

# IV. Environmental Impact Analysis

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## I. Population and Housing

### 1. Introduction

This section evaluates the potential effects of the Project’s contribution to population and housing growth within the geographical boundaries of the City, accounting for population and housing policies established in the Central City North Community Plan (Community Plan). Project effects on these demographic characteristics are compared to adopted and growth forecasts and relevant policies and programs regarding planning for future development to determine whether the Project would be inconsistent with adopted growth forecasts in a way that could result in negative environmental effects associated with unplanned growth. Supporting documentation regarding calculations of cumulative population and housing growth is provided in **Appendix J** of this Draft EIR. To evaluate impacts related to population and housing associated with construction and operation of the Project, information from the U.S. Census Bureau’s American Community Survey (ACS) and the Southern California Association of Governments (SCAG)’s population, housing, and employment growth forecasts for the City were used. Potential growth-inducing impacts of the Project are further addressed in **Chapter V, Other CEQA Considerations**, of this Draft EIR.

### 2. Environmental Setting

#### a) Regulatory Framework

##### (1) State

(a) *California Government Code Section 65583 and 655849(a)(1) (AB-2158)*

Section 65583 of the California Government Code requires cities and counties to prepare a housing element, as one of seven state-mandated elements of the General Plan, with specific direction on its content. Pursuant to Section 65584(a)(1) the California Department of Housing and Community Development (HCD) reviews every local government’s housing element to determine whether it complies with state law. HCD is responsible for determining the regional housing needs assessment (segmented by income levels) for each region’s planning body known as a “council of governments” (COG), the Southern California Association of Governments (SCAG) being the COG

servicing the Southern California area. HCD prepares an initial housing needs assessment and then coordinates with each COG in order to arrive at the final regional housing needs assessment. To date, there have been four previous housing element update “cycles.” California is now in its fifth “housing-element update cycle.” The SCAG Regional Housing Needs Assessment (RHNA) and the City’s General Plan Housing Element are discussed further below.

(b) *Senate Bill 375*

Senate Bill 375 (Chapter 728, Statutes of 2008) was adopted by the State on September 30, 2008. Effective as of January 1, 2009, SB 375 directs local governments to modify their approach to regional planning and calls for the integration of transportation, land use, and housing in regional plans.

SB 375 requires the CARB to develop regional reduction targets for GHG emissions, and calls for the creation of regional plans to reduce those emissions from vehicle use through the development of more compact, complete, and efficient communities. The theory behind SB 375 is that if Californians spend less time and travel fewer miles in their vehicles, those vehicles would emit fewer GHGs. This can be done, in part, by locating growth in areas already devoted to urban uses that are readily accessible to transit. In accordance with SB 375, each of California’s 18 Metropolitan Planning Organizations, including SCAG, were required to develop a “Sustainable Community Strategy” (SCS) through integrated land use and transportation planning. Subsequently, SCAG adopted the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (2016-2040 RTP/SCS),<sup>1</sup> updated in September 2020 with the 2020-2045 RTP/SCS.<sup>2</sup> The SCS goals and policies that reduce VMT (and result in corresponding decreases in transportation-related fuel consumption) focus on transportation and land use planning and include building infill projects, locating residents closer to where they work and play, and designing communities with access to high quality transit service. Finally, SB 375 requires SCAG to “develop overall guidelines, create public participation plans, ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region.” Accordingly, consistency with SB 375 is demonstrated through consistency with the goals and policies of SCAG’s 2016-2040 RTP/SCS and 2020-2045 RTP/SCS. The Project’s consistency with the relevant goals and policies of the RTP/SCS is provided in **Table IV.G-1, Project Consistency with the Applicable Goals of the 2016-2040 RTP/SCS**, found in **Appendix H** of this Draft EIR and discussion of the 2020-2045 RTP/SCS is included below.

<sup>1</sup> Southern California Association of Governments, 2016-2040 RTP/SCS, April 2016.

<sup>2</sup> Southern California Association of Governments, 2020-2045 RTP/SCS, September 2020.

## (2) Regional

### (a) *Southern California Association of Governments*

The Project Site is located within the jurisdiction of SCAG, a Joint Powers Agency established under California Government Code Section 6502 et seq. Pursuant to federal and state law, SCAG serves as a Council of Governments, a Regional Transportation Planning Agency, and the Metropolitan Planning Organization (MPO) for Los Angeles, Orange, San Bernardino, Riverside, Ventura, and Imperial Counties. As part of its comprehensive planning process for the Southern California Region, SCAG's mandated responsibilities include developing plans and policies with respect to the region's population growth, transportation programs, air quality, housing, and economic development. Specifically, SCAG is responsible for preparing the Regional Comprehensive Plan (RCP), Regional Transportation Plan (RTP), and Regional Housing Needs Assessment (RHNA), in coordination with other state and local agencies. These documents include population, employment, and housing projections for the region and its 15 subregions. The Project Site is located within the City of Los Angeles subregion, which includes all areas within the boundaries of the City. The City of Los Angeles subregion also includes the City of San Fernando, and a portion of unincorporated Los Angeles County. However, the numbers discussed herein pertain to the City of Los Angeles only. SCAG's Local Profiles Report for the City of Los Angeles estimates 2018 population, housing, and employment numbers for the City.

SCAG is tasked with providing demographic projections for use by local agencies and public service and utility agencies in determining future service demands. Projections in SCAG's RTP/SCS serve as the basis for demographic estimates in this analysis of Project consistency with growth projections. The findings regarding growth in the region are consistent with the methodologies prescribed by SCAG and reflect SCAG goals and procedures.

In addition, SCAG establishes policies pertaining to regional growth and efficient development patterns to reduce development impacts on traffic congestion and related increases in air quality emissions. These policies are discussed in detail in **Section IV.G, Land Use and Planning**, of this Draft EIR.

### (b) *Regional Transportation Plan/Sustainable Communities Strategy*

In April 2016, SCAG's Regional Council adopted the 2016-2040 RTP/SCS. The 2016-2040 RTP/SCS presents the transportation vision for the region through the year 2040 and provides a long-term investment framework for addressing the region's transportation and related challenges. The 2016-2040 RTP/SCS contains baseline projections of population, households, and employment at the regional, county, and local jurisdictional

levels.<sup>3</sup> The 2016-2040 RTP/SCS identifies the amount of expected growth in the region and provides the expected distribution of that growth, which reflects goals cited in the 2016-2040 RTP/SCS. These goals seek to align the plan investments and policies with improving regional economic development and competitiveness; maximize mobility and accessibility; ensure travel safety and reliability for all people and goods in the region; preserve and ensure a sustainable regional transportation system; maximize productivity of the transportation system; protect the environment and health of our residents by improving air quality and encouraging active transportation (e.g., bicycling and walking); actively encourage and create incentives for energy efficiency, where possible; encourage land use and growth patterns that facilitate transit and non-motorized transportation; and maximize the security of the regional transportation system through improved system monitoring, rapid recovery planning, and coordination with other security agencies.

The 2016-2040 RTP/SCS recognizes the need to provide an integrated approach to protect, maximize the productivity of, and strategically expand the region's transportation system. An important component of this strategy is "Smart Land Use."<sup>4</sup> SCAG has been attempting to integrate land use and transportation by working with subregions and local communities to increase development densities and improve the jobs/housing balance. Smart land use strategies encourage walking, biking, and transit use, thereby reducing vehicular demand. This saves travel time, reduces pollution, and leads to improved health.<sup>5</sup>

A component of the SCAG strategy has been to focus new growth in High Quality Transit Areas (HQTAs), the Downtown Los Angeles area being an integral component of this strategy.<sup>6</sup> HQTAs are areas within one-half mile of a fixed guideway transit stop or bus transit corridor. While HQTAs account for only three percent of total land area in SCAG region, HQTAs will accommodate 46 percent and 55 percent of future household and employment growth respectively between 2012 and 2040.<sup>7</sup> Developments within HQTAs

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<sup>3</sup> *The Southern California Association of Governments provides population, housing, and employment estimates forecasted for 2020, 2035, and 2040 for regional, county, and city/jurisdictional geographies.*

<sup>4</sup> *Southern California Association of Governments, The 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Adopted April 2016, Figure 5.1, System Management Pyramid, p. 85.*

<sup>5</sup> *Southern California Association of Governments, The 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Adopted April 2016, Figure 5.1, System Management Pyramid, p. 16.*

<sup>6</sup> *Southern California Association of Governments, The 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Adopted April 2016, Figure 5.1, System Management Pyramid, p. 20.*

<sup>7</sup> *Southern California Association of Governments, The 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Adopted April 2016, Figure 5.1, System Management Pyramid, p. 75*

would produce high quality housing with consideration of urban design, construction, and durability, and result in increased ridership on important public transit investments. HQTAs would integrate land use and transportation to achieve SCAG's long-term goals for greater mobility, stronger economy, and more sustainable growth.<sup>8</sup>

On September 3, 2020, SCAG approved and adopted the Connect SoCal 2020–2045 RTP/SCS. The 2020–2045 RTP/SCS is currently pending certification by CARB. Similar to the 2016-2040 RTP/SCS, the newly adopted 2020-2045 RTP/SCS encompasses and builds upon and expands land use and transportation strategies established over several planning cycles to increase mobility options and achieve a more sustainable growth pattern. The plan lays out a strategy for the region to meet CARB greenhouse gas reduction targets at eight percent below 2005 per capita emissions levels by 2020, and 19 percent below 2005 per capita emissions levels by 2035. In addition, the plan anticipates a 25.7 percent decrease in time spent in traffic delay per capita and a five percent decrease in daily miles driven per capita from 2016 to 2045.

