

CHAPTER 5.2

POPULATION AND HOUSING

The Initial Study completed for the Sphere of Influence DEIR asked three questions with regard to the Population and Housing impacts: 1) Will the project exceed official regional or local population projections, 2) will the project induce substantial growth in an area either directly or indirectly, and 3) will the project displace existing housing, especially affordable housing? The initial Study determined that there were no impacts with regard to questions one and three; however, a potentially significant impact was identified with regard to question number two. This section will focus on addressing the growth-inducing impacts that may be associated with the proposed project.

A. Existing Conditions

According to the 2000 Census, the Nipomo urban area is home to 12,626 residents with 4,146 dwelling units. The NCSD now serves approximately 10,000 to 11,000 residents as compared to an estimated 5,700 in 1990. Over the last 20 years, Nipomo's population has increased by approximately 7,379 people or 140%. From 1980 to 1990, the community of Nipomo increased by 1,862, a 35.5% increase, an average growth rate of 3.55% per year. In the 1990s, Nipomo's population increased by 5,517 residents, a 10-year growth rate of 77.6%. Annual population growth rate for that decade averaged 7.8%.

Table 5.2-1: Historic & Projected Population Growth

| | 1980 | 1990 | 2000 | 2010 | 2020 |
|------------------|-------|-------|--------|--------|--------|
| Population | 5,247 | 7,109 | 12,626 | 14,006 | 17,754 |
| 10-Year Increase | --- | 1,862 | 5,517 | 1,380 | 3,748 |
| 10-year % Incr. | | 36% | 78% | 13% | 11% |

Source: US Census & Department of Finance

The Nipomo Community Services District serves approximately 10,000–11,000 people that reside within its service boundary. Population growth in the eight Study Areas being considered for inclusion in the Sphere of Influence depends upon the type and density of development that occurs in those areas. If the Study Areas (excluding the already built-out areas) build out as currently zoned, an estimated 8,000 people would be added to those urban and rural areas over the next 20 years.

The Council of Government compiles census data and Department of Finance projections. The projections show a much slower rate of growth for the urban areas of Nipomo: 11% from 2000 to 2010 and 14% for 2010 through 2020, a total of 25% for the 20-year time frame.

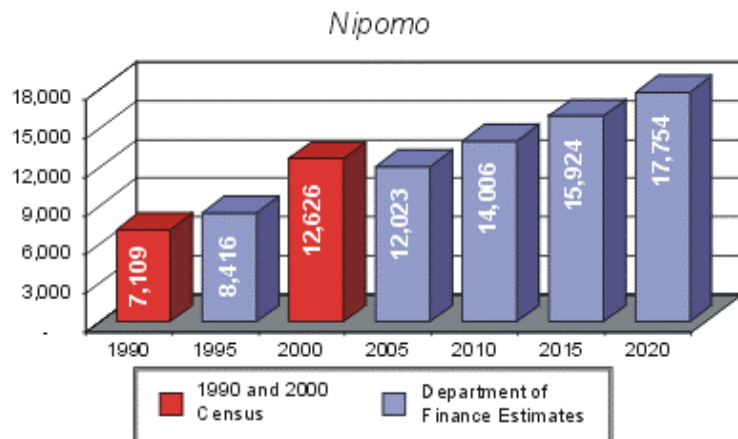


Figure 5.2-1: Nipomo Population Growth

Recent Building Permit Activity

The following is a summary of the building permits that have been issued and finalized for single-family dwellings, multifamily units and mobile homes over the last ten years in the South County Area. This means that the County has performed a final inspection of the building and that the dwelling has been constructed and may be occupied. Residential single-family dwelling units account for the largest proportion of development in the area. Permits have been compiled for the following areas: Rural South County, Nipomo, Los Berros, Calendar-Garrett, Palo Mesa, and Black Lake.

Table 5.2-2: Building Permits Finaled 1993-2003

| | SC Rural | Nipomo | Los Berros | Cal-Garrett | Palo Mesa | Black Lake | Totals |
|---------------|------------|-------------|------------|-------------|------------|------------|---------------|
| 2002 | 46 | 105 | 0 | 21 | 123 | 1 | 296 |
| 2001 | 48 | 112 | 1 | 4 | 72 | 4 | 241 |
| 2000 | 27 | 119 | 4 | 4 | 23 | 60 | 237 |
| 1999 | 44 | 121 | 1 | 4 | 9 | 34 | 213 |
| 1998 | 71 | 107 | 3 | 5 | 6 | 0 | 192 |
| 1997 | 54 | 75 | 0 | 3 | 14 | 0 | 146 |
| 1996 | 52 | 62 | 0 | 2 | 8 | 0 | 124 |
| 1995 | 60 | 118 | 0 | 2 | 7 | 0 | 187 |
| 1994 | 57 | 137 | 2 | 2 | 16 | 0 | 214 |
| 1993 | 58 | 143 | 0 | 4 | 22 | 0 | 227 |
| Totals | 517 | 1099 | 11 | 51 | 300 | 99 | 2,077 |

