Housing Element goals and policies continue to protect the city's unique environment (City of Santa Cruz 2016).

As of August 2020, the City is considering or has approved several projects that would offer additional housing within the community. A description of the currently contemplated, as well as recently approved residential development projects within the city of Santa Cruz are presented below in Table 3.13-5. As shown, over 1,400 units are approved or proposed.

**Table 3.13-5 Housing Projects within the City of Santa Cruz**

Name/Location	Type	Level of Development	Status
190 West Cliff	Mixed-use residential (condominium)	4-story, mixed-use residential building with 89 condominiums, parking, and commercial space	Approved
908 Ocean Street	Mixed-use residential	408 small ownership units and commercial space	Proposed
1930 Ocean Street Extension	Residential (condominium)	32-unit residential condominium development	Approved
Front Street/Riverfront	Mixed-use residential (condominium)	7-story, mixed-use building with 175 residential condominiums (15 of which will be affordable units) and 11,498 square feet of ground floor and levee front commercial space	Proposed
Pacific Front Mixed-Use Development	Mixed-use residential (apartments)	6-story, 315,698 square foot mixed-use building with 205 residential apartments and 10,656 square feet of ground floor commercial space	Approved
111 Errett Circle	Single-family residential	10 single-family parcels and 6 condominium units	Approved
126 Eucalyptus Avenue	Senior living community	100-unit senior housing development	Proposed
101 Felix Street	Multi-family residential (apartments)	100-unit apartment units with existing 240-unit apartment complex	Proposed
530 Front Street	Mixed-use residential (condominium)	6-story, mixed-use building with 8,839 square feet of commercial uses and 170 residential condominiums	Proposed
119 Coral Street	Supportive Housing	120-studio units for permanent supportive housing	Proposed
Downtown Mixed Use Project	Mixed-use residential	Modern library on ground floor with minimum 50 affordable units on upper floors, parking structure with up to 400 spaces	Approved

Source: Data compiled by Ascent Environmental in 2020 based on data obtained from the City of Santa Cruz in 2020

## UC Santa Cruz Campus Housing

At UC Santa Cruz, the majority of on-campus housing is provided for students, with some housing for employees (faculty and staff). UC Santa Cruz currently offers a mix of residence halls and apartments in 17 on-campus residential communities. UC Santa Cruz provided approximately 9,300 student beds in campus housing in 2018–2019, with more than 5,565 students living in residence halls and more than 3,180 students living in apartments. Approximately 69 acres of space and 270 housing units are designated for faculty/staff housing within the main residential campus (UC Santa Cruz 2020a).

Table 3.13-6 describes the baseline UC Santa Cruz campus housing capacity.

**Table 3.13-6 Baseline Campus Housing (2018-2019)**

	Baseline Condition (2018-2019)
Student Housing	9,283
Faculty and Staff Housing	270 <sup>1</sup>
<b>Total Housing Capacity</b>	<b>9,522</b>

<sup>1</sup> Includes 239 homes for faculty and staff located at Phase 1 of Ranch View Terrace, Laureate Court, Cardiff Terrace, Hagar Meadows Townhomes, and Hagar Court, as well as 24 units for Coordinators for Residential Education (CRE) housing and 7 homes for college provosts.

Source: UC Santa Cruz 2020a

Through implementation of planned-but-not-yet-operational projects, which are identified as cumulative projects in Chapter 4, "Cumulative Impacts," an increase of 2,175 student beds over baseline conditions would be provided on campus through redevelopment of Kresge College, construction of the Student Housing West project, and the Crown College Major Renovation Project. All projects were identified and planned as part of implementation of the 2005 LRDP. More specifically, the Kresge College Renewal and Expansion Project (Kresge project), which would involve the redevelopment of existing student housing facilities, would provide 187 additional student beds to its current total (552 total student beds). This project was approved by the Regents in March 2017 and is currently under construction. The Kresge project is anticipated to be fully operational in fall 2023.