(c) *Regional Housing Needs Assessment*

SCAG prepares the Regional Housing Needs Assessment (RHNA) as mandated by state law as part of the periodic updating of the Housing Elements of General Plans by local jurisdictions. The RHNA identifies the housing needs for very low income, low income, moderate income, and above moderate income groups. The most recent RHNA allocation, the "5th Cycle RHNA Allocation Plan", was adopted by SCAG's Regional Council on October 4, 2012. This allocation identifies housing needs for the planning period between January 2014 and October 2021. Local jurisdictions are required by state law to update their General Plan Housing Elements based on the most recently adopted RHNA allocation.

(3) Local

(a) *City of Los Angeles General Plan*

The City of Los Angeles General Plan (General Plan) was prepared pursuant to state law to guide future development and to identify the community's environmental, social, and economic goals. The General Plan sets forth goals, objectives, and programs to provide a guideline for day-to-day land use policies and to meet the existing and future needs and desires of the community, while integrating a range of state-mandated elements including Transportation, Noise, Safety, Housing, and Open Space/Conservation. The General Plan also includes the General Plan Framework Element, discussed below, and the

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<sup>8</sup> *Southern California Association of Governments, The 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Adopted April 2016, Figure 5.1, System Management Pyramid, ps. 25 and 27.*

Central City North Community Plan, which guides land use at the community level for the area surrounding the Project Site.

(b) *City of Los Angeles General Plan Framework*

The City of Los Angeles General Plan Framework Element (Framework Element) establishes the conceptual basis for the City's General Plan. The Framework Element sets forth a Citywide comprehensive long-range growth strategy and defines Citywide policies regarding land use, housing, urban form, neighborhood design, open space and conservation, economic development, transportation, infrastructure, and public services. Framework Element land use policies are implemented at the community level through Community Plans and Specific Plans.

The Framework Element's Land Use Chapter designates Districts (i.e., Neighborhood Districts, Community Centers, Regional Centers, Downtown Centers, and Mixed-Use Boulevards) and provides policies applicable to each District that are intended to support the vitality of the City's residential neighborhoods and commercial districts. The Project Site is located within the Downtown Center which is generally characterized by a floor area ratio up to 13:1 and high rise buildings.<sup>9</sup>

The Housing Chapter of the Framework Element states that housing production has not kept pace with the demand for housing. According to the Housing Chapter, the City has insufficient vacant properties to accommodate the projected population growth and the supply of land zoned for residential development is the most constrained. The Housing Chapter states that new residential development will require the recycling and/or intensification of existing developed properties. The Housing Chapter further states that the City must strive to meet housing needs of the population in a manner that contributes to stable, safe, and livable neighborhoods, reduces conditions of overcrowding, and improves access to jobs and neighborhood services.<sup>10</sup> In particular, Policy 4.1.1 states that the City should "[p]rovide sufficient land use and density to accommodate an adequate supply of housing units by type and cost within each City subregion to meet the 20-year projections of housing needs." Objective 4.2 "[e]ncourage[s] the location of new multi-family housing development to occur in proximity to transit stations, along some transit corridors, and within some high activity areas with adequate transitions and buffers between higher- density developments and surrounding lower-density residential neighborhoods."<sup>11</sup>

<sup>9</sup> *City of Los Angeles, Department of City Planning, The Citywide General Plan Framework, Long-Range Land Use Diagram, Metro.*

<sup>10</sup> *City of Los Angeles, Department of City Planning, The Citywide General Plan Framework, Long-Range Land Use Diagram, Metro, ps. 4-1 to 4-2.*

<sup>11</sup> *City of Los Angeles, Department of City Planning, The Citywide General Plan Framework, Long-Range Land Use Diagram, Metro, ps. 4-4 and 4-6.*

The Economic Development Chapter of the Framework Element includes a number of policies regarding the provision of commercial land development. Policy 7.2.2 states that commercial development entitlements should be concentrated in areas best able to support them, including community and regional centers, transit stations, and mixed-use corridors, so as to prevent commercial development from encroaching on existing residential neighborhoods. Policy 7.2.3 encourages new commercial development in proximity to rail and bus transit corridors.

(c) *City of Los Angeles General Plan Housing Element*

The Housing Element of the General Plan (Housing Element) is prepared pursuant to state law and provides planning guidance in meeting the housing needs identified in SCAG's RHNA. The City's 2013-2021 Housing Element identifies the housing conditions and needs, establishes the goals, objectives, and policies that are the foundation of the City's housing and growth strategy, and provides an array of programs the City intends to implement to create sustainable, mixed-income neighborhoods. The 2013-2021 Housing Element is based on the 2012 RHNA and was adopted by the City Council on December 3, 2013.<sup>12</sup> Policies of note include Policy 1.1.3 that states the City should "[f]acilitate new construction and preservation of a range of housing types that address the particular needs of the city's households."<sup>13</sup> Also, Policy 1.1.4 states that the City should "[e]xpand opportunities for residential development, particularly in designated Centers, Transit Oriented Districts and along Mixed-Use Boulevards." The Housing Element carries forward the goals of the Framework Element Housing Chapter to encourage infill development and increase density in higher-intensity commercial and mixed-use districts, centers and boulevards, and in proximity to transit.<sup>14</sup>

In addition, Chapter 1, Housing Needs Assessment, identifies the City's share of the housing needs established in the RHNA. In particular, Table 1.29, City of Los Angeles RHNA Allocation, indicates that the City's needs assessment allocation includes 82,002 housing units of which 35,412 units, or 43.2 percent, would be for above moderate income households.<sup>15</sup> The remaining 56.8 percent of the needed housing units consist of 13,728 moderate-income units (16.8 percent), 12,435 low-income units (15.2 percent), 10,213 very low-income units (12.5 percent), and 10,213 extremely low-income units (12.5 percent). This allocation represents one-fifth of the total need of 412,721 housing units identified for the six-county SCAG region. The percentage increased from the previous

<sup>12</sup> *City of Los Angeles, Department of City Planning, Housing Element 2013-2021, Adopted December 3, 2013.*

<sup>13</sup> *City of Los Angeles, Department of City Planning, Housing Element 2013-2021, Adopted December 3, 2013, p. 6-6.*

<sup>14</sup> *City of Los Angeles, Department of City Planning, Housing Element 2013-2021, Adopted December 3, 2013, p. 4-13.*

<sup>15</sup> *City of Los Angeles, Department of City Planning, Housing Element 2013-2021, Adopted December 3, 2013, Housing Needs Assessment, Table 1.29, p. 1-79.*

housing needs cycle and City proportion, which was one sixth of the regional need. This shift in the proportion of the regional needs allocated to the City represents compliance with the SCS that encourages development into areas with high proportions of HQTAs.

The Housing Element also establishes quantifiable objectives to be achieved by October 2021 regarding the number of new housing units it anticipates being constructed. The Housing Element's objective for new housing is 59,559 units, of which 46,500 units would be for above moderate income units, 1,122 units would be for moderate-income families, 4,873 new units would be for low-income, 3,834 would be for very low-income and 1,730 would be for extremely low income.<sup>16</sup>

(d) *Central City North Community Plan*

The Land Use Element of the City's General Plan include 35 community plans. The community plans are intended to provide an official guide for future development and propose approximate locations and dimensions for land use. The community plans establish standards and criteria for the development of housing, commercial uses, and industrial uses, as well as circulation and service systems. The community plans implement the Framework Element at the local level. The community plans consist of both text and an accompanying generalized land use map. The community plans' texts express goals, objectives, policies, and programs to address growth in the community. The community plans' maps depict the desired arrangement of land uses as well as street classifications and the locations and characteristics of public service facilities. Per state law, each community plan must be consistent with the other elements and components of the General Plan and, thus, incorporates information from these elements and components.

The Project Site is located within the Central City North Community Plan (Community Plan) Area. The Community Plan includes residential and commercial objectives and policies that establish a development concept for its neighborhoods and districts. Key provisions regarding the preferred development in the Project vicinity include the following:

Residential Objectives and Policies

**Objective 1-1:** To provide for the preservation of existing housing and for the development of new housing to meet the diverse economic and physical needs of the existing residents and projected population of the Central City North Plan area to the year 2010.

<sup>16</sup> *City of Los Angeles, Department of City Planning, Housing Element 2013-2021, Adopted December 3, 2013, Table EES.1, p. c-xxi.*

**Objective 1-4:** To promote and insure the provision of adequate housing for all persons regardless of income, age, or ethnic background.

