

# IV. Environmental Impact Analysis

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## I. Population and Housing

### 1. Introduction

This section analyzes potential effects of the Project's contribution to population and housing growth within the geographical boundaries of the City of Los Angeles (City), accounting for population and housing policies established in the Central City 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, including calculations of cumulative population and housing growth, is provided in **Appendix M, Population, Housing, and Employment Data**, 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) population, housing, and employment growth forecasts for the City of Los Angeles (City) were used. Potential growth-inducing impacts of the Project are further addressed in **Section V, Other CEQA Considerations**, of this Draft EIR.

### 2. Environmental Setting

#### a) Regulatory Framework

There are several plan, policies, and programs regarding Population and Housing at the state, regional, and local levels. Described below, these include:

- Housing Element Law: California Government Code Sections 65583 and 65584(a)(1)
- The Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg)
- Housing Crisis Act of 2019 – (SB 330, Skinner)
- Fair Employment and Housing Act
- The Unruh Civil Rights Act
- Southern California Association of Governments
- Regional Transportation Plan/Sustainable Communities Strategy
- Regional Housing Needs Assessment
- City of Los Angeles General Plan, including:
  - Framework Element
  - Housing Element

- Community Plan
- Community Plan Update
- Green New Deal
- Greater Downtown Housing Incentive Area
- Los Angeles Municipal Code
- Affordable Housing Linkage Fee Ordinance
- Affordable Housing Trust Fund
- Residential Hotel Unit Conversion and Demolition Ordinance
- Rent Stabilization Ordinance
- Development Guidelines and Controls for City Center and Central Industrial Redevelopment Project Areas

## (1) State

### (a) *Housing Element Law: California Government Code Sections 65583 and 65584(a)(1)*

Section 65583 of the California Government Code requires cities and counties to prepare a housing element, as one of the 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) 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), SCAG being the COG serving 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.” SCAG’s ‘s RHNA and the City’s General Plan Housing Element are discussed further below.

### (b) *The Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg)*

SB 375 focuses on aligning transportation, housing, and other land uses to achieve regional greenhouse gas (GHG) emission reduction targets established under the California Global Warming Solutions Act, also known as Assembly Bill (AB) 32. SB 375 requires Metropolitan Planning Organizations (MPO) to develop a Sustainable Communities Strategy (SCS) as part of the Regional Transportation Plan (RTP), with the purpose of identifying policies and strategies to reduce per capita passenger vehicle-generated GHG emissions. As set forth in SB 375, the SCS must: (1) identify the general location of land uses, residential densities, and building intensities within the region; (2) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period; (3) identify areas within the region sufficient to house an eight-year projection of the regional housing need; (4) identify a transportation network to service the regional transportation needs; (5) gather and consider the best practically available scientific information regarding resource areas and farmland in the region; (6) consider the state housing goals; (7) establish the land use development pattern for the region that, when integrated with the transportation network and other

transportation measures and policies, will reduce GHG emissions from automobiles and light-duty trucks to achieve GHG emission reduction targets set by the California Air Resources Board (CARB), if there is a feasible way to do so; and (8) comply with air quality requirements established under the Clean Air Act.

Existing law requires local governments to adopt a housing element as part of their general plan and update the housing element as frequently as needed and no less than every five years. Under SB 375, this time period has been lengthened to eight years and timed so that the housing element period begins no less than 18 months after adoption of the RTP, to encourage closer coordination between housing and transportation planning. SB 375 also changes the implementation schedule required in each housing element. Previous law required the housing element to contain a program that set forth a five-year schedule to implement the goals and objectives of the housing element. The new law instead requires this schedule of actions to occur during the eight-year housing element planning period, and requires that each action have a timetable for implementation. SB 375 also requires that the schedules for the RTP and RHNA processes be synchronized and requires the RHNA to allocate housing units within the region in a manner consistent with the development pattern adopted by the SCS.

As discussed further below, on September 3, 2020, SCAG adopted its Connect SoCal: The 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy (2020-2045 RTP/SCS), which is an update to the previous 2016-2040 RTP/SCS.<sup>1</sup> Using growth forecasts and economic trends, the 2020-2040 RTP/SCS provides a vision for transportation throughout the region for the next 25 years that achieves the statewide reduction targets; and in so doing identifies the amount and location of growth expected to occur within the region.

(c) *Housing Crisis Act of 2019 – (SB 330, Skinner)*

On October 9, 2019, Governor Newsom signed into law the Housing Crisis Act of 2019 (SB 330). SB 330 seeks to speed up housing production in the next half decade by eliminating some of the most common entitlement impediments to the creation of new housing, including delays in the local permitting process and cities enacting new requirements after an application is complete and undergoing local review—both of which can exacerbate the cost and uncertainty that sponsors of housing projects face. In addition to speeding up the timeline to obtain building permits, the bill prohibits local governments from reducing the number of homes that can be built through down-planning or down-zoning or the introduction of new discretionary design guidelines. The bill is in effect as of January 1, 2020, but is temporary in nature as the bill's provisions expire on January 1, 2025.

(d) *Fair Employment and Housing Act (FEHA)*

The Fair Employment and Housing Act (FEHA) of 1959 (Government Code Section 12900 et seq.) prohibits housing discrimination on the basis of race, color, religion, sexual orientation, marital status, national origin, ancestry, familial status, disability, or source of income.

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<sup>1</sup> *Southern California Association of Governments, 2020-2045 RTP/SCS.*

(e) *The Unruh Civil Rights Act*

The Unruh Civil Rights Act of 1959 (Civil Code Section 51) prohibits discrimination in “all business establishments of every kind whatsoever.” The provision has been interpreted to include businesses and persons engaged in the sale or rental of housing accommodations.

(2) **Regional**

(a) *Southern California Association of Governments*

The City of Los Angeles 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, as discussed above, 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. 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 RTP/SCS and 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 City of Los Angeles is located within the Los Angeles Subregion.

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 the SCAG 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.

SCAG data is periodically updated to reflect changes in development activity and actions of local jurisdictions (e.g. zoning changes). Through these updates, public agencies have advance information regarding changes in growth that must be addressed in planning for their provision of services. Changes in the growth rates are reflected in the new projections for service and utilities planning through the long-term time horizon.