Student Housing West was originally approved by the Regents in April 2019, however project implementation was delayed due to a legal challenge to the EIR. The Superior Court upheld the adequacy of the EIR but overturned the approval based on issues with the Regents' findings. It is anticipated that the Regents will consider re-approval of the Student Housing West project prior to certification of the 2021 LRDP EIR. The project includes 2,712 undergraduate student beds and 220 graduate beds at the Heller site and 140 student beds for family student housing located at the Hagar site, for a total of 3,072 student beds. Redevelopment of the Heller site would remove 200 existing beds on-campus and approximately 900 additional beds would be removed from existing, densified student housing. Taking into consideration 16 additional student beds that would be realized within Crown College as a result of a current renovation effort, a total net increase of 2,175 would occur within the main residential campus, based on projects that have already been approved and will be constructed in the next several years.

## EMPLOYMENT

The State of California Employment Development Department compiles current and historical employment data for California counties and metropolitan areas. Table 3.13-7 provides data related to employment sectors in Santa Cruz County from 2000 through 2020 (EDD 2020). As shown, the largest employment sector in the county is government agencies, followed by trade, transportation, and utilities, and educational and health services. From 2000 to 2020, employment in the county decreased by approximately 22,100 jobs (17 percent).

**Table 3.13-7 Employment by Industry in Santa Cruz County 2000-2020**

Industry Sector	2000	2005	2010	2015	2020
Government	19,800	21,800	21,600	22,000	23,200
Trade, Transportation and Utilities	18,900	18,000	16,300	16,800	15,300
Educational and Health Services	11,000	13,100	15,100	17,400	15,300
Goods Producing	13,000	12,100	7,800	9,700	10,600
Professional and Business Services	12,100	9,700	9,600	10,400	9,800
Manufacturing	8,700	6,600	4,900	6,100	6,500
Leisure and Hospitality	11,300	11,000	10,800	13,600	5,100
Farm	6,700	7,600	6,800	7,200	4,100

Industry Sector	2000	2005	2010	2015	2020
Mining and Natural Resources	4,300	5,500	2,900	3,600	4,100
Accommodation and Food Service	9,400	9,000	8,800	11,300	3,800
Financial Activities	4,100	3,700	3,300	3,500	3,300
Nondurable Goods	4,100	3,300	2,500	3,200	3,100
Other Services	4,500	3,700	3,700	4,400	2,800
Real Estate and Rental and Leasing	2,000	1,500	1,300	1,500	1,400
Arts, Entertainment, and Recreation	1,900	2,000	2,000	2,300	1,300
<b>Total, All Industries</b>	<b>131,800</b>	<b>130,605</b>	<b>117,400</b>	<b>133,000</b>	<b>109,700</b>

Source: EDD 2020

As noted above, UC Santa Cruz, which is the largest single employer in the county (UC Santa Cruz 2020b), employs approximately 2,800 faculty and staff within the LRDP area, which represents 2.6 percent of the total Santa Cruz County employment level in 2020.

## Growth Projections

AMBAG produced regional growth projections through 2040 for the entire AMBAG planning area as well as counties and incorporated cities within its jurisdiction. Table 3.13-8 identifies AMBAG's growth projections for the City of Santa Cruz and Santa Cruz County. AMBAG projects that the city's employment growth rate would increase as the population levels rise through 2040. The city is expected to have higher population, housing, and employment percentage growth rates than the county based on AMBAG projections. As shown in Table 3.13-8, employment, population, and housing within the city are anticipated to increase by approximately 20-30 percent between 2015 and 2040, while countywide (incorporated cities and unincorporated area) is anticipated to increase by approximately 10-20 percent between 2015 and 2040. The AMBAG growth projections contradict the trends seen recently in both the city and the county. However, as shown in Table 3.13-5, substantial housing growth has been approved and is also newly proposed in the city, which would comport with a reversal of growth rates.