Policy 1-4.1: Promote greater individual choice in type, quality, prices, and location of housing.

Policy 1-4.2: Ensure that new housing opportunities minimizes displacement of the existing residents.

### Commercial Objectives and Policies

**Objective 2-1:** To conserve and strengthen viable commercial development in the community and to provide additional opportunities for new commercial development and services.

**Objective 2-2:** To attract uses which strengthen the economic base and expand market opportunities for existing and new businesses.

Policy 2-2.3: Require that the first floor street frontage of structures, including mixed use projects and parking structures located in pedestrian oriented districts, incorporate commercial uses.

#### (e) *DTLA 2040*

Currently, there is a joint update, called the DTLA 2040, of the Central City Community Plan and Central City North Community Plan, the two community plans that comprise Downtown Los Angeles. The updated plans are intended to shape the future of Downtown Los Angeles by reinforcing its job orientation and a supporting transit and pedestrian environment.<sup>17</sup> The DTLA 2040 is in progress, but once adopted will describe a collective vision for Downtown's future and include policies, plans and programs that frame the City's long-term priorities. By 2040, Downtown (area combined between the two plans) is projected to add approximately 125,000 people, approximately 70,000 housing units, and approximately 55,000 jobs. In its current draft stage, the DTLA 2040 designates the Project Site as Hybrid Industrial, which allows for hybrid industrial mixed uses, creative office, live/work, and production activity uses.<sup>18</sup>

<sup>17</sup> City of Los Angeles Department of Planning, *DTLA 2040 Website*, accessed: October 2018.

<sup>18</sup> The City of Los Angeles Department of Planning is currently preparing the Central City Community Plan Update, *DTLA2040 Website*, accessed: October 2018. For purposes of this Draft EIR, the analysis is limited to the designations under the currently adopted Community Plan because DTLA 2040 has not yet been adopted.

(f) *Green New Deal (Sustainable City pLAN 2019)*

The City released its first-ever sustainability plan, Sustainable City pLAN (the pLAN), on April 8, 2015.<sup>19</sup> The pLAN provides a roadmap achieving sustainability through short-term (by 2017) results and setting long-term (by 2025 and 2035) goals for a cleaner environment and stronger economy. The pLAN sets forth a goal of transforming Los Angeles into an environmentally healthy, economically prosperous, and equitable City over the next 20 years.

Key visions for long-term aspirations by 2035 regarding the preferred development in the Project vicinity include the following:

1. **Housing and Development:** We address LA's housing shortage, ensure that most new units are accessible to high-quality transit, and close the gap between incomes and rents.
2. **Urban Ecosystem:** We all have access to parks and open space, including a revitalized LA River Watershed.
3. **Livable Neighborhoods:** We all live in safe, vibrant, well-connected, and healthy neighborhoods.

The Housing & Development chapter of the Sustainability City pLAN includes the following goals:<sup>20</sup>

1. An increase of 100,000 new housing units by 2021, leading to 150,000 new housing units by 2025.
2. Reduction in the number of rent-burdened households by at least 15 percentage points by 2035.

## **b) Existing Conditions**

### **(1) Existing and Forecasted Population, Housing, and Employment Estimates for the City of Los Angeles**

The Project Site is located within the Central City Community Plan Area of the City. Project impacts at the citywide level are analyzed in this section with current and future

<sup>19</sup> *City of Los Angeles, Department of City Planning, Notice of Preparation of a Combined Draft Environmental Impact Report and Notice of Scoping Meeting for Updates to the Central City and Central City North Community Plans, and Amendments to the City of Los Angeles Municipal Code to Adopt a New Zoning Code for the Central City and Central City North Community Plan Areas (as Part of the Re:Code LA Project), February 6, 2017.*

<sup>20</sup> *City of Los Angeles, Sustainable City pLAN, April 8, 2015, p. 48.*

projected population, housing and employment estimates based on data included in the 2016-2040 RTP/SCS.<sup>21</sup> The 2016-2040 RTP/SCS prepares growth projections for populations, households, and employment for regional, county, local jurisdictional areas and transportation analysis zones (TAZs), which is a geographic unit for inventorying demographic data. The 2016-2040 RTP/SCS reports the demographic data for years 2012 and 2040. The 2016-2040 RTP/SCS forecasts represent the likely growth scenario for the Southern California region in the future, accounting for recent and past trends, reasonable key technical assumptions, and local or regional growth policies. The 2018 baseline population and the growth projections for 2023 (Project buildout year) and 2040 (SCAG projection horizon year) are shown in **Table IV.I-1, Population, Housing, and Employment Forecasts for the City of Los Angeles Subregion**, and discussed below.

**Table IV.I-1  
Population, Housing and Employment Forecasts  
for the City of Los Angeles Subregion**

| Area  | Population       | Housing Units    | Employment       |
|---|------------------|------------------|------------------|
| <b>City of Los Angeles</b>  |                  |                  |                  |
| SCAG Forecasts  |                  |                  |                  |
| 2018 <sup>a</sup>   | 4,059,665        | 1,480,426        | 1,871,484        |
| 2023 <sup>b</sup>   | 4,178,547        | 1,525,712        | 1,935,320        |
| 2040 <sup>c</sup>   | 4,609,400        | 1,690,300        | 2,169,100        |
| Change [Percent Change]   |                  |                  |                  |
| 2018 to 2023  | 118,882 [+2.9%]  | 45,286 [+3.1%]   | 63,836 [+3.4%]   |
| 2018 to 2040  | 549,735 [+13.5%] | 209,874 [+14.2%] | 297,616 [+15.9%] |
| <sup>a</sup> Project baseline year values source: Southern California Association of Governments, <i>Local Profiles Report 2018, Profile of the City of Los Angeles, May 2019, page 3</i> . Note that the Local Profiles Report value for employment is for 2017. Accordingly, the 2018 value was interpolated according to the compound growth rate described below in footnote b.<br><sup>b</sup> Project buildout year values were interpolated from the difference between the baseline year values and the SCAG projection horizon year values using a compound growth rate of 0.58 percent for population, 0.60 percent for housing, and 0.67 percent for employment. <sup>22</sup><br><sup>c</sup> SCAG projections horizon year values source:<br>Source (table): EcoTierra Consulting, May 2020. |                  |                  |                  |

(a) *Population*

As indicated in **Table IV.I-1**, the City population is expected to grow beyond its estimated 2018 population of 4,059,665 people by approximately 118,882 people (or 2.9 percent)

<sup>21</sup> As discussed in the regulatory setting above, on September 3, 2020, SCAG approved and adopted the Connect SoCal 2020–2045 RTP/SCS. It should be noted that the circulation of the NOP for the Project was on February 23, 2018, which was prior to the adoption of the 2020-2045 RTP/SCS, and therefore the analysis focuses on the Project's consistency with the 2016-2040 RTP/SCS.

<sup>22</sup> Formula for determining compound annual growth rate is  $CAGR = ((V_{final} / V_{begin}) ^ {1/t}) - 1$ ; where CAGR = compound growth rate,  $V_{final}$  = the final value,  $V_{begin}$  = the beginning value, and  $t$  = the time between the beginning and final values. So, in the 2018-2040 population example above:  $((4,609,400 \text{ people} / 4,059,665 \text{ people}) ^ {1/22 \text{ years}}) - 1 = 0.58 \text{ percent yearly population growth}$ .

by Project buildout in 2023. By 2040, the horizon year of SCAG projections, the City population is expected to grow by 549,735 people (or 13.5 percent) over 2018 baseline estimates.

(b) *Housing*

As indicated in **Table IV.I-1**, the number of housing units in the City is expected to grow beyond its estimated 2018 supply of 1,480,426 housing units by approximately 45,286 housing units (or 3.1 percent) by Project buildout in 2023. By 2040, the number of housing units in the City is expected to grow by 209,874 housing units (or 14.2 percent) over 2018 baseline estimates.

(c) *Employment*

As indicated in **Table IV.I-1**, the number of jobs in the City is expected to grow beyond its estimated 2018 supply of 1,871,484 jobs by approximately 63,836 jobs (or 3.4 percent) by Project buildout in 2023. By 2040, the number of jobs in the City is expected to grow by 310,128 (or 16.7 percent) over 2018 baseline estimates.

(2) **Project Site**

Currently, the approximately 1.03-acre Project Site is developed with a one single-story industrial warehouse occupying approximately 27,000 square feet of floor area and an associated surface parking lot. Accordingly, there is no generation of permanent population or housing units. Based on Los Angeles Unified School District (LAUSD) employee generation factors,<sup>23</sup> the estimated current employment at the Project Site is approximately 94 people as shown in **Table IV.I-2, Existing Project Site Employment**.

