

5.9 POPULATION AND HOUSING

5.9.1 Setting

The setting information for this section has largely been provided by the County of San Luis Obispo's Housing and Energy Elements, and the County Local Agency Formation Commission's "Nipomo Community Services District, Sphere of Influence Update Municipal Service Review" EIR.

5.9.1.1 Population

The proposed project is located within the boundaries of San Luis Obispo County. The nearest significant population of residents and housing within San Luis Obispo County is located on the Nipomo Mesa near the LUO/LUE amendment area. According to the 2000 Census, the Nipomo urban area is home to 12,626 residents with 4,146 dwelling units. The Nipomo Community Services District (NCSO) now serves approximately 10,000 to 11,000 residents as compared to an estimated 5,700 in 1990.

Over the last two decades, Nipomo's population has increased dramatically. From 1980 to 1990, the community of Nipomo increased by 1,862, a 35.5% increase and an average growth rate of 3.5% per year. From 1990 to 2000, the community of Nipomo increased by 5,517, a 77.6% increase and average growth rate of 7.8% per year. As such, Nipomo has experienced total increase of approximately 7,379 people or 140% total growth rate (LAFCO, 2004).

Based on census data compiled by the San Luis Obispo Council of Government (SLOCOG) and the State of California Department of Finance projections, the community of Nipomo is expected to show a much slower growth rate than experienced during 1980 to 2000. From 2000 to 2010, the community of Nipomo is expected to increase by approximately 1,388, an 11% increase and an average growth rate of 1.1%. From 2010 to 2020, the community of Nipomo is expected to increase by approximately 1,962, a 14% increase and an average growth rate of 1.4%. As such, the community of Nipomo is expected to experience a total increase of approximately 3,350 people or 26.5% total growth rate over the next 20 years (2000 to 2020). This is substantially less than the total growth rate of 140% experienced from 1980 to 2000.

In terms of County growth, the South County planning area (both coastal and inland) has been significant when compared to other planning areas and the overall county. The population in South County increased approximately 66% between 1980 and 1990. In contrast, the county experienced a 26% population increase between 1980 and 1990 (South County Area Plan, 2002). This growth illustrates the attraction of the South County planning area for residential development. The area, which has experienced, and continues to experience, the highest growth rate in South County is Nipomo. Unlike other communities that have limited growth due to resource constraints, Nipomo has experienced tremendous growth. This dramatic growth is placing strains on infrastructure, including road capacities, schools and water availability (County, 2003).

In 1970 the Santa Maria Valley, home to just over 40,000 residents, was a support center for agriculture and petroleum industries and a bedroom community for Vandenberg Air Force Base (VAFB) (County of Santa Barbara 2000). The petroleum industry gradually declined due to depleted oil fields and falling oil prices, while agriculture continued to be a primary valley

employer. Fueled by expanded acreage and a transfer to higher value crops, agricultural production increased and supporting industries expanded agricultural employment. The population grew too, tripling to over 120,000 in 2000 (County of Santa Barbara 2000). Both Orcutt and the city of Santa Maria expanded their urban areas to accommodate the population growth; the latter annexed over 1,500 acres (County of Santa Barbara 2000). Orcutt converted over 1,110 acres to urban use since 1969 (County of Santa Barbara 2000). Urban development in the Santa Maria Valley now extends from the Santa Maria River to the north, to the foothills to the south, from Highway 101 to the east and almost to Black Road to the west. In 2000, the Santa Maria Valley is behind only Buellton in its urban growth rate. With a greater capacity to grow than Buellton, the Santa Maria Valley may outpace all other communities in coming decades. An analysis of income revealed that 33.6% of the households within the City of Santa Maria make over \$50,000 annually (MIG 2004).

5.9.1.2 Housing

The California Department of Housing and Community Development (HCD) ensures that cities and counties have designated sufficient land to accommodate its assigned share of housing needs pursuant to the requirements of California Government Code Section 65583. "Assigned Share" is the share of regional housing need assigned to a city or county under a Regional Housing Needs Plan (RHNP) adopted by the local Council of Governments. Most recently, the HCD has issued the determination of each region's share of statewide housing need. In response, the San Luis Obispo Council (SLOCOG) prepared and adopted a RHNP to allocate the housing needs to the cities and the unincorporated areas of the county.