**Table 3.13-8 Growth Projections**

	2015	2020	2030	2040	Percent Change (2015-2040)
<b>City of Santa Cruz</b>					
Population	63,830	68,381	75,571	82,266	29%
Housing Units	23,535	26,365	28,634	30,167	28%
Employment	40,986	43,090	46,153	49,085	20%
<b>Santa Cruz County</b>					
Population	273,594	281,147	294,238	306,881	12%
Housing Units	105,221	109,179	114,326	118,152	12%
Employment	116,050	120,761	129,275	137,265	18%

Source: AMBAG 2018

As described in Section 3.11 (Land Use and Planning), AMBAG prepares regional housing, population, and employment forecasts that are used in a variety of regional plans, including the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS).

The 2040 MTP/SCS was adopted in 2018 and is the current MTP/SCS for the Monterey Bay Area. As part of the 2040 MTP/SCS, AMBAG worked closely with stakeholders to develop a new growth forecast and an updated multimodal transportation network with land use patterns and strategies based on reasonably available revenues. The regional growth forecast expressed and included as part of the 2040 MTP/SCS identifies a growth at UC Santa Cruz in student enrollment by 2040 to 27,000-28,000 FTE students (AMBAG 2018).

### 3.13.3 Environmental Impacts and Mitigation Measures

#### SIGNIFICANCE CRITERIA

Based on Appendix G of the State CEQA Guidelines, the project would result in a potentially significant impact on population and housing if it would:

- ▶ induce substantial unplanned 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); or
- ▶ displace substantial numbers of people and existing housing, necessitating the construction of replacement housing elsewhere.

#### ANALYSIS METHODOLOGY

This evaluation of population, employment, and housing impacts is based on information obtained from review of the plans for the project including enrollment and employment projections for UC Santa Cruz, and a review of available population, employment, and housing projections from the City of Santa Cruz, AMBAG, the U.S. Census Bureau, California Department of Finance (DOF), and other sources; and review of applicable elements and policies from the City of Santa Cruz General Plan and Santa Cruz County General Plan.

#### ISSUES NOT EVALUATED FURTHER

##### **Displacement of Substantial Numbers of Existing Housing or People**

No housing would be permanently removed through implementation of the 2021 LRDP, nor would there be any actions that would displace substantial numbers of existing people. The 2021 LRDP includes a substantial addition of new housing; if some existing student housing is demolished, it would be replaced by an equal or greater amount of new housing. Therefore, there would be no environmental impact associated with displacement resulting from the construction of replacement housing elsewhere. Students may be displaced temporarily as a result of redevelopment of UC Santa Cruz campus and housing facilities; however, UC Santa Cruz would be expected to plan project construction to minimize displacement impacts. In summary, there would be no impacts associated with displacement of substantial numbers of people or housing, necessitating the construction of replacement housing elsewhere. This topic is not discussed further.

## IMPACTS AND MITIGATION MEASURES

### Impact 3.13-1: Directly or Indirectly Induce Substantial Unplanned Population Growth and Housing Demand

Implementation of the 2021 LRDP would allow physical development to accommodate projected increases in student enrollment, UC Santa Cruz faculty/staff, non-UC employees, and on-campus faculty/staff families/dependents, up to the levels anticipated when the campus was founded. To account for projected increases in the total on-campus population, the 2021 LRDP would provide additional housing on the main residential campus and potentially at the Westside Research Park. Up to 28,000 students (baseline plus project) would be accommodated by the plan, and this is consistent with regional growth projections. The 2021 LRDP sets aside an adequate amount of land for housing to accommodate 100 percent of the increase in student enrollment above 19,500 and for 25 percent of the increase in the number of employees, based on demand. Existing data on vacancy rates, as well as planned development nearby, suggest that housing is generally available or planned to be available within the county and city of Santa Cruz to accommodate the additional students, faculty/staff, and non-UC employees for whom on-campus housing would not be accommodated. However, other data, such as affordability, suggest a tighter housing market. Further, due to the recent (summer 2020) loss of homes associated with the CZU Lightning Complex fire, the availability of housing has tightened. Therefore, the total on-campus population increase accommodated by the 2021 LRDP may directly or indirectly induce substantial housing demand in the region. This impact would be **significant**.