**Table IV.I-2  
Existing Project Site Employment**

| <b>Type of Development</b>   | <b>Size (sf)</b> | <b>Employee Generation Factor <sup>a</sup></b> | <b>Total Employees</b> |
|--|------------------|--|------------------------|
| Warehouse  | 26,740 sf        | 3.52 employees/1,000 sf                        | 94                     |
| <b>Total</b>   |                  |  | <b>94</b>              |
| <i>a School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2018, Table 14, p. 19.<br/>Source (table): EcoTierra Consulting, 2020.</i> |                  |  |                        |

<sup>23</sup> *School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2018, Table 14, p. 19.*

### 3. Project Impacts

#### a) Thresholds of Significance

In accordance with the *State CEQA Guidelines Appendix G* (Appendix G), the Project would have a significant impact related to aesthetics if it would:

- a) 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**
- b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere.**

The *L.A. CEQA Thresholds Guide* identifies the following criteria to evaluate population and housing impacts:

#### (1) Population and Housing Growth

- *The degree to which the project would cause growth (i.e., new housing or employment generators) or accelerate development in an undeveloped area that exceeds projected/ planned levels for the year of project occupancy/buildout, and that would result in an adverse physical change in the environment; or*
- *Whether the project would introduce unplanned infrastructure that was not previously evaluated in the adopted Community Plan or General Plan; and*
- *The extent to which growth would occur without implementation of the project.*

#### (2) Population and Housing Displacement

- *The total number of residential units to be demolished, converted to market rate, or removed through other means as a result of the proposed project, in terms of net loss of market-rate and affordable units; or*
- *The current and anticipated housing demand and supply of market rate and affordable housing units in the project area; or*
- *The land use and demographic characteristics of the project area and the appropriateness of housing in the area; and*
- *Whether the project is consistent with adopted City and regional housing policies such as the Framework and Housing Elements, HUD Consolidated Plan and CHAS policies, redevelopment plan, Rent Stabilization Ordinance, and the Regional Comprehensive Plan and Guide (RCP&G).*

The potential for the Project to result in impacts related to population and housing is based on the *State CEQA Guidelines* Appendix G thresholds and criteria identified in the *L.A. CEQA Thresholds Guide* that provide supplemental analysis to the Appendix G thresholds, where applicable. The City's threshold criteria above are considerations that were made as part of the analysis of the Appendix G thresholds for population and housing.

## b) Methodology

The analysis of population, housing, and employment impacts compares the Project's contribution to population, housing, and employment growth to citywide projections and policies regarding future development. The environmental impacts of the Project are based on whether the Project would cause growth exceeding that which is projected or planned for the Project area either directly through the provision of housing and employment or indirectly through the creation or expansion of infrastructure.

The Project's residential population was calculated based on the Central City North Community Plan area household demographics of approximately 2.42 persons per multi-family use household.<sup>24</sup> The number of employees was calculated using employee generation rates developed for a range of land uses by the Los Angeles Unified School District in their 2018 Developer Fee Justification Study of 2.71 employees/1,000 square-foot of retail/restaurant space and 4.79 employees/1,000 square-foot of office space.<sup>25</sup>

The projections of future population, housing, and employment in this section are based on interpolation of data provided in SCAG's 2016-2040 RTP/SCS.<sup>26</sup> As discussed in the regulatory setting above, on September 3, 2020, SCAG approved and adopted the Connect SoCal 2020–2045 RTP/SCS. It should be noted that the circulation of the NOP for the Project was on February 23, 2018, which was prior to the adoption of the 2020-2045 RTP/SCS, and therefore the analysis focuses on the Project's consistency with the 2016-2040 RTP/SCS. The 2016-2040 RTP/SCS forecasts represent the likely growth scenario for the Southern California region in the future, accounting for recent and past trends, key demographic and economic assumptions,<sup>27</sup> and local or regional growth policies.

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<sup>24</sup> Jack Tsao, *Data Analyst II*, Los Angeles Department of City Planning, July 31, 2019.

<sup>25</sup> School Works, Inc., *2018 Developer Fee Justification Study*, Los Angeles Unified School District, March 2018, Table 14, p. 19. *The Neighborhood Shopping Center rate was used for the proposed retail/restaurant use of the Project and the Standard Commercial Office rate was used for the proposed office space use of the Project.*

<sup>26</sup> Southern California Association of Governments, *2016-2040 Regional Transportation Plan/Sustainable Communities Strategies, Final Growth Forecast by Jurisdiction.*

<sup>27</sup> *Detailed technical assumptions can be found in: Southern California Association of Governments, 2016-2040 Regional Transportation Plan/Sustainable Communities Strategies, Demographics and Growth Forecast Appendix, Forecast Methodology and Assumptions, pages 14-20.*

The Project's generation of population, housing, and employment were compared to the growth projections in SCAG's 2016-2040 RTP/SCS for the City that were presented above in **Table IV.I-1, Population, Housing, and Employment Forecasts for the City of Los Angeles Subregion.**

### **c) Project Design Features**

No specific Project Design Features are proposed with regard to population and housing.

### **d) Analysis of Project Impacts**

As compared to the Project, the Increased Commercial Flexibility Option (Flexibility Option) would change a portion of the use of the second floor from residential to commercial, and would not otherwise change the Project's land uses or size. The overall commercial square footage provided would be increased by 22,493 square feet to 45,873 square feet and, in turn, there would be a reduction in the number of live/work units from 185 to 159 units. The overall building parameters would remain unchanged and the design, configuration, and operation of the Flexibility Option would be comparable to the Project. In the analysis of impacts presented below, where numerical differences exist because of the differences in project parameters between the Project and Flexibility Option, the analysis is presented separately. In addition, as discussed below, for certain thresholds, the impacts of the Project were addressed in the Initial Study (see **Appendix A.2** of this Draft EIR) and were determined to be less than significant, with no further analysis required. However, since the Flexibility Option was not specifically addressed in the Initial Study, the analysis of the Flexibility Option is presented in this section for those thresholds.

***Threshold a) Would the project 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)?***

Numerical differences exist for this threshold because of the differences in project parameters between the Project and Flexibility Option, therefore these analyses are presented separately.

#### **(1) Impact Analysis**

##### **(a) Project**

##### **(i) Construction**

During construction of the Project, there would be no direct impacts on population growth; however, construction activities would create short-term employment opportunities in the

construction field, which could indirectly increase the population and demand for housing in the vicinity of the Project Site. However, the employment patterns of construction workers in Southern California are such that it is not likely that they would relocate their households as a consequence of the construction employment associated with the Project. The construction industry differs from most other sectors in several ways:

- There is no regular place of work. Construction workers regularly commute to job sites that change many times over the course of a year. Their sometimes-lengthy daily commutes are facilitated by the off-peak starting and ending times of the typical construction workday.
- Many construction workers are highly specialized (e.g., crane operators, steel workers, masons) and move from job site to job site as dictated by the demand for their skills; and
- The work requirements of most construction projects are highly specialized. Workers remain at a job site only for the time frame in which their specific skills are needed to complete a particular phase of the construction process.

As a result, it is likely that the skilled workers anticipated to work on the Project already reside within the region and would not need to relocate as a result of employment. Furthermore, construction activity associated with the Project would not cause growth (i.e., new housing or employment generators) or accelerate development in an undeveloped area that exceeds projected/planned levels for the year of project occupancy/buildout not result in an adverse physical change in the environment. **Therefore, construction of the Project would not directly or indirectly induce substantial unplanned population growth and impacts would be less than significant.**

*(ii) Operation*

The Project would replace the existing warehouse and parking lot with a 197,355-square-foot mixed-use building containing 185 live/work units and 23,380 square feet of art-production and commercial space. In order to provide the most conservative estimate of employment generation for the Project, consistent with the traffic study assumptions, 3,900 square feet of the live/work units was designated as office space and included in the employment calculations. Development of the Project would create new housing and generate employees and residents in the area. The Project's estimated contributions to the residential population, housing supply, and employment are summarized below in **Table IV.I-3, Project Generation of Population, Housing, and Employment**. The projected Project-related increases are compared to growth projections in the SCAG

2016-2040 RTP/SCS for the City in **Table IV.I-4, Project Population, Housing, and Employment Impacts for the City of Los Angeles.**