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

Pursuant to Government Code Section 65080(b)(2)(B), SCAG must prepare a RTP/SCS which (1) identifies the general location of uses, residential densities, and building intensities within the region; (2) identify areas within the region sufficient to house all the population of the region over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment growth; (3) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Government Code Section 65584; (4) identify a transportation network to service the transportation needs of the region; (5) gather and consider the best practically available scientific information regarding resource areas and farmland in the region;

and (6) consider the state housing goals specified in Sections 65580 and 65581, (7) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the GHG emissions from automobiles and light trucks to achieve the GHG reduction targets approved by the state board, and (8) allow the RTP to comply with air quality conformity requirements under the federal Clean Air Act.

On September 3, 2020, SCAG’s Regional Council adopted the Connect SoCal 2020–2045 RTP/SCS. On October 30, 2020, CARB accepted SCAG’s determination that the SCS would achieve GHG emission reduction targets. The 2020-2045 RTP/SCS meets federal and state requirements and is a long-range visioning plan that balances future mobility and housing needs with economic, environmental, and public health goals. The RTP/SCS contains baseline socioeconomic projections that serve as the basis for SCAG’s transportation planning. It includes projections of population, households, and employment forecasted for the years 2020, 2030, 2035, and 2045 at the regional, county, and local jurisdictional levels, and Traffic Analysis Zones (TAZ) that provide small area data for transportation modeling.<sup>2</sup> However, TAZ-level projections are utilized by SCAG for regional modeling purposes and are not adopted as part of Connect SoCal nor included as part of the Forecasted Regional Development Pattern.<sup>3</sup>

### (c) *Regional Housing Needs Assessment*

SCAG prepares the RHNA mandated by State law so that local jurisdictions can use this information during their periodic update of the General Plan Housing Element. The RHNA identifies the housing needs for very low income, low income, moderate income, and above moderate-income groups, and allocates these targets among the local jurisdictions that comprise SCAG. The RHNA addresses existing and future housing needs. The existing need for housing is determined using data from the most recent U.S. Census. The future need for housing is determined using data on forecasted household growth, historical growth patterns, job creation, household formation rates, and other factors. The need for new housing is distributed among income groups so that each community moves closer to the regional average income distribution. The most recent RHNA allocation, the “6<sup>th</sup> Cycle RHNA Allocation Plan,” was approved by the State Department of Housing and Community Development on March 22, 2021.<sup>4</sup> The City of Los Angeles was assigned a RHNA of 456,643 units for the 2021 to 2029 planning period. This allocation identifies housing needs for the planning period between October 2021 through October 2029. Local jurisdictions are required by State law to update their General Plan Housing Elements based on the most recently adopted RHNA allocation.

<sup>2</sup> *Southern California Association of Governments, Connect SoCal, The 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy, Adopted September 2020, Demographics & Growth Appendix.*

<sup>3</sup> *Southern California Association of Governments, Connect SoCal, The 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy, Adopted September 2020, Demographics & Growth Appendix, page 27.*

<sup>4</sup> *Southern California Association of Governments, Regional Housing Needs Assessment, 2021, <https://scag.ca.gov/rhna>. Accessed December 2021.*

### (3) Local

#### (a) *City of Los Angeles General Plan*

The City 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 at the same time integrating a range of State-mandated elements including Transportation, Noise, Safety, Housing, Open Space/Conservation, and Environmental Justice. The General Plan also includes the General Plan Framework Element (General Plan Framework), discussed below, and the Community Plan, which guides land use at the level of the community plan area.

#### (i) *General Plan Framework Element*

The General Plan Framework (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.<sup>5</sup> General Plan Framework land use policies are implemented at the community level through the City's Community Plans and Specific Plans.

The General Plan Framework also includes population, housing, and employment projections to guide future Community Plan amendments. However, the General Plan Framework makes clear that its population forecasts are estimates for guiding amendments: "... it [Framework Element] is not dependent upon these population levels or distributions for its implementation. It does not mandate specific levels of growth for any specific area (neither minimums nor caps)."<sup>6</sup>

The General Plan Framework housing chapter states that housing production has not kept pace with the demand for housing. According to the General Plan Framework, the City has insufficient vacant properties to accommodate the projected population growth and the supply of land zoned for residential development is constrained.<sup>7</sup> The Housing Chapter states that new residential development will require the recycling and/or intensification of existing developed properties.<sup>8</sup> The General Plan Framework states that the City must strive to meet the 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, particularly by encouraging future housing development near transit corridors and stations.<sup>9</sup> The Housing Chapter includes goals, objectives and policies to guide future development.<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

<sup>5</sup> *City of Los Angeles, The Citywide General Plan Framework, An Element of the City of Los Angeles General Plan, 1995, <http://cityplanning.lacity.org/cwd/framwk/contents.htm>. Accessed December 2021.*

<sup>6</sup> *City of Los Angeles, The Citywide General Plan Framework, page 2-2.*

<sup>7</sup> *City of Los Angeles, The Citywide General Plan Framework, Housing Chapter, page 4-1.*

<sup>8</sup> *City of Los Angeles, The Citywide General Plan Framework, Housing Chapter, page 4-1.*

<sup>9</sup> *City of Los Angeles, The Citywide General Plan Framework, Housing Chapter, page 4-2.*

<sup>10</sup> *City of Los Angeles, The Citywide General Plan Framework, Housing Chapter, pages 4-4 and 4-6.*

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.”

(ii) *General Plan Housing Element*

The General Plan Housing Element (Housing Element) is prepared pursuant to State law and provides planning guidance in meeting the housing needs identified in SCAG’s RHNA. The Housing Element identifies the City’s housing conditions and needs, establishes the goals, objectives, and policies that are the foundation of the City’s housing and growth strategy, and provides the array of programs the City intends to implement to create sustainable, mixed-income neighborhoods. The 2013-2021 Housing Element, an update to the previous 2006-2014 Housing Element that is based on the updated 2012 RHNA, was adopted by the City Council on December 3, 2013.<sup>11</sup> Policies to 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>12</sup> Also, Policy 1.3.5 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 the City to meet the projections of housing needs, according to the policies and objectives of the City’s Framework Element of the General Plan.”<sup>13</sup> The Housing Element carries forward the goals of the Framework Element Housing chapter to encourage the development of livable neighborhoods and preservation of the housing supply.