As a result of the RHNP, the County must identify adequate sites for 7,020 new housing units during the period of January 1, 2001 to June 30, 2008. These sites are divided among various income group categories. As of 2003, approximately 2,439 housing units (34.7% of the total required) have been constructed among the various income group categories, resulting in the need for 4,581 additional housing units to be built by 2008. These additional housing needs will be met by the various cities and unincorporated areas of the county.

To accommodate the additional housing needs of San Luis Obispo County, County staff conducted an analysis of existing Residential Multi-Family (RMF) areas that are vacant. Based on this analysis it was determined that there is sufficient existing RMF-zoned property to accommodate 1,188 units. Furthermore, the County also identified existing RMF parcels which are mostly vacant that can accommodate up to an additional 318 dwelling units. This is a total of 1,506 units which could be built within existing land uses, thus reducing the total need for additional housing units from 4,581 to a total of 3,075 (County of SLO, 2004a).

It should be noted that over the past decade the increase in the number of completed units countywide has averaged approximately 1.4 percent within the unincorporated portions of the county. While this average is well below the allowable 2.3 percent growth rate established by the Growth Management Ordinance (GMO) (Title 26, San Luis Obispo County Code), growth has not been evenly distributed throughout the county, and certain communities have provided a disproportionate share of dwelling unit increase e.g., Nipomo).

To guide future development and provide adequate housing at a growth rate of 2.3 percent, the GMO has made efforts to exempt "very low" and "low and moderate" housing categories from the GMO for the purposes of encouraging growth in these categories. Additionally, to ensure

that affordable housing will be provided in the unincorporated areas of the county, County staff is currently drafting a proposed Inclusionary Housing ordinance. The Inclusionary Housing ordinance would require a specified amount of affordable housing in conjunction within new market-rate housing developments. Mechanisms for providing affordable housing could be accomplished by requiring an Inclusionary Housing Fee from various sources, including cities. This Inclusionary Housing Fee would be included within a Housing Trust Fund for the purposes of stimulating the development of more affordable housing, in addition to currently available federal and state grants. The ordinance is not expected to be adopted by the County Board of Supervisors until 2006.

5.9.1.3 Energy

As adopted by the Board of Supervisors in 1995, the Energy Element contains polices and programs that encourage energy conservation and promotes greater energy efficiency. In terms of energy use throughout the county, sectors (Commercial, Residential, and Industrial) which are found within the existing land uses of the project area account for approximately 10.27 percent, 20.20 percent, and 4.96 percent of the energy consumption in the county, respectively. Other sectors which are not included within the project area include Public Facilities (2.19 percent), Agriculture (2.12 percent), and the largest consumer of energy resources, Transportation (60.26 percent). Over half of the energy consumption of Transportation uses included passenger vehicles.

Commercial users of electricity and natural gas represent a broad range of businesses. The primary users of this electricity include eating and drinking places (34 percent) and hotels (31 percent). The next major user was personal service (9 percent), including businesses such as laundries, dry cleaning plants, etc. The Commercial sector used approximately 2,706,298 total MMBtu (County of SLO, 1995).

The Residential sector is the largest purchaser of electricity and natural gas in the county. Energy is used for various purposes such as space heating, air conditioning, water heating, lighting, refrigeration and cooking. The residential sector purchased about 44 percent of the electricity consumed in the county and about 52 percent of the gas purchased in the county. Overall, the Residential sector used approximately 5,320,017 total MMBtu (County of SLO, 1995).

Industrial users of electricity and natural gas include activities such as oil and gas extraction, petroleum refining, electricity generation, pipeline operations, etc. The Industrial sector consumed approximately 1,306,722 MMBtu (County of SLO, 1995).

To maintain or decrease the current levels of electricity and natural gas use with an increasing population base, the per capita use of energy would have to decrease by a little over 2 percent each year. This means that a person using a total of 5.6 million kWh in 1993 would have to decrease use to 3.6 million kWh by 2015 – an overall decrease of 37 percent. Likewise, to keep natural gas use constant, it would be necessary to reduce therms per capita by 37 percent.

5.9.2 Impact Analysis

5.9.2.1 Thresholds of Significance

According to the CEQA Guidelines, the implementation of the proposed project would have a significant impact if it would:

1. Induce substantial population growth in an area, either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure);
2. Displace existing housing or people requiring construction of replacement housing elsewhere;
3. Create the need for substantial new housing in the area; and,
4. Use substantial amount of fuel or energy.