**Table IV.I-3  
Project Generation of Population, Housing, and Employment**

| <b>Population and Housing</b>  |               |   |                            |
|--|---------------|---|----------------------------|
| <b>Total Housing Units</b>   |               | <b>Average Household Size <sup>a</sup></b>                | <b>Total Population</b>    |
| 185  |               | 2.42  | 448                        |
| <b>Employees</b>   |               |   |                            |
| <b>Proposed Uses</b>   | <b>Amount</b> | <b>Employment Generation Factor (per sf) <sup>b</sup></b> | <b>Number of Employees</b> |
| Live/Work Units  | 185 units     | --  | <10 <sup>c</sup>           |
| Commercial and Art Production Space  | 23,380 sf     | 2.71/ employees/1,000 sf                                  | 63                         |
| Office Space <sup>d</sup>  | 3,900 sf      | 4.79/ employees/1,000 sf                                  | 19                         |
| <i>Projected Employees Generated by Project</i>  |               |   | 92                         |
| <b>Existing Uses</b>   | <b>Amount</b> | <b>Employment Generation Factor (per sf) <sup>b</sup></b> | <b>Number of Employees</b> |
| Warehouse  | 26,740 sf     | 3.52 employees/1,000 sf                                   | 94                         |
| <b>Net New Employees Generated by Project</b>  |               |   | (2)                        |
| <i>Notes: sf = square feet</i>   |               |   |                            |
| <i>a The average household size reflects the City's Person Per Household Rate. Source: Jack Tsao, Data Analyst II, Los Angeles Department of City Planning, July 31, 2019.</i>   |               |   |                            |
| <i>b School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2018, Table 14, p. 19. The Neighborhood Shopping Center rate was used for the proposed retail/restaurant use of the Project and the Standard Commercial Office rate was used for the proposed office space use of the Project.</i>   |               |   |                            |
| <i>c The School Fee Justification Studies for Los Angeles Unified School District do not include employee generation factors for multi-family residential uses. The small number of employees (estimated at less than 10) was assumed to be required to provide management and maintenance for the residential uses (e.g., day porters, parking garage personnel, leasing office, janitorial, etc.).</i> |               |   |                            |
| <i>d In order to provide the most conservative estimate of employment generation for the Project, consistent with the traffic study assumptions, 3,900 square feet of the live/work units was designated as office space and included in the employment calculations.</i>  |               |   |                            |
| <i>Source (table): EcoTierra Consulting, 2020.</i>   |               |   |                            |

**Table IV.I-4  
Project Population, Housing, and Employment Impacts  
for the City of Los Angeles**

|                                | <b>Project Increase <sup>a</sup></b> | <b>SCAG Projected Growth <sup>b</sup></b> | <b>Project Percentage of Growth</b> |
|--------------------------------|--------------------------------------|---|-------------------------------------|
| <b>Population</b>              |                                      |   |                                     |
| 2018 – 2023 Buildout           | 448                                  | 118,882                                   | 0.4                                 |
| 2018 – 2040 Projection Horizon | 448                                  | 549,735                                   | 0.1                                 |
| <b>Housing Units</b>           |                                      |   |                                     |
| 2018 – 2023 Buildout           | 185                                  | 45,286                                    | 0.4                                 |
| 2018 – 2040 Projection Horizon | 185                                  | 209,874                                   | 0.1                                 |

**Table IV.I-4  
Project Population, Housing, and Employment Impacts  
for the City of Los Angeles**

|  | Project Increase <sup>a</sup> | SCAG Projected Growth <sup>b</sup> | Project Percentage of Growth |
|--|-------------------------------|------------------------------------|------------------------------|
| <b>Employment</b>  |                               |                                    |                              |
| 2018 – 2023 Buildout   | (2) / 92 <sup>c</sup>         | 63,836                             | 0 / 0.1                      |
| 2018 – 2040 Projection Horizon   | (2) / 92 <sup>c</sup>         | 310,128                            | 0 / <0.1                     |
| <i>a From <b>Table IV.I-3</b>.</i><br><i>b From <b>Table IV.I-1</b>.</i><br><i>c Based on the existing employment at the Project Site at the time of the publication of the NOP, the Project would result in a net decrease of 2 jobs at the Site compared to existing conditions; however, because the existing warehouse use has been vacated subsequent to the publication of the Project's NOP, in order to provide the most conservative estimate of employment impacts, this analysis assumes that there is no existing employment at the Project Site and the Project would result in an increase of 92 jobs.</i><br><i>Source (table): EcoTierra Consulting, 2020.</i> |                               |                                    |                              |

a. Direct Population Growth

Population growth can be a direct result of the creation of new housing and employment in an area. As shown in **Table IV.I-4**, the Project would create 185 new housing units, which, based on the City's average household size of 2.42 persons per multi-family household,<sup>28</sup> would generate an estimated 448 new residents. Based on SCAG's projected growth for the City, the Project's housing growth of 185 housing units would represent approximately 0.4 percent of the short-term housing growth projections and 0.1 percent of the long-term housing growth projections for the City. The Project's population growth of 448 residents would represent approximately 0.4 percent of the short-term population growth projections and 0.1 percent of the long-term population growth projections for the City. Because the Project would result in a net decrease of 2 jobs at the Project Site compared to existing conditions, the Project would account for 0 percent of the short-term and long-term employment growth projections for the City. As such, there would be no direct Project-related increase in employment. However, because the existing warehouse use has been vacated subsequent to the publication of the Project's NOP, in order to provide the most conservative estimate of employment impacts, this analysis assumes that there is no existing employment at the Project Site and the Project would result in an increase of 92 jobs (see employment generation in **Table IV.I-3** above). Under these assumptions, the Project's employment growth of 92 jobs would represent approximately 0.1 percent of the short-term employment growth projections and less than 0.1 percent of the long-term employment growth projections for the City. Accordingly, the

<sup>28</sup> Los Angeles Department of City Planning Demographic Research Unit, *Census 2010 Population by Housing Type, Central City North Community Plan Area*.

Project's direct growth in the City would not be substantial and would be within SCAG's planning projections for the City.

Furthermore, the Project would contribute toward the attainment of City and regional goals and policies to encourage transit oriented design and provide housing within the Downtown area. Project-related population growth would also support the attainment of SCAG policies by increasing population density in an area already well served by a considerable amount of transit options, including the Metro Gold Line subway, numerous Rapid and local bus routes, and local DASH service (as well as future services to be constructed under Metro's Regional Connector project<sup>29</sup> and the West Santa Ana Branch Transit Corridor project<sup>30</sup>) and in proximity to a broad array of retail and entertainment destinations that are accessible to pedestrians. The Project's development would support the attainment of the SCAG policies discussed in the Environmental Setting above by providing increased population density within an area that is targeted to provide high-density development along transit corridors.<sup>31</sup> The Project's mixed-use components and contributions to walkable communities would also contribute to the attainment of the SCAG policies. The Project's population growth would also contribute to an infill growth pattern that is encouraged locally in the City by the General Plan Framework and the Central City North Community Plan. Additionally, as previously discussed, the 2013–2021 Housing Element identifies the need for 82,002 new housing units citywide for the period of 2014 through 2021. The Housing Element also establishes quantifiable objectives for the provision of 59,559 units by October 2021. Furthermore, the Housing Element identifies the need for 10,213 Very Low Income units and sets the objective of 3,834 Very Low Income units by October 2021. The Project's 185 proposed live/work units, 20 of which would be deed-restricted for Very Low Income households, would contribute to meeting these housing allocations.

In addition, employment and housing data can be used to measure the jobs/housing ratio. The jobs/housing ratio is an indicator of the distribution of workers and residents. A balanced jobs/housing ratio indicates the opportunity is the greatest for people to live close to where they work, thus reducing vehicle miles traveled, therefore, improving the jobs/housing balance is one tool for reducing impacts on the environment. To the extent that ratios vary, communities are said to be jobs rich or housing rich and reflect employment centers and residential communities, respectively. The extent to which jobs

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<sup>29</sup> *Los Angeles County Metropolitan Transportation Authority, Regional Connector Transit Project Website.*

<sup>30</sup> *Los Angeles County Metropolitan Transit Authority, West Santa Ana Branch Transit Corridor Project Website.*

<sup>31</sup> *Southern California Association of Governments, 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, p. 8.*

rich areas and housing rich areas are spatially separated is an indication of additional commuter traffic that is necessary for workers to travel to/from their place of employment.

The jobs/housing ratio for the entire SCAG region is approximately 1.35.<sup>32</sup> That is, there are approximately 1.35 jobs for each household unit. Based on the 2018 employment and household estimates presented in **Table IV.I-1**, above, the 2018 jobs/housing ratio in the City was 1.26. The projected 2023 estimate is 1.4. The projected 2040 estimate is 1.28. As such, the jobs/housing ratio is expected to increase slightly, but remain largely stable. As the Project represents a very small percentage of 2023 and 2040 employment and housing within both the SCAG region and the City, the growth generated by the Project would have a negligible effect on the regional and Citywide jobs/housing ratios. However, the Project's generation of 92 employees and 185 live/work units at the Project Site would create a jobs/housing ratio of 0.50, which shows that the Project would be more housing-rich. Therefore, the Project would support the anticipated population trends and SCAG efforts to improve the jobs/housing balance of local communities in the region by providing more housing units than employees on the Project Site.