Further, 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 Regional Housing Needs Assessment Allocation, indicates that the City’s needs assessment allocation includes 82,002 housing units.<sup>14</sup> The identified housing needs represent targets to be met and do not establish development caps. The allocation of 82,002 housing units 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 housing needs cycle and City proportion, which was one-sixth of the regional need for the same types of units.

The Housing Element also establishes quantifiable objectives regarding the number of new housing units it anticipates being constructed. The Housing Element’s objective for new housing is 59,559 units.<sup>15</sup>

(iii) *Community Plan*

The Land Use Element of the City’s General Plan includes 35 community plans. 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

<sup>11</sup> *City of Los Angeles, Housing Element 2013-2021.*

<sup>12</sup> *City of Los Angeles, Housing Element 2013-2021, Chapter 6, page 6-6.*

<sup>13</sup> *City of Los Angeles, Housing Element 2013-2021, Chapter 6, page 6-8.*

<sup>14</sup> *City of Los Angeles, Housing Element 2013-2021, page 1-79.*

<sup>15</sup> *City of Los Angeles, Housing Element 2013-2021, page c-xxi.*

the development of housing, commercial uses, and industrial uses, as well as circulation and service systems. The community plans implement the City's General Plan Framework 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 plans. The Community Plan includes residential, commercial, and industrial objectives and policies that establish a development concept for its neighborhoods and districts.

(iv) *Community Plan Update - DTLA 2040 Plan*

The Department of City Planning is in the process of drafting updates to the 35 Community Plans, which provide a collective vision for each Community Plan Area. Although a Community Plan Update may not be formally adopted by the City Council it nonetheless discussed here to inform the public regarding future plans for the Community Plan Area. Once adopted, a Community Plan Update will supersede the existing Community Plan for the respective Community Plan Area. Until adopted, the existing Community Plan continues to represent the applicable land use element of the City's General Plan, including for purposes of a project's impact analysis.

The current Community Plan update is a joint update of the Central City Community Plan and Central City North Community Plan that will provide a collective vision for the Downtown area. Titled the DTLA 2040 Plan, it is intended to shape the future of Downtown Los Angeles by reinforcing its job orientation and a supporting transit and pedestrian environment.<sup>16</sup> Once adopted, the DTLA 2040 Plan will include policies, plans and programs that frame the City's long-term priorities. According to the Draft DTLA 2040 Plan projections, approximately 125,000 residents, 70,000 housing units, and 55,000 jobs will be added to the Downtown area. In its current draft stage, DTLA 2040 Plan designates the Project Site as Transit Core, which is described as a dense center of activity built around regional transit hubs that provide easy access for pedestrians, transit users, and cyclists to a variety of experiences and activities. Transit core areas are intended to provide a high-energy urban experience, with towers activated by ground-floor retail that engages and invites pedestrians; buildings with high-quality design that provide visual interest; and enhanced streetscapes, paseos, and alleys that create a seamless network of walkable paths that balance the high-intensity built environment. The Transit Core designation would allow for development of multi-family residential, regional retail and services, office, hotel, and entertainment uses.<sup>17</sup> The DTLA land use designations also include corresponding zoning that specifies Form, Use, Density, and Special Districts (if applicable). Form Districts establish the size of buildings in a neighborhood, Use Districts list the uses allowed in an area, and Density Districts establish the number of units allowed on a lot. The corresponding Form District for the Project Site is HUB2, which allows for High-Unspecified-Broad building bulk and mass. The Project Site Use District is XC1, which allows for a variety of residential, public and institutional,

<sup>16</sup> *City of Los Angeles Department of Planning, DTLA 2040 Website, accessed: October 2020.*

<sup>17</sup> *City of Los Angeles, Department of Planning, Draft Downtown Community Plan, June 2019, page 13.*

general commercial, and some limited light industrial uses. The Density District is FA, which limits the number of units by floor area as opposed to lot size.

For purposes of this Draft EIR, the analysis is limited to the designations under the currently adopted Community Plan because the DTLA 2040 Plan has not yet been adopted.

*(b) Green New Deal*

In April 2019, Mayor Eric Garcetti released the Green New Deal (Sustainable City pLAN 2019), a program of actions designed to create sustainability-based performance targets through 2050 in order to advance economic, environmental, and equity objectives.<sup>18</sup> L.A.'s Green New Deal is a mayoral initiative rather than an adopted plan and is the first four-year update to the City's first Sustainable City pLAN that was released in 2015. It augments, expands, and elaborates in even more detail the City's vision for a sustainable future and it tackles the climate emergency with accelerated targets and new aggressive goals. The Housing & Development Chapter of the Green New Deal includes the following targets for the number of new housing units to be provided within the City:

- Ensure 57 percent of new housing units are built within 1,500 feet of transit by 2025; and 75 percent by 2035.
- Increase cumulative new housing unit construction to 150,000 by 2025; and 275,000 units by 2035.
- Create or preserve 50,000 income-restricted affordable housing units by 2035 and increase stability for renters.

*(c) Greater Downtown Housing Incentive Area*

The Greater Downtown Housing Incentive Area was established by Ordinance No. 179,076, effective September 23, 2007. Ordinance No. 179,076 was approved for the purpose of encouraging urban in-fill development in HQTAs; and it modified several code sections for projects within the Greater Downtown area. Among its provisions, it added a requirement that all projects comply with the Urban Design Standards and Guidelines;<sup>19</sup> it eliminated maximum unit per lot area density limits (within floor area ratio [FAR] limits); and amended the lot area criteria for purposes of calculating project density.

*(d) Los Angeles Municipal Code (LAMC)*

Zoning regulations provide for the types and densities of commercial, institutional, industrial, and residential uses permitted in each of the City's zones. Zoning in the City establishes the maximum allowable development in a zone. Zoning also includes height limitations and other development standards which together regulate setbacks, building heights, floor area ratios (FAR), open space and parking for each parcel within the City, as applicable.

<sup>18</sup> *City of Los Angeles, LA's Green New Deal, Sustainability pLAN 2019.*

<sup>19</sup> *Los Angeles Municipal Code Section 12.22, Subdivision 30.*

The Los Angeles Municipal Code (LAMC) is currently undergoing a comprehensive update to all Zoning Code sections as part of the re:code LA effort. re:code LA, which started in 2013, will update the Zoning Code to make the Code more streamlined, visual, and easy to use. The existing Zoning Code will continue to be located in Chapter 1 of the LAMC, while the New Zoning Code will be located in a new Chapter 1A of the LAMC.

