

## **4.13 POPULATION AND HOUSING**

### **4.13.1 INTRODUCTION**

This section describes and evaluates the potential population and housing impacts related to development of the Hyatt Place project (project). Information regarding population and housing was obtained from the following sources:

- City of Half Moon Bay, 2015, General Plan Housing Element 2015-2023
- Association of Bay Area Governments (ABAG) Projections, 2040
- United States Census Bureau, American Community Survey (ACS), 2020
- California Department of Finance (DOF), 2019
- City of Half Moon Bay Local Coastal Program & Land Use Plan, 2021
- City of Half Moon Bay Land Use Map, 2020
- City of Half Moon Bay Zoning Map, 2015
- Building Industry Association (BIA) Bay Area Dashboard Housing vs. Jobs, 2017

Project consistency with the 2021 Local Coastal Land Use Plan (LCLUP) is analyzed and included below. The LCLUP was updated and adopted by City Council in October 2020 and certified by the California Coastal Commission (CCC) in April 2021. The updated LCLUP comprises the City's reexamined and updated policy approach for carrying out the Coastal Act in a manner that addresses changed conditions since certification of the 1996 LCLUP.

All documents referenced in this draft Environmental Impact Report (EIR) are available via CD or weblink upon request. The location of the other reference materials is cited at the end of this section. Hard copies of the draft EIR are located at the City of Half Moon Bay, Planning Division, 501 Main Street, Half Moon Bay, CA 94019.

Comments were submitted in response to the Notice of Preparation for this EIR concerning the project's potential to directly or indirectly induce population growth in Half Moon Bay. These comments are addressed in this section. Specific comments include:

- Concerns that operation of the project would induce development in Half Moon Bay and contribute to substantial population increase
- Concerns that the potential for induced population growth would clash with the existing "small-town" infrastructure

## 4.13.2 EXISTING CONDITIONS

### Population

Half Moon Bay is located within San Mateo County (County), which was estimated to have a population of approximately 764,442 people in 2020.<sup>1</sup> In 2020, Half Moon Bay had a population of approximately 12,583 residents, representing 1.6 percent of the total population in the County. However, to note, the 2020 Census population data was considered lower than anticipated. The City is currently tracking the data, and used higher numbers in the LCLUP at this time.

### Population Growth

According to LCLUP buildout data, projections indicate that the population will continue to increase in future years. **Table 4.13-1** shows past and projected growth in the Half Moon Bay's population and households from the year 2018 and 2040 with a standard growth assumption. Projections by 2040 indicate that Half Moon Bay's population will reach 14,535 by 2040, a 16 percent increase from 2018.

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<sup>1</sup> United States Census Bureau, 2020. Available: <https://www.census.gov/quickfacts/sanmateocountycalifornia>. Accessed: March 2022.

**Table 4.13-1 Half Moon Bay Population and Housing Information**

	Existing (2018)	2040 Existing + New	2018 – 2040 % Change	MTB Existing + New	2018 – MTB % Change
Population <sup>1</sup>	12,565	14,535	16%	18,262	46%
Residential (DUs) <sup>2</sup>	4,830	5,612	16%	7,051	46%
Commercial (SF) <sup>3</sup>	1,654,000	1,948,000	18%	2,439,800	48%
Other Non-Residential (SF) <sup>4</sup>	1,336,000	1,483,000	11%	1,903,800	43%
Employment <sup>5</sup>	5,379	6,503	13%	7,684	43%

Source: Half Moon Bay Local Coastal Land Use Plan, 2021.

Notes: <sup>1</sup> Existing: American Community Survey; projections based on 2.59 persons per household for new units.

<sup>2</sup> Existing: American Community Survey and GIS analysis; 2040 projections based on recent average of 0.7% annual residential development growth per “City of Half Moon Bay Economic and Real Estate Conditions and Trends” report, EPS, 2014; City permit data.

<sup>3</sup> “City of Half Moon Bay Economic and Real Estate Conditions and Trends” report, EPS, 2014; City permit data.

<sup>4</sup> Ibid.