Source: County Department of Planning & Building

Figure 5.2-2: Finaled Permits, 1993-2003

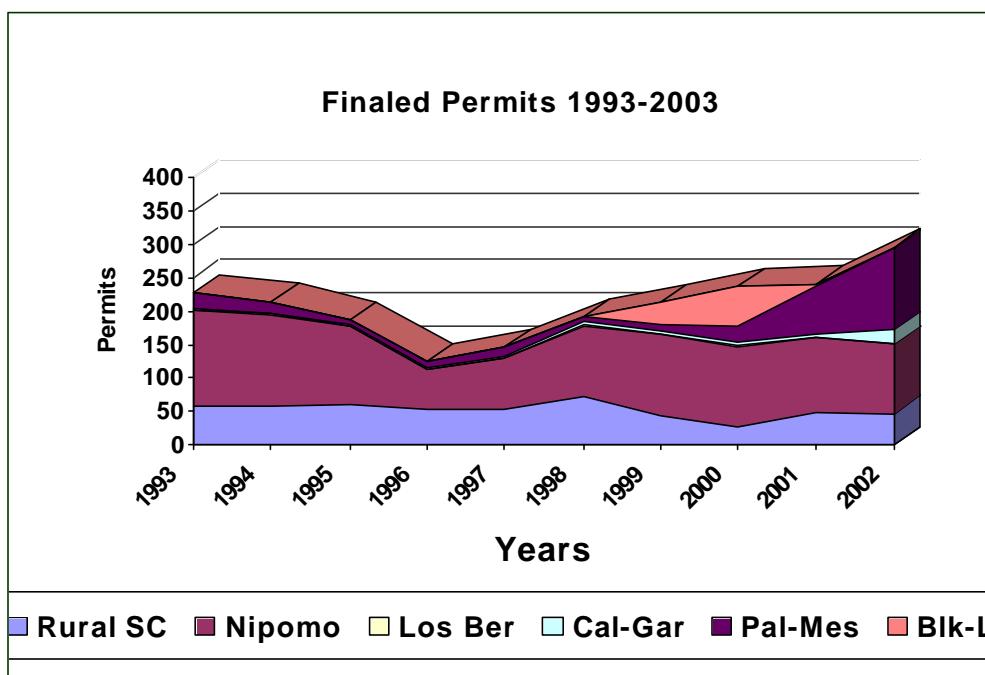


Figure 5.2-3: Projected Nipomo Population Increase

| | 2000 | 2010 | 2020 | 2030 |
|------------------|--------|--------|--------|--------|
| Population | 10,790 | 13,545 | 17,003 | 21,345 |
| 10-Year Increase | --- | 2,755 | 3,458 | 4,342 |
| 10-Year % Incr. | | 25% | 25% | 25% |

Source: ACSD Water-Sewer Master Plan

As part of the NCSD's Water and Sewer Master Plan, a population projection was prepared based on the assumption of a 2.3% population growth rate. This analysis estimated number of residents within the District is 10,790 in 2000. The growth rate is then projected to increase at 2.3% each year.

Consistent with statewide growth rates, San Luis Obispo County has grown steadily over the last decade, although at a slower rate than the rest of the state. Analysis of the increase in the number of dwelling units each year provides an indication of the actual growth rates within the unincorporated portions of the county (refer to Table III-1). As the table below shows, 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, growth has not been evenly distributed throughout the county, and certain communities have provided a disproportionate share of dwelling unit increases. Please note that Nipomo was the second fastest growing community in the County based on percentage increase in new dwelling units over the last decade.