*(e) Affordable Housing Linkage Fee (AHLF) Ordinance*

The City Council adopted the Affordable Housing Linkage Fee (AHLF) Ordinance on December 13, 2017, and became effective on February 17, 2018, with a phased-in fee structure. The AHLF Ordinance places a fee on certain new market-rate residential and commercial developments to generate local funding for affordable housing. The fee amount is based on the fee schedule in effect at the time the building permit for a project is issued, and the market area within which it is located. Fees will be adjusted annually for inflation beginning July 1, 2019, using the Consumer Price Index. The market areas may be updated by City Council every five years beginning July 1, 2023.

*(f) Affordable Housing Trust Fund*

The City created and administers the Affordable Housing Trust Fund (Fund), which is codified in the LAMC. The Fund establishes a special fund for the purposes of receiving and disbursing monies to address the affordable housing needs of the City. The Fund requires 25 percent of the received initial and continuing net revenue of the 2001 business tax and payroll expense tax amnesty program and the revenue program of the Revenue and Taxation Code Section 1955.1 (AB 63) be allocated to the Fund.

*(g) Residential Hotel Unit Conversion and Demolition Ordinance*

Per LAMC 47.71, the Residential Hotel Unit Conversion and Demolition Ordinance (RHO) prohibits conversion or demolition of dwelling units in a residential hotel without approval from the Housing + Community Investment Department (HCIDLA). The ordinance adds Article 7.1 to Chapter IV of the LAMC and amends Sections 91.106.4.1, 151.06, and 151.09. The ordinance seeks to preserve dwelling units provided by residential hotels, which often serve as affordable housing for the very low income, elderly, and disabled.

*(h) Rent Stabilization Ordinance (RSO)*

The City's Rent Stabilization Ordinance (RSO) was established in response to the shortage of affordable housing in Los Angeles and went into effect May 1, 1979. The RSO's purpose is to regulate rents so as to safeguard tenants from excessive rent increases, while at the same time providing landlords with just and reasonable returns from their rental units. The RSO addresses allowable rent increases, the registration of rental units, legal reasons for eviction, and the causes for eviction requiring relocation assistance payment to the tenant. Properties subject to the RSO are those that are within the City limits, contain two or more units, and have a Certificate of Occupancy prior to October 1, 1978, as well as replacement units under LAMC Section 151.28. A complaint can be filed by any tenant who believes that an owner, manager, or agent has

committed a violation of the RSO. The Housing and Community Investment Department oversees and enforces the RSO. The RSO comprises Chapter XV of the LAMC.

In 2017, two ordinances amending the RSO went into effect. The “Ellis Amendments” (Ordinance No. 184873) amended the RSO requirements for demolition or permanent withdrawal of RSO units. The amendments provide clarification on the applicability of RSO to both vacant and occupied units, the unit withdrawal process, and relocation service requirements. In addition, the amendments require that property owners file annual status reports on withdrawn properties and allow landlords to qualify for an exemption on newly constructed units where RSO units are demolished by providing a certain amount of affordable housing. The second amendment (Ordinance No. 184822) addresses relocation assistance for unpermitted rental units and requires that eviction notices must list one of the permitted RSO eviction reasons.

(i) *Development Guidelines and Controls for Residential Hotels in the City Center and Central Industrial Redevelopment Project Areas*

The City Center and Central Industrial Redevelopment Project Areas currently have development guidelines and controls for residential hotel preservation. The Development Guidelines protect and preserve existing affordable housing by mitigating the hardship caused by displacement of low-income households. These Development Guidelines guarantee a one for one replacement of residential hotel units when a residential hotel is proposed for conversion or demolition within the City Center and Central Industrial Project Areas.

As detailed in **Section IV.G, Land Use**, of this Draft EIR, the Project Site is located within the *City Center Redevelopment Project* (Redevelopment Project) area, as adopted on May 15, 2002, by the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA). Following a lawsuit filed against the Redevelopment Project (*Wiggins v. Board of Directors of the Community Redevelopment Agency of the City of Los Angeles* [Case No. BC 276472 r/t BC 277539]), on June 15, 2006, the Former CRA/LA Board of Commissioners (Board of Commissioners) approved a settlement agreement (Wiggins Settlement Agreement), which includes certain provisions for local hire, replacement housing, and relocation programs that exceed existing state and federal law requirements applicable to redevelopment projects located within the Redevelopment Project area. In addition to approving the Wiggins Settlement Agreement, the Board of Commissioners adopted the Development Guidelines and Controls for Residential Hotels in the City Center and Central Industrial Redevelopment Project Areas (Development Guidelines). The Development Guidelines restrict the use and redevelopment of single room occupancy (SRO) hotels in order to preserve “housing of last resort” for extremely low- income persons and provide one-for-one replacement of SRO hotel units when demolition or conversion of those units is proposed. The Wiggins Settlement Agreement and the Development Guidelines require the preparation and approval of a Replacement Housing Plan (RHP) by the Governing Board of the former CRA/LA prior to issuance of building permits for projects within the Redevelopment Plan area identified in the Wiggins Settlement. The Morrison Hotel is listed as a property subject to the restrictions and requirements of the Wiggins Settlement Agreement and the Development Guidelines.

## 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 projected population, housing and employment estimates based on data included in the SCAG 2020-2045 RTP/SCS. The 2020-2045 RTP/SCS prepares growth projections for populations, households, and employment for regional, county, local jurisdictional areas, and TAZs, which are geographic units for inventorying demographic data. The 2020-2045 RTP/SCS reports the demographic data for years 2016 and 2045. The 2020-2045 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 2024 (Project buildout year) and 2045 (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	1,868,214 <sup>b</sup>
2024 <sup>c</sup>	4,208,025	1,544,807	1,924,642
2045 <sup>d</sup>	4,771,300	1,793,000	2,135,900
Change [Percent Change]			
2018 to 2024	148,360 [+3.7%]	64,381 [+4.3%]	56,428 [+3.0%]
2018 to 2045	711,635 [+17.5%]	312,574 [+21.1%]	267,686 [+14.3%]
<sup>a</sup> Project baseline year values source: Southern California Association of Governments, <i>Local Profiles Report 2019, Profile of the City of Los Angeles, May 2019, page 3.</i> <sup>b</sup> It should be noted that the <i>Local Profiles Report</i> provides employment values for year 2017; therefore, the 2018 employment value has been interpolated from the difference between the 2017 value and the SCAG projection horizon year value using a compound rate. <sup>c</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 rate. <sup>d</sup> SCAG projections horizon year values source: Southern California Association of Governments, <i>Connect SoCal, The 2020-2045 RTP/SCS, Demographics &amp; Growth Forecast Appendix, September 2020, page 35.</i> Data for 2022 was interpolated from the data published by SCAG and compiled by EcoTierra Consulting, January 2021.			