<sup>5</sup> Existing employment based on ABAG projections (2018) of 5,250 jobs in 2015, plus 500 square feet per job of new commercial development and 1,000 square feet per job of other new non-residential development constructed since 2015. Projected employment, VTA/CCAG traffic modeling.

### Number of Households

The number of households in Half Moon Bay will grow from 4,830 in 2018 to approximately 5,612 by 2040, as illustrated in **Table 4.13-1**. Households are expected to gradually grow over the next 20 years.

### Average Household Size

According to ACS, the number of persons per household in Half Moon Bay in 2020 was estimated to be at 2.67 persons.<sup>2</sup> For San Mateo County, the ACS estimates the number of persons per household in San Mateo County in 2020 was 2.87 persons.

<sup>2</sup> American Community Survey, Quick Facts <https://www.census.gov/quickfacts/fact/table/halfmoonbaycitycalifornia/PST045219>. Accessed January 2022.

## Housing

According to Half Moon Bay's Housing Element, Half Moon Bay has a total of 4,491 housing units, the most common type being single-family, detached homes (67 percent). Of Half Moon Bay's remaining residential units, single-family attached homes, such as townhomes and condominiums, account for 11 percent. Mobile homes account for 10 percent of housing. Duplexes triplexes, and fourplexes make up 9 percent while multi-family complexes, with five or more units, compose the remaining 7 percent of housing.

### Regional Housing Needs Determination

The current Regional Housing Needs Allocation (RHNA) was released by ABAG in 2021. The RHNA projects each community's share of the region's future growth and housing demand based on forecasts from San Francisco Bay Area Housing Needs Plan 2023-2031. **Table 4.13-2** identifies Half Moon Bay's projected housing needs by income level through 2031. The RHNA, and the City's allocation, are based on the ABAG Sustainable Communities Strategy that focuses regional housing needs allocations in areas supported by mass transit and proximate to jobs.

**Table 4.13-2 Half Moon Bay RHNA for 2023-2031**

Income Group	Units	Percent of Total Number of Units Needed
Very Low	181	38
Low	104	21
Moderate	54	11
Above Moderate	141	30
<b>Total</b>	<b>480</b>	<b>100</b>

Source: ABAG Regional Housing Needs Allocation, 2021.

1. Based on 50 percent of very low-income allocation.

## Employment

According to Half Moon Bay's Housing Element, the number of jobs in Half Moon Bay decreased from 5,270 to 5,030 between 2000 and 2010, associated with the recession, but it has since recovered. During the same period, the number of jobs in the county decreased by more than 10 percent. Between 2018 and 2040, however, the LCLUP project that Half Moon Bay will add 1,124 jobs, an increase of 13 percent. **Table 4.13-1** includes the number of jobs projected for Half Moon Bay through 2040.

The project site is an undeveloped field and sits adjacent to an existing car dealership adjacent to the northernmost portion of the project site. According to the LCLUP, the project site is designated as Commercial – General and the adjacent car dealership is also designated as Commercial – General.<sup>3</sup> The 2021 zoning map designates the project site as Planned Unit Development (PUD) and the adjacent car dealership as Commercial – General. However, the LCLUP update indicates that the site is proposed to be rezoned to Commercial – General as part of the future implementation of the LCLUP. As described in **Chapter 3.0, Project Description**, operation of the project would employ up to 30 people, which would be an addition to Half Moon Bay’s employment as the project site is currently vacant.

### **Jobs/Housing Imbalance**

The concept of “jobs/housing balance” refers to the relationship of residences to jobs in each community or area. Assuming a reasonable match between the affordability of housing and the incomes of jobs in the local market, if the number and proximity of residences is proportionate to the number and proximity of jobs, the majority of employees would have the opportunity to work and reside in the same community.

A well-balanced ratio of jobs and housing can contribute to reductions in the number of vehicle miles traveled (VMT) from commuting.<sup>4</sup> Such a reduction in VMT could result in lower levels of air pollutant emissions (including greenhouse gas emissions) and less congestion on area roadways and intersections. An important consideration in evaluating the jobs/housing balance is whether housing in the community is affordable to local employees.