Table 5.2-4: Dwelling Unit Increases

| Community or Planning Area ¹ | Dwelling Units 1990 | Dwelling Units 2001 | New Dwelling Units 1990-2001 | Percent Increase 1990-2001 | Average Percent Increase per Year |
|--|----------------------------|----------------------------|-------------------------------------|-----------------------------------|--|
| Templeton | 1100 | 1710 | 610 | 55.45 | 5.04 |
| Nipomo | | | 1236 | 51.80 | |
| Rural El Pomar | 1710 | 2525 | 815 | 47.66 | 4.33 |
| Rural Adelaida | 650 | 886 | 236 | 36.31 | 3.30 |
| Paso Robles | 7599 | 9422 | 1823 | 23.99 | 2.18 |
| Pismo Beach | 4548 | 5586 | 1038 | 22.82 | 2.07 |
| Rural South County | 2510 | 3066 | 556 | 22.15 | 2.01 |
| Heritage Ranch | 1047 | 1252 | 205 | 19.58 | 1.78 |
| Cambria | 3081 | 3712 | 631 | 20.48 | 1.86 |
| Arroyo Grande | 6059 | 6957 | 898 | 14.82 | 1.35 |
| Atascadero | 8875 | 10096 | 1221 | 13.76 | 1.25 |
| San Miguel | 451 | 506 | 55 | 12.20 | 1.11 |
| Morro Bay | 5694 | 6364 | 670 | 11.77 | 1.07 |
| Rural Salinas River | 3101 | 3458 | 357 | 11.51 | 1.05 |
| Rural Los Pilitas | 709 | 786 | 77 | 10.86 | 0.99 |
| Oceano | 2433 | 2692 | 259 | 10.65 | 0.97 |
| Grover Beach | 4941 | 5421 | 480 | 9.71 | 0.88 |
| San Luis Obispo | 17887 | 19464 | 1577 | 8.82 | 0.80 |
| Rural Nacimiento | 761 | 828 | 67 | 8.80 | 0.80 |
| Cayucos | 2133 | 2316 | 183 | 8.58 | 0.78 |
| Santa Margarita | 488 | 518 | 30 | 6.15 | 0.56 |
| Los Osos | 6097 | 6283 | 186 | 3.05 | 0.28 |
| Total County Unincorporated | 84260 | 97470 | 13210 | 15.68 | 1.43 |

Notes:

¹ Communities are ranked according to their percentage increase in dwelling units between 1990 and 2001.

Source: San Luis Obispo County Department of Planning and Building, Annual Resource Summary Report, 2002

B. Thresholds of Significance

The proposed project would represent a significant impact to population and housing if it were to cause a substantial increase in development activity in the future and increase growth rates past the adopted county rate.

C. Project Impacts

The proposed Sphere of Influence Update and Municipal Service Review for the District would not directly generate any new population or housing, thereby not exceeding any regional or local population projections. Expanding the District's Sphere of Influence may cause an increase in population by inducing growth in areas where public services had not been previously available. However, if the growth would be inconsistent with the existing South County Area Plan, a General Plan Amendment might be proposed to increase the density of a particular property or area.

Although the proposed Sphere of Influence Update and Municipal Service Review does not generate any new population or housing, the proposed project could represent the first step in the development of the areas within the SOI. Future development of these areas could adversely impact population and housing.

It should be noted that the SOI would not cause a change in zoning or an increase in density. An increase in density in the SOI Study Areas would first require review and evaluation through one, or more of the following processes:

- A zoning change in the form of a General Plan Amendment;
- Approval of a Specific Plan;
- Conditional Use Permit (Minor Use Permit/Development Plan approvals);
- Tract/Parcel Map approvals; or
- an Annexation into the District.

The above-listed processes are subject to the California Environmental Quality Act (CEQA). Inclusion in the SOI does not guarantee service or development of an area, but allows for the jurisdiction to plan for serving that area. A General Plan Amendment, Specific Plan, Tract/Parcel Map or Conditional Use Permit would study a variety of land use and environmental issues before being approved or denied including community character and compatibility, existing Land Use policies, traffic and circulation impacts, the provision of public services, etc.

The proposed project would not directly result in any changes in land use for the involved properties. The proposed project could, however, represent the first step in development of undeveloped property in the SOI. The precise nature and extent of future development within the proposed SOI is subject to speculation and cannot be determined at this time. Any future development of the areas within the SOI would require a number of land use planning steps as listed above. These discretionary approvals would require the preparation of additional environmental documentation (CEQA) to address any potential land use and planning impacts.

The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

Impact PH-1: The project may indirectly be growth inducing because it removes obstacles to growth by increasing the opportunity for a property, or area, to receive public/community services such as water and sewer. Expanding the District's Sphere of Influence could have the indirect impact of encouraging a change in land uses in some Study Areas because of the extension of public services (water and sewer).