#### (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 148,360 people (or 3.7 percent) by Project buildout in 2024. By 2045, the horizon year of SCAG projections, the City population is expected to grow by 711,635 people (or 17.5 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 64,381 housing units (or 4.3 percent) by Project buildout in 2024. By 2045, the number of housing units in the City is expected to grow by 312,574 housing units (or 21.1 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 1,868,214 jobs by approximately 56,428 jobs (or 3.0 percent) by Project buildout in 2024. By 2045, the number of jobs in the City is expected to grow by 267,686 (or 14.3 percent) over 2018 baseline estimates.

**(2) Project Site**

Currently, the approximately 1.29-acre Project Site is developed with four commercial industrial buildings, which are utilized as office/warehouse uses totaling approximately 32,550 square feet; the vacant Morrison Hotel,<sup>20</sup> totaling approximately 46,626 square feet; and an associated surface parking lot. As the existing on-site uses at the Project Site currently operate as office/warehouse uses, there is no generation of permanent population or housing units. Based on Los Angeles Unified School District (LAUSD) employee generation factors,<sup>21</sup> the estimated current employment at the Project Site is approximately 88 people as shown in **Table IV.I-2, Existing Project Site Employment**.

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

Type of Development	Size (sf)	Employee Generation Factor <sup>a</sup>	Total Employees
Commercial	32,550	2.71 employees/1,000 sf	88
Hotel <sup>b</sup>	46,626	--	--
<b>Total</b>			<b>88</b>
<p><sup>a</sup> School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2018, Table 14, page 19.</p> <p><sup>b</sup> As the existing 111 SRO-units within the Morrison Hotel have been vacant since at least 2006, it does not currently generate employees.</p> <p>Source (table): EcoTierra Consulting, 2020.</p>			

<sup>20</sup> The Morrison Hotel has 111 SRO units and has been unoccupied since 2008. The Applicant intends to coordinate with the Community Redevelopment Agency of Los Angeles to provide replacement units on a one-to-one basis consistent with the Wiggins Settlement Agreement and Development Guidelines and Controls for Residential Hotels in the City Center and Central Industrial Redevelopment Project Areas.

<sup>21</sup> School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2018, Table 14, page 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 population and housing if it would:

**Threshold 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*

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

For this analysis, the Appendix G Thresholds listed above are relied upon. The analysis utilizes factors and considerations identified in the Thresholds Guide, as appropriate, to assist in answering the Appendix G Threshold questions:

#### **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.*

#### **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).*

## b) Methodology

The analysis of population and housing 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 Citywide Person Per Household Factor of 2.41 persons per multi-family unit.<sup>22</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-feet of retail/restaurant space and 1.13 employees/1,000 square-feet of hotel space.<sup>23</sup>

The analysis of displacement impacts focuses on the amount of housing and/or people that would be displaced by the Project and compares the total to the estimates of existing population and housing supply to determine if the displaced amount would be substantial. The analysis also evaluates the relocation and replacement proposed for the existing SRO units and the regulations and requirements of the Wiggins Settlement Agreement and Development Guidelines applicable to the existing Project Site.

## c) Project Design Features

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

## d) Analysis of Project Impacts

**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)?***

### (1) Impact Analysis

#### (a) 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

<sup>22</sup> Jack Tsao, *Data Analyst II, Los Angeles Department of City Planning, June 12, 2020.*

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

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.
- 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.

There are over 230,000 construction workers in Los Angeles County.<sup>24</sup> Recent overall unemployment estimates from August 2019 from the California Employment Development Department report unemployment rates of approximately 4.4 percent for Los Angeles County.<sup>25</sup> With an unemployment rate of approximately 4.8 percent countywide, it is likely that several thousand construction industry workers would be available and it is expected that the skilled workers anticipated to work on the Project already reside within the region. Construction workers would generally not relocate their households permanently from other regions as a result of temporary construction employment. Therefore, construction activity associated with the Project would not indirectly cause growth or accelerate the demand for housing in the Project area upon Project buildout. **Therefore, construction of the Project would not directly or indirectly induce substantial unplanned population growth and impacts would be less than significant.**

### (b) Operation

The Project would adaptively re-use the 46,626-square-foot Existing Hotel and construct an approximately 174,481 square-foot Hotel Expansion and an approximately 186,155-square-foot mixed-use Hotel/Residential tower. The total floor area of the Project would be approximately 420,303 square feet, with 136 dwelling units and 444 guest rooms. The Existing Hotel would include a 5,155-square-foot ground floor restaurant. The Hotel Expansion would include a 2,838-square-foot lobby/bar and 11,091-square-foot immersive museum. The Hotel/Residential tower would include 150,366 square feet of residential uses above 32,997 square feet of hotel uses and a 2,792-square-foot restaurant. 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**,

<sup>24</sup> *United States Census Bureau, 2013-2017 American Community Survey 5-Year Estimates, Table S2401: Occupation by Sex for the Civilian Employed Population 16 Years and Over, Los Angeles County, California, Construction and Extraction Occupations.*

<sup>25</sup> *State of California, Employment Development Department, Labor Market Information Division, Los Angeles-Long Beach-Glendale Metropolitan Division (Los Angeles County), September 20, 2019.*