Implementation of the 2021 LRDP would accommodate a projected increase in the total on-campus population, which includes undergraduate and graduate/professional students, faculty, staff, dependents living in employee housing, non-UC employees working on campus (e.g., consultants, employees of private businesses), visitors, and construction workers. As noted in Chapter 2, "Project Description," Some of this population resides on campus, while the majority is present only during the daytime. In response to the projected increase in total on-campus population implementation of the 2021 LRDP also includes land use designation changes to allow for on-campus increases in building space (academic, research, and support; residential).

The 2021 LRDP would accommodate planned student population growth, which is inherent to a long-term campus plan, much like a city or county general plan. The issue evaluated in this section is whether the 2021 LRDP would indirectly result in substantial unplanned population growth and housing demand beyond the projected population increases described above by inducing additional growth beyond the capacity of the facilities identified in the 2021 LRDP, such that physical environmental impacts could occur outside the campus.

Total student population on campus, as of the 2018-2019 academic year, was 18,518 FTE students. The 2021 LRDP would accommodate a total student enrollment of 28,000 FTE students by the 2040-41 academic year, an increase of 9,482 students. AMBAG projects a total of up to 28,000 FTE students at UC Santa Cruz by 2040 in its MTP/SCS, and when the campus was founded, the City and UC planned for enrollment to reach 28,000. Therefore, the increase in student population accommodated by the 2021 LRDP would be consistent with regional growth projections.

#### Projected Increase in Total On-Campus Population

As described in Table 3.13-9, the growth in students at full implementation of the 2021 LRDP would accommodate a total on-campus population increase of 12,830 persons, for a total on-campus population of 35,230 by the 2040-2041 academic year. This represents a 56 percent increase over a period of approximately 20 years from the total on-campus population of 22,344 in the 2018-2019 academic year. On-campus student enrollment is projected to increase by an additional 9,482 FTE students by 2040-2041, which would equate to an average annual increase of 431 additional students (assuming student enrollment growth occurred linearly; in actuality annual enrollment growth could fluctuate from year to year). Between the 2018-2019 and 2040-2041 academic years, the 2021 LRDP would also accommodate additional faculty and staff of approximately 2,200 persons, for an estimated total (baseline plus project) of approximately 5,000 faculty and staff. As noted in Chapter 2, "Project Description," projected faculty and staff population does not include employees associated with the Coastal Science Campus, Scotts Valley Center, and Monterey Bay Education, Science, and Technology Center (MBEST) because this LRDP only pertains to the main residential campus and Westside Research Park.

In addition, the 2021 LRDP would accommodate a projected increase of 350 non-UC employees, from a current total of about 640 persons to approximately 990 persons by 2040-2041. The 2021 LRDP also anticipates an increase in other daily population, including dependent population, that would be associated with the additional on-campus housing. This population is projected to increase by 445 persons, from about 342 persons in 2018-2019 to 787 persons by 2040-2041.

**Table 3.13-9 Baseline and Potential FTE Campus Enrollment and Population**

Population	Baseline Condition (2018–2019)	Potential 2021 LRDP Population in 2040–2041	Net New Compared to 2018–2019
Students <sup>1</sup>	18,518 <sup>1</sup>	28,000	9,482
Faculty and Staff	2,800 <sup>2</sup>	5,000	2,200
Non-UC Employees	640	990	350
Other Daily Population	386 <sup>3</sup>	1,240 <sup>3</sup>	798 <sup>3</sup>
<b>Total</b>	<b>22,344</b>	<b>35,230</b>	<b>12,830</b>

<sup>1</sup> Three-quarter average enrollment of UC Santa Cruz-based student population in the 2018–2019 academic year.

<sup>2</sup> The 2,800 three quarter average employee FTE represents 3,657 headcount employees.

<sup>3</sup> Other daily population is estimated based on 270 homes for faculty and staff located at Phase 1 of Ranch View Terrace, Laureate Court, Cardiff Terrace, Hagar Meadows Townhomes, and Hagar Court, and an average household size of 2.43 persons for the city of Santa Cruz (DOF 2019).

Source: UC Santa Cruz 2020a

AMBAG does not forecast total campus population (students plus faculty/staff and other support); its growth forecast is based solely on student attendance.