Impact Discussion PH-1

The proposed project would not directly induce any significant population or housing growth in the area. However, the proposed project could represent the first step in development of undeveloped areas within the SOI by extending public services to

these areas. Future development of these properties could result in the generation of additional population and requests for zone changes that increase the number of houses constructed in a given area. However, the precise nature and extent of future development in those areas within the SOI cannot be determined at this time.

The SOI will not directly cause a change in zoning, or an increase in density. An increase in density would first require a zoning change in the form of a General Plan Amendment or another discretionary permit (Minor Use Permit-Development Plan) that is subject to CEQA. A General Plan Amendment would study a variety of land use and environmental issues before being approved or denied by the County Board of Supervisors, including; community character and compatibility, existing Land Use policies, traffic and circulation impacts, the provision of public services, etc. This process entails significant public involvement and the implementation of CEQA.

Title 26 of the County Growth Management Ordinance currently limits the amount of allowable growth in the Nipomo Mesa area stating, "The maximum number of new dwelling units allowed in the Nipomo Mesa area for the period of January 1, 2003 through December 31, 2003, shall not exceed a 2.3 percent increase in the number of existing dwelling units in 2002, resulting in the potential for a Maximum Annual Allocation of 135 new residences in the Nipomo Mesa for the year 2003." This limitation was approved by the Board of Supervisors, and limits the number of units that may be built in 2003.

D. Cumulative Impacts

The CEQA Deskbook defines Cumulative impacts as "two or more individual impacts that, when considered together are considerable or that compound or increase other environmental impacts." The District's SOI is a contributing factor to continued growth and development in the Nipomo area. However, it should be noted that Nipomo has grown significantly over the last two decades without the prior expansion of the District's Sphere of Influence. Typically, development projects were approved by the County for development and then approved by LAFCO and the District for inclusion into the District's SOI and service area. The growth in the area

has been driven by approvals at the County level. The approvals usually anticipate the project itself providing public services such as water and sewer. Major development approvals such as this include:

- Black Lake Development – within the District’s SOI/Service Area
- The Woodlands – outside the District’s SOI/Service Area
- Maria Vista – within the District’s SOI/Service Area
- Knollwood – within the District’s SOI/Service Area

The Cumulative Impact of the project on Population and Housing is difficult to predict because of the nature of a Sphere of Influence and the variables involved in the development of land. The Sphere is a plan for the probable physical boundaries of a jurisdiction’s service area. The Sphere does not in and of itself establish a land use. The County Board of Supervisors through the approval of General Plan Amendments, Specific Plans, Development Plans, and Minor Use Permits makes Land Use and zoning decisions for the Nipomo area. These decisions are subject to environmental review under CEQA.

While the District’s Sphere of Influence may provide public services for serving a particular area, it does not guarantee that the area will be annexed into the District. In order for an area to be annexed, the District must document that they have the resources (water and sewer) to serve a particular area. Annexation of a property into the NCSO also includes referrals to other agencies such as the County Planning Department and Agricultural Commissioners office. These agencies typically provide a consistency review with regard to applicable policies and regulations.

E. Mitigation Measures

In order to reduce the growth-inducing impacts to a less than significant level of impact the proposed eight Study Areas to included in the Sphere of Influence are recommended for reduction as shown in the Land Use Section (5.1) of this document. The following mitigation measures are from other sections of this DEIR and are applicable to reducing the impacts on Population and Housing:

Mitigation LU-1. The land use entitlement and/or annexation process for a particular property or specific proposed project shall address premature or “leapfrog” development, development outside the URL, potential growth-inducing impacts, availability of water and other public services.

Mitigation LU-2. The proposed Sphere of Influence be reduced from the eight Study Areas to include areas that are less likely to see an intensification of land use or premature development because of the provision of services from the Community Services District. It is recommended that certain portions of the eight Study Areas be excluded from the Sphere of Influence in order to reduce the potential for premature development or intensification of land uses. The maps and narrative in section 5.1 depict the recommended Sphere of Influence.

Mitigation LU-3. As shown in the table in 5.1-7, access to community sewer service allows for smaller minimum lot sizes and increased density in the Residential Multi-Family, Residential Single Family, and Residential Suburban land use categories. To decrease the potential growth inducing impacts the District shall not provide sewer service to Study Areas 5 (Residential Suburban zoning only), 7, and 8.

F. Residual Impacts

Implementation of the mitigation measures noted above will reduce potentially significant impacts related to inducing substantial growth in the area through the possible provision of public service infrastructure (water and sewer) to an insignificant level (Class II Impact).

Figure 5.2-4: Mitigated NCSO Sphere of Influence