**Project Generation of Population, Housing, and Employment.** The projected Project-related increases are compared to growth projections in the SCAG 2020-2045 RTP/SCS for the City in **Table IV.I-4, Project Population, Housing, and Employment Growth within 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>
136		2.41	328
<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>
Hotel	242,126 sf	1.13 employees/1,000 sf	274
Restaurant	10,785 sf	2.71/employees/1,000 sf	29
Immersive Museum	11,091 sf	2.71/employees/1,000 sf	30
Residential	136 units	N/A	<10 <sup>c</sup>
<i>Projected Employees Generated by Project</i>			<b>343</b>
<b>Existing Uses</b>			
Commercial	32,550 sf	2.71 employees/1,000 sf	(88)
<b>Net New Employees Generated by Project</b>			<b>255</b>
<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, June 12, 2020.</i>			
<i>b School Works, Inc., 2018 Developer Fee Justification Study, Los Angeles Unified School District, March 2020 Table 14, page 19. The Lodging rate was used for the proposed hotel use of the Project and the Neighborhood Shopping Centers rate was used for the proposed restaurant and immersive museum uses 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.). Source (table): EcoTierra Consulting, 2021.</i>			

**Table IV.I-4  
Project Population, Housing, and Employment Growth Within 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 – 2022 Buildout	328	148,360	0.2
2018 – 2040 Projection Horizon	328	711,635	0.05
<b>Housing Units</b>			
2018 – 2022 Buildout	136	64,381	0.2
2018 – 2040 Projection Horizon	136	312,574	0.04
<b>Employment</b>			
2018 – 2022 Buildout	255	56,428	0.5
2018 – 2040 Projection Horizon	255	267,686	0.1
<i>a From Table IV.I-3.</i>			
<i>b From Table IV.I-1.</i>			
<i>Sources: Southern California Association of Governments, Local Profiles Report 2019, Profile of the City of Los Angeles, May 2019, page 3; Southern California Association of Governments, 2020-2045 RTP/SCS, Demographics &amp; Growth Forecast Appendix, September 2020, page 35; Data for 2024 was interpolated from the data published by SCAG and compiled by EcoTierra Consulting, 2021.</i>			

*(i) Direct Population Growth*

SCAG's 2020-2045 RTP/SCS provides short-term and long-term population estimates for the City. As shown in **Table IV.I-4**, based on the City's average household size of 2.41 persons per multi-family household,<sup>26</sup> the Project would generate approximately 328 new residents at the Project Site, which would account for approximately 0.2 percent of SCAG's estimated population growth in the City by 2024,<sup>27</sup> and 0.05 percent of SCAG's estimated population growth in the City by 2045.<sup>28</sup>

SCAG's 2020-2045 RTP/SCS also provides short-term and long-term employment estimates for the City. As shown in **Table IV.I-4** above, the Project would result in a net increase of 255 employees. Accordingly, the Project would account for 0.5 percent of SCAG's estimated increase of 56,428 jobs between 2018 and 2024<sup>29</sup> and for 0.1 percent of SCAG's estimated increase of 267,686 jobs between 2018 and 2045.<sup>30</sup> Additionally, these positions may be filled by persons already residing in the vicinity of the workplace and who generally do not relocate their households due to such employment opportunities.

Based on the above, the Project's contribution to residential and employee population growth would represent small increments of the population growth projections for the City. Therefore, the Project's population growth would not be substantial or unplanned.

*(ii) Direct Housing Growth*

## 1. General Plan Housing Element

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. The Project's 136 proposed residential units would contribute to meeting these housing allocations.

In addition, the Project would support Housing Element policies by providing residential development in an area that is designated by the General Plan Framework as an area available to expand opportunities for residential development and to encourage infill development in proximity to transit.

## 2. SCAG

SCAG's 2020-2045 RTP/SCS provides short-term and long-term housing supply estimates for the City. As shown in **Table IV.I-4** above, the Project's 136 residential units would account for 0.2 percent of SCAG's estimated increase of 64,381 housing units between 2018 and 2024<sup>31</sup> and for

<sup>26</sup> Jack Tsao, *Data Analyst II, Los Angeles Department of City Planning, June 12, 2020.*

<sup>27</sup> 328 residents generated by Project / 148,360 total residents projected by SCAG = 0.2 percent.

<sup>28</sup> 328 residents generated by Project / 711,635 total residents projected by SCAG = 0.05 percent.

<sup>29</sup> 255 employees generated by Project / 56,428 total jobs projected by SCAG = 0.5 percent.

<sup>30</sup> 255 employees generated by Project / 267,686 total jobs projected by SCAG = 0.1 percent.

<sup>31</sup> 136 housing units generated by Project / 64,381 total housing units projected by SCAG = 0.2 percent.

0.04 percent of SCAG's estimated increase of 312,574 housing units between 2018 and 2045.<sup>32</sup> As such, the direct Project-related increase in housing units would be within SCAG's planning projections.

Based on the above, the Project's contribution to housing supply growth would represent a small increment of the housing supply growth projections for the City. Therefore, the Project's housing supply growth would not be substantial or unplanned.

*(iii) Indirect Growth*

The Project would not induce substantial population growth by introducing unplanned infrastructure, accelerating development in an undeveloped area, or significantly increasing the number of employees in the City. 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 Central City Community Plan area and the Project would not involve the extension of roadways or infrastructure. As discussed in **Section IV.M, Utility and Service Systems**, of this Draft EIR, the Project is an infill project and would not require additional infrastructure related to water, wastewater, or solid waste and would be adequately served by existing utilities.

The Project's generation of 255 new employees and 136 residential units at the Project Site would create a jobs/housing ratio of 1.88. As the Project represents a very small percentage of 2024 and 2045 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. Furthermore, the provision of jobs at the Project Site would support the attainment of SCAG policies by providing increased employment opportunities in a well-served HQT. Therefore, the Project would support the anticipated growth trends for the City as projected by SCAG.

*(c) Conclusion*

As described above, the Project would not open a new area to development through the provision of extended infrastructure. Further, the Project would add new population to the Project Site, but this population is within the planned amounts and planned location anticipated in growth projections and growth policies within SCAG and City plans, and would not represent a substantial percentage of such planned growth.

Therefore, the Project would not induce substantial unplanned population growth that is not expected and that has been accounted for in the planning of services and utilities. **Accordingly, impacts related to substantial unplanned growth would be less than significant.**

<sup>32</sup> 136 housing units generated by Project/ 312,574 total housing units projected by SCAG = 0.04 percent.

## (2) Mitigation Measures

Project-level impacts related to substantial unplanned population growth would be less than significant. Therefore, no mitigation measures would be required.