Based on the above, the Project's direct contribution to population growth would not be substantial and would be consistent with population growth projections for the City. In addition, the Project would support the local and regional population and housing growth policies for transit oriented design and would provide needed housing, including Very Low Income housing, within the City. Furthermore, the Project's contribution to employment growth would be consistent with employment growth projections for the City and would support efforts to improve the jobs/housing balance. As such, the Project's direct population growth would not be substantial or unplanned for the Downtown area. **Accordingly, impacts related to direct population growth under the Project would be less than significant and no mitigation measures would be required.**

b. Indirect Population Growth

As discussed in **Section IV.M, Utility and Service Systems**, of this Draft EIR, the Project would involve development in an urban area on an infill site with an established infrastructure system and would not require additional infrastructure related to water, wastewater, or solid waste. The proposed uses are compatible with the land uses within the Arts District community and within the Central City North Community Plan area and the Project would not involve the extension of roadways or infrastructure. Furthermore, the Project would be consistent with the Draft 2040 DTLA Community Plan designation

<sup>32</sup> *Southern California Association of Governments, 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Demographics & Growth Forecast Appendix, Adopted: April 2016. Based on 2015 employment of 8,006,000 as presented in Table 8, Regional Population and Employment by County, p. 18, and 5,947,000 households as presented in Table 4, Characteristics of Regional Households, p. 8.*

of Hybrid Industrial, which, as currently envisioned, places an emphasis on new construction that prioritizes space for employment, including light industrial, new industry, commercial, and vertically-integrated businesses, with a careful introduction of live-work uses. As such, the Project would not indirectly induce population growth. **Accordingly, impacts related to indirect population growth under the Project would be less than significant and no mitigation measures would be required.**

*(b) Increased Commercial Flexibility Option*

Under the Increased Commercial Flexibility Option, the commercial square footage provided would be increased to 45,873 square feet within the same building parameters and, in turn, there would be a reduction in the overall number of live/work units for a total of 159 units (Flexibility Option). Overall, the design, configuration, and operation of the Flexibility Option would be comparable to the Project.

*(i) Construction*

Similar to the Project, during construction of the Flexibility Option, there would be no direct impacts on population growth; however, construction activities would create short-term employment opportunities in the construction field, which could indirectly increase the population and demand for housing in the vicinity of the Project Site. However, as explained above, it is likely that the skilled workers anticipated to work on the Flexibility Option already reside within the region and would not need to relocate as a result of employment. As such, construction activity associated with the Flexibility Option would not cause growth (i.e., new housing or employment generators) or accelerate development in an undeveloped area that exceeds projected/planned levels for the year of project occupancy/buildout not result in an adverse physical change in the environment; and would not introduce unplanned infrastructure that was not previously evaluated in the adopted City General Plan. **Therefore, construction of the Flexibility Option would not directly or indirectly induce substantial unplanned population growth and impacts would be less than significant; no mitigation measures would be required.**

*(ii) Operation*

As with the Project, in order to provide the most conservative estimate of employment generation for the Flexibility Option, consistent with the traffic study assumptions, 3,600 square feet of the live/work units was designated as office space and included in the employment calculations. Development of the Flexibility Option would create new housing and generate employees and residents in the area. The Flexibility Option estimated contributions to the residential population, housing supply, and employment are summarized below in **Table IV.I-5, Flexibility Option Generation of Population,**

**Housing, and Employment.** The projected Flexibility Option-related increases are compared to growth projections in the SCAG 2016-2040 RTP/SCS for the City in **Table IV.I-6, Flexibility Option Population, Housing, and Employment Impacts for the City of Los Angeles.**

**Table IV.I-5  
Flexibility Option Generation of Population, Housing, and Employment**

| <b>Population and Housing</b>   |               |  |                            |
|---|---------------|--|----------------------------|
| <b>Total Housing Units</b>  |               | <b>Average Household Size<sup>a</sup></b>                | <b>Total Population</b>    |
| 159   |               | 2.42   | 385                        |
| <b>Employees</b>  |               |  |                            |
| <b>Proposed Uses</b>  | <b>Amount</b> | <b>Employment Generation Factor (per sf)<sup>b</sup></b> | <b>Number of Employees</b> |
| Live/Work Units   | 159 units     | --   | <10 <sup>c</sup>           |
| Commercial and Art Production Space   | 45,873 sf     | 2.71/ employees/1,000 sf                                 | 124                        |
| Office Space <sup>d</sup>   | 3,600 sf      | 4.79/ employees/1,000 sf                                 | 17                         |
| <i>Projected Employees Generated by Project</i>   |               |  | <b>151</b>                 |
| <b>Existing Uses</b>  | <b>Amount</b> | <b>Employment Generation Factor (per sf)<sup>b</sup></b> | <b>Number of Employees</b> |
| Warehouse   | 26,740 sf     | 3.52 employees/1,000 sf                                  | 94                         |
| <b>Net New Employees Generated by Project</b>   |               |  | <b>57</b>                  |
| <p><i>Notes: sf = square feet</i></p> <p><i>a The average household size reflects the Center City North Community Person Per Household Rate. Source: Jack Tsao, Data Analyst II, Los Angeles Department of City Planning, July 31, 2019.</i></p> <p><i>b School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2018, Table 14, p. 19. The Neighborhood Shopping Center rate was used for the proposed retail/restaurant use of the Project and the Standard Commercial Office rate was used for the proposed office space use of the Project.</i></p> <p><i>c The School Fee Justification Studies for Los Angeles Unified School District do not include employee generation factors for multi-family residential uses. The small number of employees (estimated at less than 10) was assumed to be required to provide management and maintenance for the residential uses (e.g., day porters, parking garage personnel, leasing office, janitorial, etc.).</i></p> <p><i>d In order to provide the most conservative estimate of employment generation for the Project, consistent with the traffic study assumptions, 3,600 square feet of the live/work units was designated as office space and included in the employment calculations.</i></p> <p><i>Source (table): EcoTierra Consulting, 2020.</i></p> |               |  |                            |

**Table IV.I-6  
Flexibility Option Population, Housing, and Employment Impacts  
for the City of Los Angeles**

|  | Project Increase <sup>a</sup> | SCAG Projected Growth <sup>b</sup> | Project Percentage of Growth |
|--|-------------------------------|------------------------------------|------------------------------|
| <b>Population</b>  |                               |                                    |                              |
| 2018 – 2023 Buildout   | 385                           | 118,882                            | 0.3                          |
| 2018 – 2040 Projection Horizon   | 385                           | 549,735                            | 0.1                          |
| <b>Housing Units</b>   |                               |                                    |                              |
| 2018 – 2023 Buildout   | 159                           | 45,286                             | 0.4                          |
| 2018 – 2040 Projection Horizon   | 159                           | 209,874                            | 0.1                          |
| <b>Employment</b>  |                               |                                    |                              |
| 2018 – 2023 Buildout   | 57 / 151 <sup>c</sup>         | 63,836                             | 0.1 / 0.2                    |
| 2018 – 2040 Projection Horizon   | 57 / 151 <sup>c</sup>         | 310,128                            | <0.1 <0.1                    |
| <p><i>a From <b>Table IV.I-3</b>.</i></p> <p><i>b From <b>Table IV.I-1</b>.</i></p> <p><i>c Based on the existing employment at the Project Site at the time of the publication of the NOP, the Flexibility Option would result in an increase of 57 jobs at the Project Site compared to existing conditions; however, because the existing warehouse use has been vacated subsequent to the publication of the Project's NOP, in order to provide the most conservative estimate of employment impacts, this analysis assumes that there is no existing employment at the Project Site and the Flexibility Option would result in an increase of 151 jobs.</i></p> <p><i>Source (table): EcoTierra Consulting, 2020.</i></p> |                               |                                    |                              |

a. Direct Population Growth

Population growth can be a direct result of the creation of new housing and employment in an area. As shown in **Table IV.I-6**, the Flexibility Option would create 159 new housing units, which, based on the City's average household size of 2.42 persons per multi-family household,<sup>33</sup> would generate an estimated 385 new residents. Based on SCAG's projected growth for the City, the Flexibility Option's housing growth of 159 units would represent approximately 0.4 percent of the short-term housing growth and 0.1 percent of the long-term housing growth projections for the City. The Flexibility Option's population growth of 385 residents would represent approximately 0.3 percent of the short-term population growth projections and 0.1 percent of the long-term population growth projections for the City. The Flexibility Option's net employment growth of 57 jobs would represent approximately 0.1 percent of the short-term employment growth projections and less than 0.1 percent of the long-term employment growth projections for the City. However, because the existing warehouse use has been vacated subsequent to the publication of the Project's NOP, in order to provide the most conservative estimate of employment impacts, this analysis assumes that there is no existing employment at the Project Site and the Flexibility Option would result in an increase of 151 jobs (see employment generation in **Table IV.I-5** above). Under these assumptions, the Flexibility

<sup>33</sup> Los Angeles Department of City Planning Demographic Research Unit, *Census 2010 Population by Housing Type, Central City North Community Plan Area*.

Option's employment growth of 151 jobs would represent approximately 0.2 percent of the short-term employment growth projections and less than 0.1 percent of the long-term employment growth projections for the City. Accordingly, the Flexibility Option's direct growth in the City would not be substantial and would be within SCAG's planning projections for the City.