### **Projected Increases in Building Space under the 2021 LRDP**

The 2021 LRDP includes increases in both residential and academic space, to accommodate the projected increase in campus population (Table 3.13-10). Approximately 5.6 million assignable square feet (asf) (8.4 million gross square feet [gsf]) of building space would be required to accommodate the projected growth on the campus under the 2021 LRDP. Through implementation of the 2021 LRDP, total building space on the campus would increase from approximately 3.8 million asf (5.8 million gsf) in 2018-2019 to approximately 9.4 million asf (14.1 million gsf).

**Table 3.13-10 Projected Increases in Building Space under the 2021 LRDP**

	Baseline Condition (2018–2019)	Net New under 2021 LRDP	Baseline + 2021 LRDP (2040–2041)
<b>Academic and Support Space</b>			
Instruction and Research	858,627	1,127,373	1,986,000
Academic and Administrative Support	765,368	1,290,438	2,055,806
Student Support and Public Services	348,628	608,110	956,738
Facilities & Operations	115,805	57,903	173,708
<i>Academic and Support Space ASF Subtotal</i>	<i>2,088,428</i>	<i>3,083,824</i>	<i>5,172,252</i>
<b>Residential Space</b>			
Student Housing	1,346,938	1,885,000	3,231,938
<i>Beds</i>	<i>9,283</i>	<i>8,500</i>	<i>17,783</i>
Faculty & Staff Housing	317,622	660,000	977,622
<i>Units</i>	<i>270</i>	<i>558</i>	<i>828</i>
<i>Residential Space ASF Subtotal</i>	<i>1,664,560</i>	<i>2,545,000</i>	<i>4,209,560</i>
<b>Total</b>	<b>3,752,988</b>	<b>5,628,824</b>	<b>9,381,812</b>

Notes: ASF = assignable square feet; LRDP = Long Range Development Plan.

Source: UC Santa Cruz 2020a

**Demand for Additional Housing**

Housing is an important issue and, as described in Section 3.13.2, has become even more so in light of the loss of housing from the CZU Lightning Complex fire that destroyed homes in the county. The analysis below considers the degree to which the 2021 LRDP would accommodate increased demand in housing, and the potential demand for additional housing in the community. According to the City of Santa Cruz 2015-2023 Housing Element, housing affordability, including rental units, is a significant challenge. Students at UC Santa Cruz and Cabrillo College struggle to find affordable housing, and frequently live with several other students in single-family homes. (City of Santa Cruz 2016) The Santa Cruz City Council is actively engaged in strategies to address housing needs in the community, with the Mayor conducting a listening tour, the City Council holding housing study sessions, development of engagement reports, and creation of a Housing Blueprint Committee. This committee developed recommendations, many of which have been adopted by the City to provide for accessory dwelling units, creation of a rental housing task force, other measures (City of Santa Cruz n.d.).

The demand for additional housing would likely contribute to the housing issues facing the City, especially in light of the current extremely low rental vacancy rate. To determine whether there is adequate on-campus housing capacity for additional students and employees accommodated by the 2021 LRDP, UC Santa Cruz has compared the future demand for housing (projected increases in student enrollment and employees between the 2018-2019 and 2040-2041 academic years) with available on-campus housing capacity (net new on-campus housing capacity under 2021 LRDP). The results of this comparative analysis are shown in Table 3.13-11 and summarized below.

**Table 3.13-11 Baseline and Projected On-Campus Housing Capacity and Demand**

	New Housing Under 2021 LRDP (Compared to 2018–2019)	Projected Housing Demand	Demand Not Provided on Campus	Would All of the Increased Housing Demand Be Accommodated On-Campus?
Student Housing (beds)	8,500 <sup>1</sup>	9,482 students	982 beds	No
Employee Housing(homes)	558	2,550 employees	1,992 residences	No
<b>Totals</b>	<b>9,058</b>	<b>12,032</b>	<b>12,032</b>	

Source: UC Santa Cruz 2020a

**Additional Housing Demand**

Current enrollment at UC Santa Cruz (2018-2019 academic year) is 18,518 students; 9,283 beds are currently provided on campus. A total of 270 units of on-campus housing is provided for faculty and staff; 2,800 faculty and staff are employed under baseline conditions.