## (3) Level of Significance After Mitigation

Project-level impacts related to substantial unplanned population growth were determined to be less than significant without mitigation. Therefore, no mitigation was required or included, and the impact level remains less than significant.

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

### (1) Impact Analysis

The Existing Hotel on the Project Site has 111 SRO units. The existing units are in a state of disrepair and cannot be rented or occupied by tenants at this time. The units have been unoccupied since at least 2006. There are no existing tenants residing in the SRO units on the Project Site, or people who have a right to re-occupy the units. As such, the Project would not displace any people or habitable housing units.

Furthermore, as detailed in the regulatory setting discussion above, the Project Site is located within the Redevelopment Plan area and is subject to the restrictions and requirements of the Wiggins Settlement Agreement and the Development Guidelines, including the requirements for the preparation and approval of an RHP and the one-to-one replacement of SRO units. Accordingly, an RHP was prepared for the existing, unoccupied SRO units that would be replaced. The RHP was approved by the CRA/LA Governing Board on August 1, 2019. The RHP requires a one-to-one replacement of the existing 111 SRO units at 407-413 East 5<sup>th</sup> Street and/or at a qualified alternative site. The location (approximately 0.8-mile northwest of the Project Site), design, and construction and/or rehabilitation of the replacement units is separate from the Project, and required separate approvals, including its own analysis and clearance under CEQA. The City Planning Commission approved the replacement units at 407-413 East 5<sup>th</sup> Street on February 18, 2020. As mentioned above, the SRO units have been in a state of disrepair since at least 2006 and cannot be rented or occupied by tenants at this time without extensive abatement and rehabilitation of the existing Morrison Hotel. Additionally, the Project itself contemplates 136 residential dwelling units, which means that the redevelopment of the Morrison Hotel Project alone has a net increase of 25 housing units in addition to the replacement of the 111 SRO units offsite. Therefore, the Project would not displace a substantial number of existing people or housing.

Furthermore, SCAG estimates that the City contains approximately 1,480,426 housing units in 2018 (the Project's baseline year).<sup>33</sup> Accordingly, the displacement of 111 units would represent

<sup>33</sup> *Southern California Association of Governments, Local Profiles Report 2019, Profile of the City of Los Angeles, May 2019, page 3.*

approximately 0.007 percent<sup>34</sup> of the existing housing supply, which would not be substantial. Even if the Project were to displace a substantial number of existing units that require construction offsite, the replacement project required ministerial approvals only and was found exempt from CEQA review under Assembly Bill 2162. As such, the construction of the offsite project would not cause significant adverse environmental impacts.

**The Project does not displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere. Therefore, in conjunction with the Project's compliance with the terms of the Wiggins Settlement Agreement and RHP, impacts would be less than significant.**

## (2) Mitigation Measures

Project-level impacts related to displacement of substantial numbers of existing people or housing would be less than significant. Therefore, no mitigation measures would be required.

## (3) Level of Significance After Mitigation

Project-level impacts related to displacement of substantial numbers of existing people or housing were determined to be less than significant without mitigation. Therefore, no mitigation was required or included, and the impact level remains less than significant.

# e) Cumulative Impacts

## (1) Impact Analysis

### (a) *Substantial Unplanned Population Growth*

**Table IV.I-5, Total Cumulative Development**, presents a summary of cumulative growth associated with the 172 Related Projects identified in **Section III, Environmental Setting**, of this Draft EIR.

**Table IV.I-6, Cumulative Projects Population, Housing, and Employment Growth Within the City of Los Angeles**, compares projected cumulative growth within the City, inclusive of the Project, to the 2020-2045 RTP/SCS 2045 horizon year projections. Projections focus on the 2045 horizon year as opposed to the Project's 2024 buildout date because SCAG projections incorporate regional policies and are based on long-term demographic trends.<sup>35</sup> The 2045 horizon year serves as the basis for the preparation of SCAG's long-range regional plan, policies, and strategies for transportation improvements and regional growth throughout the SCAG region. The 2045 projections also serve as a basis for the planning of services, utilities, and other infrastructure improvements by regional agencies and local jurisdictions. The 2045 population projections account for long term regional development trends. Actual development within shorter time frames or localized areas may vary slightly from the projected rates, but short-term variations

<sup>34</sup>  $111 / 1,480,426 = 0.007$  percent.

<sup>35</sup> *Southern California Association of Governments, 2016 Regional Transportation Plan/Sustainable Communities Strategy, page 13.*

average out over time. Accordingly, 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. As such, SCAG is expected to complete their next update cycle in 2024 and will continue to regularly prepare additional updates in the future. SCAG's regular monitoring of factors affecting growth in the region allows the projections to remain suitable for use by service agencies for their long-term planning. Therefore, the 2045 projections are the most accurate and suitable for determining planned growth for the City.

**Table IV.I-5  
Total Cumulative Development**

<b>Development</b>	<b>Housing Units</b>	<b>Population</b>	<b>Employment</b>
Related Projects <sup>a</sup>	42,792 <sup>b</sup>	103,479 <sup>b</sup>	30,133 <sup>b</sup>
Project	136	328	255
<b>Total Cumulative Growth</b>	<b>42,928</b>	<b>103,807</b>	<b>30,388</b>
<p><i>a</i> A list of Related Projects is provided in <b>Table III-1 of Section III, Environmental Setting</b>, of this Draft EIR.</p> <p><i>b</i> The tabulation of Related Projects' population, housing, and employment generation is presented in <b>Appendix M</b> of this Draft EIR.</p> <p>Source (table): EcoTierra Consulting, 2022.</p>			

**Table IV.I-6  
Cumulative Projects Population, Housing, and Employment Growth  
Within the City of Los Angeles**

	<b>Cumulative Increase <sup>a</sup></b>	<b>SCAG Projected Growth <sup>b</sup></b>	<b>Cumulative Percentage of Growth</b>
Population	103,807	711,635	15%
Housing Units	42,928	312,574	14%
Employment	30,388	267,686	11%
<p><i>a</i> From <b>Table IV.I-5</b>.</p> <p><i>b</i> From <b>Table IV.I-1</b>.</p> <p>Source (table): EcoTierra Consulting, 2022.</p>			