Furthermore, the Flexibility Option would contribute toward the attainment of City and regional goals and policies to encourage transit oriented design and provide housing within the Downtown area. Flexibility Option-related population growth would also support the attainment of SCAG policies by increasing population density in an area already well served by a considerable amount of transit options, including the Metro Gold Line subway, numerous Rapid and local bus routes, and local DASH service (as well as future services to be constructed under Metro's Regional Connector project<sup>34</sup> and the West Santa Ana Branch Transit Corridor project<sup>35</sup>) and in proximity to a broad array of retail and entertainment destinations that are accessible to pedestrians. The Flexibility Option's development would support the attainment of the SCAG policies discussed in the Environmental Setting above by providing increased population density within an area that is targeted to provide high-density development along transit corridors.<sup>36</sup> The Flexibility Option's mixed-use components and contributions to walkable communities would also contribute to the attainment of the SCAG policies. The Flexibility Option's population growth would also contribute to an infill growth pattern that is encouraged locally in the City by the General Plan Framework and the Central City North Community Plan. Additionally, as previously discussed, the 2013–2021 Housing Element identifies the need for 82,002 new housing units citywide for the period of 2014 through 2021. The Housing Element also establishes quantifiable objectives for the provision of 59,559 units by October 2021. Furthermore, the Housing Element identifies the need for 10,213 Very Low Income units and sets the objective of 3,834 Very Low Income units by October 2021. The Flexibility Option's 159 proposed live/work units, 18 of which would be deed-restricted for Very Low Income households, would contribute to meeting these housing allocations.

In addition, employment and housing data can be used to measure the jobs/housing ratio. The jobs/housing ratio is an indicator of the distribution of workers and residents. A balanced jobs/housing ratio indicates the opportunity is the greatest for people to live close to where they work, thus reducing vehicle miles traveled, therefore, improving the jobs/housing balance is one tool for reducing impacts on the environment. To the extent

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<sup>34</sup> *Los Angeles County Metropolitan Transportation Authority, Regional Connector Transit Project Website.*

<sup>35</sup> *Los Angeles County Metropolitan Transit Authority, West Santa Ana Branch Transit Corridor Project Website.*

<sup>36</sup> *Southern California Association of Governments, 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, p. 8.*

that ratios vary, communities are said to be jobs rich or housing rich and reflect employment centers and residential communities, respectively. The extent to which jobs rich areas and housing rich areas are spatially separated is an indication of additional commuter traffic that is necessary for workers to travel to/from their place of employment.

The jobs/housing ratio for the entire SCAG region is approximately 1.35.<sup>37</sup> That is, there are approximately 1.35 jobs for each household unit. Based on the 2018 employment and household estimates presented in **Table IV.I-1**, above, the 2018 jobs/housing ratio in the City is 1.26. The projected 2023 estimate is 1.4. The projected 2040 estimate is 1.28. As such, the jobs/housing ratio is expected to increase slightly, but remain largely stable. As the Flexibility Option represents a very small percentage of 2021 and 2040 employment and housing within both the SCAG region and the City, the growth generated by the Flexibility Option would have a negligible effect on the regional and Citywide jobs/housing ratios. However, the Flexibility Option's generation of 151 employees and 159 live/work units at the Project Site would create a jobs/housing ratio of 0.95, which shows that the Flexibility Option would be balanced, with slightly more housing than jobs. Therefore, the Flexibility Option would support the anticipated population trends and SCAG efforts to improve the jobs/housing balance of local communities in the region by providing more housing units than employees on the Project Site, although to a lesser extent than the Project.

Based on the above, the Flexibility Option's direct contribution to population growth would not be substantial and would be consistent with population growth projections for the City. In addition, the Flexibility Option would support the local and regional population and housing growth policies for transit oriented design and would provide needed housing, including Very Low Income housing, within the City. Furthermore, the Flexibility Option's contribution to employment growth would be consistent with employment growth projections for the City and would support efforts to improve the jobs/housing balance. As such, the Flexibility Option's direct population growth would not be substantial or unplanned for the Downtown area. **Accordingly, impacts related to direct population growth under the Project would be less than significant and no mitigation measures would be required.**

#### b. Indirect Population Growth

The design, configuration, and operation of the Flexibility Option would be comparable to the Project. Therefore, similar to the Project, the Flexibility Option would not induce

<sup>37</sup> *Southern California Association of Governments, 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy, Demographics & Growth Forecast Appendix, Adopted: April 2016. Based on 2015 employment of 8,006,000 as presented in Table 8, Regional Population and Employment by County, p. 18, and 5,947,000 households as presented in Table 4, Characteristics of Regional Households, p. 8.*

substantial population growth by introducing unplanned infrastructure or accelerating development in an undeveloped area. The proposed uses are compatible with the land uses within the Arts District and within the Central City North Community Plan area and similar to the Project, the Flexibility Option would not involve the extension of roadways or infrastructure. Furthermore, as with the Project, the Flexibility Option would be consistent with the Draft 2040 DTLA Community Plan designation of Hybrid Industrial, as currently envisioned. **Accordingly, impacts related to indirect population growth under the Flexibility Option would be less than significant and no mitigation measures would be required.**

## (2) Mitigation Measures

Under both the Project and the Flexibility Option, impacts related to unplanned population growth would be less than significant; no mitigation would be required.

## (3) Level of Significance after Mitigation

Under both the Project and the Flexibility Option, impacts related to unplanned population growth would be less than significant without mitigation.

***Threshold b) Would the project displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?***

### (1) Impact Analysis

#### (a) Project

As discussed in the Initial Study (**Appendix A.2**), the Project Site consists of a warehouse and industrial uses, and does not contain any dwelling units and, therefore, no people. Because no housing or people would be displaced, the construction of replacement housing elsewhere would not be necessary. **Therefore, the Project would have no impact with respect to Threshold b), no mitigation would be required, and no further analysis is required.**

#### (b) Increased Commercial Flexibility Option

The Flexibility Option would be located on the same Site as the Project. Therefore, because the Project Site does not contain any dwelling units or people, the Flexibility Option would not displace substantial numbers of housing, necessitating the construction of replacement housing elsewhere. **Therefore, as with the Project, the Flexibility Option would have no impact with respect to Threshold b), and no mitigation measures are necessary.**

## (2) Mitigation Measures

Under both the Project and the Flexibility Option, no impacts related to displacement of people or housing would occur; no mitigation would be required.

## (3) Level of Significance after Mitigation

Under both the Project and the Flexibility Option, no impacts related to displacement of people or housing would occur.

# 4. Cumulative Impacts

Numerical differences exist regarding the impact analysis and impact significance determination presented below because of the differences in project parameters between the Project and Flexibility Option, therefore these analyses are presented separately.

## a) Impact Analysis

### (1) Project

The calculation of the cumulative number of housing units, population, and employees attributable to the Related Projects is provided in **Appendix J** of this Draft EIR. **Table IV.I-7, Total Cumulative Development (Project)**, presents a summary of cumulative growth associated with the 20 Related Projects identified in **Section III, Environmental Setting**, of this Draft EIR. As described in that section, the cumulative impact analysis in this Draft EIR is conservative, as it assumes that all Related Projects would be approved and built at currently proposed densities by the Project's buildout year of 2023. The Related Projects reflect a broad mix of development including residential, office, and retail uses, as well as miscellaneous uses including event spaces, theaters, and art spaces.

**Table IV.I-7  
Total Cumulative Development (Project)**

| <b>Development</b>             | <b>Housing Units</b> | <b>Population</b>   | <b>Employment</b>   |
|--------------------------------|----------------------|---------------------|---------------------|
| Related Projects <sup>a</sup>  | 5,306 <sup>b</sup>   | 12,841 <sup>b</sup> | 14,913 <sup>b</sup> |
| Project                        | 185                  | 448                 | 92 <sup>c</sup>     |
| <b>Total Cumulative Growth</b> | <b>5,491</b>         | <b>13,289</b>       | <b>15,005</b>       |

*a A list of Related Projects is provided in **Table III-1** of **Section III, Environmental Setting**, of this Draft EIR.*

*b The tabulation of Related Projects' population, housing, and employment generation is presented in **Appendix J** of this Draft EIR.*

*c Subsequent to the publication of the NOP, the existing warehouse has been vacated. In order to provide the most conservative estimate of employment impacts, this analysis assumes that there is no existing employment at the Project Site and the Project would result in a net increase of all of the 92 employees that would be generated by the Project.*

*Source (table): EcoTierra Consulting, 2020.*

**Table IV.I-8, Cumulative Project Population, Housing, and Employment Impacts in the City of Los Angeles (Project)**, compares projected cumulative growth within the City, inclusive of the Project, to 2018 RTP/SCS 2040 horizon year projections. Projections focus on the 2040 horizon year as opposed to the Project’s 2023 buildout date because SCAG projections incorporate regional policies and are based on long-term demographic trends that average out short-term variations, which may not be reflected in shorter-term 2023 projections.<sup>38</sup> In addition, California and the federal government require that SCAG and other regional planning agencies update their respective RTP/SCS every four years. Frequent updates allow SCAG to reflect land use and planning changes that have occurred since previous updates in order to present the most accurate long-term projections. Accordingly, the long-term projections, not the interim projections, are the most accurate reflections of the development changes within the region.