The 2021 LRDP would accommodate a projected increase in enrollment of 9,482 students between the 2018-2019 and 2040-2040 academic years. If it is assumed that all new students are also from outside the UC Santa Cruz commute , this would equate to a demand for 9,482 new beds (one bed per student). The project would add up to 8,500 beds. This would result in a demand for an additional 982 beds that would not be provided on

Moreover, an additional 2,550 employees would be provided with housing on campus for 558 in the 2021 LRDP. Assuming all employees would be new residents, which is an overstatement, this would create a demand for an additional 1,992 residences, assuming each employee lives in their own residence. This is an oversimplification of potential demand, as it would be expected that some employees already live in the region, some may share residences with others, etc., but it would be speculative to specify more refined estimates of demand for residences over the next 20 year period.

As shown in Table 3.13-11, This could create additional demand for housing in the community, including the city of Santa Cruz. Of note, this does not consider additional student beds associated with the planned-but-not-operational projects associated with the 2005 LRDP, including Student Housing West, Kresge Housing, and the Crown College Major Maintenance Project. This projection also does not include additional employee housing units associated with the planned-but-not-operational projects associated with the 2005 LRDP, including the second phase of development of Ranch View Terrace. If these planned projects were included, regional housing needs created by the 2021 LRDP would be met and exceeded; however, these planned housing developments are considered cumulative

projects and are therefore not included in the evaluation and analysis of baseline plus project conditions. Please see Chapter 4, "Cumulative Impacts."

To determine the effects on local housing, it is conservatively assumed that the additional students would share housing with one other student, thereby resulting a potential additional demand of 496 new residential units. Students have a high propensity to live near campus.

With regard to employees, their residential distribution is more predictable. Based on 2019 zip code information for UC employees, 85% live within Santa Cruz County and 15% live outside the county. This analysis assumes that the 1,992 additional employees would reside within and outside the county at the same ratio. That means that an estimated 1,694 additional employees would seek housing within the county, with the remaining 298 additional employees seeking residence outside of the county. While a portion of the additional employees may already live in the county and not result in demand for housing, that number is not known at this time, so for purposes of this analysis UC Santa Cruz has assumed that there would be demand for 1,694 additional homes by 2040-2041.

Combined with the projected student demand identified above, the 2021 LRDP may result in an off-campus housing demand for 2,190 residential units within Santa Cruz County. This additional demand is anticipated to incrementally increase over the approximately 20-year planning period of the 2021 LRDP and would not all occur at a single point in time.

With respect to the 298 employees that are assumed to live outside of Santa Cruz County, housing estimates for the four counties adjacent to Santa Cruz County indicate that there are currently approximately 60,000 vacant units (DOF 2020c). As a result, the additional 298 employees of UC Santa Cruz that may seek residence outside of the County are not anticipated to result in substantial unplanned housing demand.

According to DOF data presented in Table 3.13-3, there are an estimated 106,135 total dwelling units in Santa Cruz County in 2020. Of that, 97,831 are occupied, resulting in 8,304 unoccupied dwelling units and a vacancy rate of 7.8 percent. However, based on the HUD analysis, this vacancy rate does not appear to translate into truly available housing, and both the for-sale and rental housing markets are extremely tight. As shown in Table 3.13-5, there are over 1,400 proposed or approved new residential units within 2 miles of the LRDP area in the City of Santa Cruz. In addition, and as shown in Table 3.13-8, AMBAG anticipates that 12,931 additional housing units will be built in Santa Cruz County between 2015 and 2040. While these data suggest there are ongoing and future reactions to the existing apparent housing shortage, and that numbers of existing vacant dwelling units and future housing units will exceed the demand for 1,667 additional homes by 2040-2041, these units are not available for use now.