5.9.2.2 Asphalt Plant Impacts

Construction would begin upon approval of the project and would take approximately 9 months. Construction is proposed to occur during four 10-hr days each week from 7:00 A.M. to 5:00 P.M. During the construction of the proposed asphalt plant, construction personnel would be temporarily necessary. These workers are expected to be a combination of the local work force and labor from surrounding areas (e.g., San Luis Obispo and Santa Barbara counties). Because of the short-term nature of the construction project, long-term housing needs for construction crew members would not be necessary. During the operation of the proposed asphalt facility, it is expected that the asphalt plant would require a total of 12 employees per day to operate the facility between 6:00 AM and 4:00 PM, and between 7:00 PM and 5:00 AM, Monday through Saturday.

Impact POP-1: The proposed project would result in additional job opportunities, which could thus result in a minor increase ing in the population and the demand for housing.

Discussion: Job opportunities generated during the construction phase are considered temporary and would not affect the overall population of the county. Therefore, housing needs for temporary construction personnel are expected to be met from available temporary housing facilities (e.g., hotels), if necessary. Furthermore, temporary construction personnel may potentially be hired from local areas, thus resulting in no significant increased demand on housing.

The applicant has estimated that the operation of the proposed facility would require approximately 12 permanent employees to operate the proposed asphalt plant facility. Overall, this is not a significant increase to the population of the Nipomo area or the surrounding areas in the county. As a result, the proposed project would not result in a significant impact to the growth rate of the county, or to the community of Nipomo or City of Santa Maria.

Impact Category: Insignificant

Thresholds of Significance Criteria: 1,3

Mitigation Measure: No mitigation measures are required.

Impact POP-2: The proposed project would result in an overall increased level of energy consumption.

Discussion: The construction and operation of the proposed project will create an additional demand for energy in the form of petroleum products (e.g., natural gas) and electricity. Because this energy will be provided by existing local energy sources, the applicant will be required to install the necessary to develop the necessary infrastructure to supply the project site. Although, the proposed project would consume energy during its operation, the impact of this consumption is considered low in comparison to available energy resources, efficiency of new technologies, and comparable consumption by other sectors (i.e., Residential, Commercial).

In terms of energy consumption and energy efficiency, the proposed asphalt plant will utilize natural gas as the fuel to dry and heat the aggregate and asphaltic oil. Specifically, the proposed asphalt plant would include the use of an ALmix dual drum continuous mix asphaltic concrete plant consisting of a 100 million BTU/hr (1000 therm/hr) natural gas fired, low NOx burner and two 2 million BTU/hr (20 therm/hr) hot oil heaters to dry and heat the aggregate and asphaltic oil. The proposed plant would also result in an increase in electrical use due to increased operations of various facility needs. The proposed asphalt will utilize BACT relating to energy consumption equipment; therefore, impacts are less than significant.

Impact Category: Insignificant

Thresholds of Significance Criterion: 4

Mitigation Measure: No mitigation required.

5.9.2.3 LUO/LUE Amendment Impacts

Impact POP-3: The proposed land use designation change of the 9.3-acre area from RS to the IND land use category would result in a loss of land which could be potentially utilized for future building opportunities for new housing.

Discussion: Rezoning the land uses from RS to IND would result in a net loss of land available for housing development. Due to the close proximity to existing commercial land uses, the existing RS-designated land within the project area has the potential for future housing, including possibly used as affordable housing. The County is currently considering an Inclusionary Housing Ordinance. Although this ordinance has not been approved to date, it would likely require future commercial development (including Industrial development) to pay a fee towards securing affordable housing. Upon approval, the Inclusionary Housing Ordinance shall be implemented for all new development within the LUO/LUE amendment area.

However, most of the 9.3 acres is comprised of steep slopes of the Nipomo Mesa and is not available for housing; existing CS zoning and proximity to freeway and Santa Maria Speedway makes livability questionable (e.g., noise). Also, a portion of the CS area is in the FH combining designation, which further adds to its undesirability for residential development.

Impact Category: Insignificant

Thresholds of Significance Criteria: 1,2

Mitigation Measure: No mitigation required.

5.9.2.4 Cumulative Impacts

As discussed in Section 8.2 of this EIR, cumulative projects include the Caldwell Minor Use Permit, Loomis Minor Use Permit and Troesh Land Use Ordinance Amendment which would result in the development of two office buildings, a warehouse, and a commercial composting facility. Specifically, the development of these structures would potentially result in additional job opportunities for the area, thus increasing the demand on local housing; however, due to the relatively small square footage of the structures, cumulative impacts to population and housing are considered to be less than significant.