**Table IV.I-8  
Cumulative Project Population, Housing, and Employment Impacts  
in the City of Los Angeles (Project)**

|   | Cumulative Increase <sup>a</sup> | SCAG Projected Growth <sup>b</sup> | Cumulative Percentage of Growth |
|---|----------------------------------|------------------------------------|---------------------------------|
| Population  | 5,491                            | 549,735                            | 1.0                             |
| Housing Units   | 13,289                           | 209,874                            | 6.3                             |
| Employment  | 15,005                           | 310,128                            | 4.8                             |
| <i>a</i> From <b>Table IV.I-7</b> .<br><i>b</i> From <b>Table IV.I-1</b> .<br>Source (table): EcoTierra Consulting, 2020. |                                  |                                    |                                 |

As indicated in **Table IV.I-8**, the cumulative population growth of 5,491 people would represent 1.0 percent of SCAG’s population growth estimate for the City by the 2040 horizon year; the cumulative housing growth of 13,289 units would represent 6.3 percent of SCAG’s housing growth estimate; and the cumulative employment growth of 15,005 jobs would represent 4.8 percent of SCAG’s employment growth estimate. Accordingly, the cumulative growth would be within SCAG’s long-range projections for the City identified in the 2016-2040 RTP/SCS.

The smaller increase in population (1.0 percent) than housing units (6.3 percent) show that the City is generating more housing than population to help meet the existing housing deficit. Additionally, the increases in the number and variety of housing units and employment opportunities in the Project vicinity would provide housing and jobs in proximity to public transit, which would be consistent with regional and City policies to focus development in areas well served by public transit. The increase in housing stock in the City provides opportunities for residents to locate within an HQTAs and within

<sup>38</sup> Southern California Association of Governments, 2016 Regional Transportation Plan/Sustainable Communities Strategy, p. 13.

proximity to transit facilities, thereby reducing the demand for development in lower-density areas and achieving greater efficiency in the provision and use of services and infrastructure. The additional employment opportunities would increase the number of jobs adjacent to residential areas and public transit, which would support City and regional policies intended to reduce VMT. The new jobs would bolster the local economy and bring new jobs to a lower-density area with few existing jobs.

With regard to indirect growth, as with the Project, the Related Projects would not induce substantial population growth by introducing unplanned infrastructure or accelerating development in an undeveloped area. As discussed in **Section IV.M, Utility and Service Systems**, of this Draft EIR, the Related Projects would also involve development in urban areas on an infill sites with established infrastructure systems and would not require additional infrastructure related to water, wastewater, or solid waste. No extension of roadways or infrastructure are proposed under the Related Projects and any new infrastructure that would be required, such as service connections to local water and sewer network and electricity and natural gas utilities for the Related Projects would be sized to serve only the specific Related Project's on-site needs.

Based on the above, the Project, considered together with the Related Projects, would not induce substantial unplanned population growth directly through contributions to population, housing, or employment or indirectly through the extension of roads or infrastructure. Furthermore, based on the Project's individually insignificant contributions to population, housing, and employment growth in the City, the Project's contributions to cumulative growth would similarly be insignificant. **Therefore, cumulative impacts on population growth, housing, and employment would be less than significant and the Project's contribution would not be cumulatively considerable.**

## (2) Increased Commercial Flexibility Option

**Table IV.I-9, Total Cumulative Development (Flexibility Option)**, presents a summary of cumulative growth associated with the 85 Related Projects identified in **Section III, Environmental Setting**, of this Draft EIR. As described in that section, the cumulative impact analysis in this Draft EIR is conservative, as it assumes that all Related Projects would be approved and built at currently proposed densities by the Flexibility Option's buildout year of 2023.

**Table IV.I-9  
Total Cumulative Development (Flexibility Option)**

| <b>Development</b>  | <b>Housing Units</b> | <b>Population</b>   | <b>Employment</b>   |
|---|----------------------|---------------------|---------------------|
| Related Projects <sup>a</sup>   | 5,306 <sup>b</sup>   | 12,841 <sup>b</sup> | 14,913 <sup>b</sup> |
| Flexibility Option  | 159                  | 385                 | 151 <sup>c</sup>    |
| <b>Total Cumulative Growth</b>  | <b>5,465</b>         | <b>13,226</b>       | <b>15,064</b>       |
| <p><i>a A list of Related Projects is provided in <b>Table III-1 of Section III, Environmental Setting</b>, of this Draft EIR.</i></p> <p><i>b The tabulation of Related Projects' population, housing, and employment generation is presented in <b>Appendix J</b> of this Draft EIR.</i></p> <p><i>c Subsequent to the publication of the NOP, the existing warehouse has been vacated. In order to provide the most conservative estimate of employment impacts, this analysis assumes that there is no existing employment at the Project Site and the Flexibility Option would result in a net increase of all of the 151 employees that would be generated by the Flexibility Option.</i></p> <p><i>Source (table): EcoTierra Consulting, 2020.</i></p> |                      |                     |                     |

**Table IV.I-10, Cumulative Flexibility Option Population, Housing, and Employment Impacts in the City of Los Angeles (Flexibility Option)**, compares projected cumulative growth within the City, inclusive of the Flexibility Option, to the 2040 horizon year projections in the 2016-2040 RTP/SCS. As discussed above, projections focus on the 2040 horizon year as opposed to the Flexibility Option's 2023 buildout date because SCAG projections incorporate regional policies and are based on long-term demographic trends that average out short-term variations, which may not be reflected in shorter-term 2023 projections.<sup>39</sup> In addition, California and the federal government require that SCAG and other regional planning agencies update their respective RTP/SCS every four years. Frequent updates allow SCAG to reflect land use and planning changes that have occurred since previous updates in order to present the most accurate long-term projections. Accordingly, the long-term projections, not the interim projections, are the most accurate reflections of the development changes within the region.

**Table IV.I-10  
Cumulative Flexibility Option Population, Housing, and Employment Impacts  
in the City of Los Angeles (Flexibility Option)**

|   | <b>Cumulative Increase <sup>a</sup></b> | <b>SCAG Projected Growth <sup>b</sup></b> | <b>Cumulative Percentage of Growth</b> |
|---|---|---|--|
| Population  | 5,465                                   | 549,735                                   | 1.0                                    |
| Housing Units   | 13,226                                  | 209,874                                   | 6.3                                    |
| Employment  | 15,064                                  | 310,128                                   | 4.9                                    |
| <p><i>a From <b>Table IV.I-7</b>.</i></p> <p><i>b From <b>Table IV.I-1</b>.</i></p> <p><i>Source (table): EcoTierra Consulting, 2020.</i></p> |   |   |  |

As indicated in **Table IV.I-10**, the cumulative population growth of 5,465 people would represent 1.0 percent of SCAG's population growth estimate for the City by the 2040

<sup>39</sup> Southern California Association of Governments, 2016 Regional Transportation Plan/Sustainable Communities Strategy, p. 13.

horizon year; the cumulative housing growth of 13,226 units would represent 6.3 percent of SCAG's housing growth estimate for the City by the 2040 horizon year; and the cumulative employment growth of 15,064 jobs would represent 4.9 percent of SCAG's employment growth estimate. Accordingly, the cumulative growth would be within SCAG's long-range projections for the City identified in the 2016-2040 RTP/SCS.

As under the Project, the smaller increase in population (1.0 percent) and housing units (6.3 percent) show that the City is generating more housing than population to help meet the existing housing deficit. Additionally, the increases in the number and variety of housing units and employment opportunities in the Flexibility Option vicinity would provide housing and jobs in proximity to public transit, which would be consistent with regional and City policies to focus development in areas well served by public transit. The increase in housing stock in the City provides opportunities for residents to locate within an HQTAs and within proximity to transit facilities, thereby reducing the demand for development in lower-density areas and achieving greater efficiency in the provision and use of services and infrastructure. The additional employment opportunities would increase the number of jobs adjacent to residential areas and public transit, which would support City and regional policies intended to reduce VMT. The new jobs would bolster the local economy and bring new jobs to a lower-density area with few existing jobs.

With regard to indirect growth, as with the Flexibility Option, the Related Projects would not induce substantial population growth by introducing unplanned infrastructure or accelerating development in an undeveloped area. As discussed in **Section IV.M, Utility and Service Systems**, of this Draft EIR, the Related Projects would also involve development in urban areas on an infill sites with established infrastructure systems and would not require additional infrastructure related to water, wastewater, or solid waste. No extension of roadways or infrastructure are proposed under the Related Projects and any new infrastructure that would be required, such as service connections to local water and sewer network and electricity and natural gas utilities for the Related Projects would be sized to serve only the specific Related Project's on-site needs.

Based on the above, the Flexibility Option, considered together with the Related Projects, would not induce substantial unplanned population growth directly through contributions to population, housing, or employment or indirectly through the extension of roads or infrastructure. Furthermore, based on the Flexibility Option's individually insignificant contributions to population, housing, and employment growth in the City, the Flexibility Option's contributions to cumulative growth would similarly be insignificant. **Therefore, cumulative impacts on population growth, housing, and employment would be less than significant and the Flexibility Option's contribution would not be cumulatively considerable.**

## **b) Mitigation Measures**

Under both the Project and the Flexibility Option, cumulative impacts related to population and housing would be less than significant; no mitigation would be required.

## **c) Level of Significance after Mitigation**

Under both the Project and the Flexibility Option, cumulative impacts related to population and housing would be less than significant without mitigation.