(i) *Direct Growth*

The cumulative growth identified in **Table IV.I-5** and **Table IV.I-6** reflects a broad mix of development, including residential, office, and retail uses, as well as miscellaneous uses including event space, schools, theaters, and art spaces. As indicated in **Table IV.I-6**, the cumulative population growth of 103,807 people would represent 15 percent of SCAG's population growth estimation for the City by the 2045 horizon year;<sup>36</sup> and the cumulative housing growth of 42,928 units would represent 14 percent of SCAG's housing growth estimation for the City by the 2045 horizon year.<sup>37</sup> Therefore, the projected cumulative population and household growth would be within the 2045 SCAG growth projections identified in the 2020-2045 RTP/SCS for the City. The similar increases in population (15 percent) and housing units (14 percent) show that the City is

<sup>36</sup>  $103,807 / 711,635 = 15 \text{ percent.}$

<sup>37</sup>  $42,928 / 312,574 = 14 \text{ percent.}$

attracting proportionate amounts of residential and housing growth in the area. The relative increases in residential population and housing associated with the cumulative development reflect the planned ongoing transition in and around Downtown from a primarily commercial and industrial center to a more mixed-use regional center called for in regional and local plans. As such, the population growth associated with the Related Projects is not unplanned and is within the anticipated growth forecasted by SCAG for the City.

*(ii) Indirect Growth*

With regard to indirect growth, as with the Project, the Related Projects would not induce substantial population growth by introducing unplanned infrastructure, accelerating development in an undeveloped area, or significantly increasing the number of employees in the City. 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 site with established infrastructure systems and would not require extensions of infrastructure related to water, wastewater, or solid waste. The Downtown area currently has a substantial infrastructure system in place to serve Downtown population, consistent with growth patterns identified in applicable SCAG and City plans. 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 networks and electricity and natural gas utilities for the Related Projects would be sized to serve only the specific Related Project's on-site needs. The cumulative employment growth would be 30,388 jobs, which represents 11 percent of SCAG's employment growth estimation for the City by the 2045 horizon year.<sup>38</sup> This percentage would not be considered significant as it is within the expected employment growth forecasted by SCAG.

*(iii) Conclusion*

The amount and type of direct and indirect cumulative growth would be within long-range projections for the City and would, therefore, not be unplanned. In addition, cumulative growth would represent a fraction of the growth planned for the City and would, therefore, not be substantial. Furthermore, as detailed in the analysis of Project impacts above, the Project's direct and indirect contributions to growth within the City would not be substantial and would be within the growth projections planned for in regional and local plans.

**Therefore, the Project's contribution to population growth and housing would not be cumulatively considerable; and cumulative impacts would be less than significant.**

*(b) Displacement of People or Housing*

As the Downtown area is substantially built out, the Related Projects would replace existing development and, in some cases, may potentially replace older housing units, requiring relocation of existing population. Generally, the Related Projects are within the Downtown/Central City,

<sup>38</sup>  $30,388 / 267,686 = 11$  percent.

Westlake, and Little Tokyo area. The Related Projects are mostly replacing commercial properties and surface parking lots and increasing residential development overall.

However, one Related Project (Related Project No. 154) is located on the St. Marks Hotel site that is subject to the restrictions and requirements of the Wiggins Settlement Agreement and the Development Guidelines. The St. Marks Hotel site contains 91 currently occupied SRO units under an affordable housing covenant that would be demolished as part of Related Project No. 154. While approximately 219 people could potentially occupy these 91 units based on the City's average household size of 2.41 persons per multifamily household,<sup>39</sup> the fact these are SRO units reduces the number of people that can occupy each unit to approximately 91 total.<sup>40</sup> As previously discussed, SCAG estimates that the City contained approximately 1,480,426 housing units in 2018 (the Project's baseline year).<sup>41</sup> Accordingly, the displacement of 91 units would represent approximately 0.006 percent<sup>42</sup> of the existing housing supply, which would not be considered substantial. In addition, based on SCAG's estimates of the City's population of approximately 4,059,665 people,<sup>43</sup> the displacement of 91 people would represent approximately 0.002 percent of the existing population,<sup>44</sup> which would also not be considered substantial. Furthermore, Related Project No. 154 proposes to construct 151 residential units (150 restricted as affordable units and 1 manager's unit) on the site. Therefore, Related Project No. 154 would exceed the one-to-one replacement of SRO units at the site and would not require the construction of replacement housing elsewhere. Furthermore, as with the Project, because the site is included in the Wiggins Settlement and Development Guidelines, Related Project No. 154 would require approval of an RHP for the replacement of the 91 SRO units and any other required measures such as a Relocation Assistance Program (as applicable) prior to the issuance of building permits, and would be subject to its own environmental review.

Based on the above, cumulative development, including development of Related Project No. 154, would not result in the substantial displacement of housing or people. Furthermore, as detailed in the analysis of Project impacts above, although the Project would displace housing, the number of units that would be displaced under the Project would not be substantial and would be replaced at a one-to-one ratio offsite. In addition, the Project alone would result in a net increase in onsite housing compared to existing conditions. Housing displaced by cumulative development and by the Project would be required to adhere to the requirements and regulations of the Wiggins Settlement and the Development Guidelines, which require approval of an RHP.

**As such, although cumulative development would displace housing units and people, the Project's contribution would not be cumulatively considerable, and cumulative impacts associated with their displacement would be less than significant.**

<sup>39</sup> Jack Tsao, *Data Analyst II, Los Angeles Department of City Planning, June 12, 2020.*

<sup>40</sup> *While unusual, it is not uncommon that multiple tenants live in a single SRO unit.*

<sup>41</sup> *Southern California Association of Governments, Local Profiles Report 2019, Profile of the City of Los Angeles, May 2019, page 3.*

<sup>42</sup>  $91 / 1,480,426 = 0.006$  percent.

<sup>43</sup> *Southern California Association of Governments, Local Profiles Report 2019, Profile of the City of Los Angeles, May 2019, page 3.*

<sup>44</sup>  $91 / 4,059,665 = 0.002$  percent.

## (2) Mitigation Measures

Cumulative impacts related to population or housing would be less than significant. Therefore, no mitigation measures are required.

## (3) Level of Significance After Mitigation

Cumulative impacts related to population and housing were determined to be less than significant without mitigation. Therefore, no mitigation was required or included, and the impact level remains less than significant.