One consideration is the 911 housing units in Santa Cruz County (1 percent of total dwelling units) that were lost in 2020 due to the CZU Lightning Complex Fire (Santa Cruz County 2020a). Many of these housing units are expected to be rebuilt, others perhaps not. As described in Section 3.13.2, there is already a shortage of temporary housing for those displaced by the fire (San Francisco Chronical 2020b). While a majority of homes may be rebuilt, it will take time. For example, in Sonoma County, about 85% of the 5,600 homes destroyed in the Tubbs Fire in 2017 are either rebuilt or are in some stage of the permitting or construction process (San Francisco Chronicle 2020a). Because there are many complex factors related to the amount of housing that will be rebuilt in Santa Cruz County (e.g., cost, ability to obtain/afford insurance, government planning and permitting decisions, personal choices of residents and property owners), it is likely that some the lost housing will never be rebuilt. Therefore, the 2019 (HUD) and 2020 (DOF) data as to availability of housing and the tight housing market estimates may not be reflective of the existing and near-term housing market; it is expected to be even tighter.

Another consideration is the uncertainty surrounding the degree to which the vacant dwelling units within Santa Cruz County would be available to additional employees. Dwelling units can be unoccupied for many reasons, some of which would not preclude their availability to additional employees. As described in Section 3.13.2, there are a variety of reasons vacant homes are unavailable, including their status as a vacation rental, or second home, or a house in disrepair. Based on information maintained by Santa Cruz County, there are several hundred vacation rentals, especially within the City of Santa Cruz and Rio Del Mar (Santa Cruz County 2020b).

Based on the information presented above, including the number of units that have been approved by the City of Santa Cruz, balanced against information in the City of Santa Cruz Housing Element and other information in Section 3.13.2, and the need to pursue additional housing under existing conditions (e.g., efforts by the Santa Cruz Blueprint Housing Committee), it is likely the 2021 LRDP will result in demand for new housing that would not already be provided. UC Santa Cruz has determined that while the future housing market is not entirely predictable, it is possible that there will not be adequate off-campus housing units to meet the housing demand of additional students and employees in the years leading up to 2040-2041. Therefore, implementation of the 2021 LRDP could further reduce the available housing market in the County and induce unplanned levels of substantial housing demand because of the projected increase in UC and non-UC employees. This impact is **potentially significant**.

### **Mitigation Measures**

UC Santa Cruz is planning to provide at least 8,500 student housing beds and 558 employee residences under the 2021 LRDP. Additional beds and residences are expected to be provided under the 2005 LRDP as part of the Kresge Housing and Student Housing West projects (see Chapter 4, Cumulative Impacts). As a result and in consideration of the 2021 LRDP objectives, no feasible mitigation measures are available to reduce the anticipated impact. However, as set forth below, with incorporation of cumulative projects on and off campus, UC Santa Cruz anticipates that it will be able to provide housing to all students projected under the LRDP and the impact associated with student housing demand is expected to be less-than-significant.

### **Significance after Mitigation**

The 2021 LRDP is a physical development plan for UC Santa Cruz's main residential campus and Westside Research Park, based on projected increases in student and employee populations. There is uncertainty regarding whether a significant impact would occur, as substantial housing is planned in the region including on campus.

Lesser development and/or lesser enrollment could reduce the potential impacts associated with population growth but would not achieve the anticipated necessary level of development consistent with UC and UC Santa Cruz policy direction. As a result and because they would result in substantively different projects, these actions are not considered feasible as mitigation. Reduced enrollment is considered as an alternative to the 2021 LRDP (refer to Chapter 6, "Alternatives.") As currently proposed, the 2021 LRDP involves the placement of residential units within dense nodes in order to minimize the potential impact of LRDP-development and increased enrollment on the environment (e.g., aesthetic impacts, biological resource impacts, cultural resource impacts, etc.). It is possible that the additional employees, who would not be able to reside on campus, would be able to find available housing stock within the County, including the city of Santa Cruz, however due to uncertainties surrounding the availability of housing stock (including those associated with the CZU Lightning Complex fire and the level of rental/vacation homes in the Santa Cruz area), this impact would be considered **significant and unavoidable**.