Although the term “jobs/housing balance” is typically used to refer to a relationship between jobs and housing units within a community, the key relationship is between jobs and the number of employed residents within a community, because some households have no workers. According to the LCLUP, of Half Moon Bay’s 12,565 residents in 2018 an estimated 5,379 are employed.

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<sup>3</sup> City of Half Moon Bay, 2021. Half Moon Bay Local Coastal Land Use Plan. Available: <https://www.planhmb.org/>. Accessed: January 2022.

<sup>4</sup> VMT is a measure used in transportation planning and as a measure of CEQA impacts which quantifies the amount of travel for all vehicles in a geographic region over a given period of time, typically a one-year period. VMT is calculated by adding up all the miles driven by all the cars and trucks on all the roadways in a region.

The cost of living in Half Moon Bay is relatively high, which is primarily due to the high cost of housing.<sup>5</sup> The median home price in Half Moon Bay is approximately \$973,000. While the jobs/housing ratio is seemingly balanced, it is important to note that about 75 percent of the City's employed residents out-commute. Thus, much of the city's housing stock is not available to individuals who work within the city limits. This points to a lack of jobs/housing fit which is affected by many variables and the discrepancy between the types of jobs located in the city, many of which are service sector and lower paying, and high housing costs.

### **4.13.3 REGULATORY SETTING**

#### **State**

##### **State Housing Element Law**

The State Housing Element Law requires each city and county to adopt a housing element in their General Plan. As defined by the State Housing Element law, the Housing Element is required to be "An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs."

State law requires that this assessment include an analysis of population, household characteristics, employment trends, regional housing needs, and an inventory of suitable land for residential development. The assessment should also include an analysis of governmental and non-governmental constraints, special housing needs, opportunities for energy conservation, and publicly-assisted housing developments that may convert to non-assisted housing developments. The purpose of these requirements is to develop an understanding of the existing and projected housing needs within a City and county and to set forth policies that promote preservation, improvement, and development of diverse types and costs of housing throughout a City and county. A housing element must include the following components as a minimum:

- A housing needs assessment (includes existing and projected needs)
- A sites inventory and analysis
- An analysis of constraints on housing

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<sup>5</sup> <https://www.payscale.com/cost-of-living-calculator/California-Half-Moon-Bay>, accessed, January 2022.

- Housing programs
- Quantified objectives

### ***Project Consistency***

The Half Moon Bay Housing Element (Housing Element) was adopted in 2015 to meet the intent and requirements of State law and is included as part of the General Plan. The housing element was created based on the assessment of housing needs, constraints, and available resources, as well as input from the community. The policies and programs listed in the Housing Element are designed to increase and diversify housing options in terms of affordability, type, and location, while encouraging the preservation and improvement of the existing housing supply. Therefore, the Housing Element meets the requirements stipulated by the State Housing Element Law. The housing needs and impact analysis conducted for the purposes of this EIR used the population, household characteristics, employment trends, regional housing needs information from the Housing Element to demonstrate compliance with the State Housing Element Law. Implementation of the project does not include any residential uses, and it would not use any land intended for residential development in the regional inventory analysis conducted for the Housing Element. Therefore, the project is consistent with the Half Moon Bay Housing Element and the State Housing Element Law.

### **ABAG Regional Housing Needs Determination**

The RHNA process addresses the need for housing across a range of incomes and in all communities throughout the state. To ensure that adequate housing is available for all income groups, the State Department of Housing and Community Development (HCD) is responsible for determining this regional need in coordination with ABAG. ABAG is required to distribute the region's share of statewide need to the cities and counties within its jurisdiction.

The purpose of the RHNA is to allocate to the cities and county their "fair share" of the Bay Area's projected housing need by household income groups, which are categorized as very low, low, moderate, and above moderate consistent with the Regional Sustainable Communities Strategy.

### ***Project Consistency***

As discussed in **Section 4.12.2, Existing Conditions**, ABAG prepared the RHNA for the 2015-2023 period. **Table 4.13-2** identifies the need for a total of 240 units for varying income groups by 2023. The Half Moon Bay Housing Element estimates that the 671 Measure D growth allocations that will be available during the 2014 through 2022 timeframe are more than sufficient to

accommodate the RHNA.<sup>6</sup> Currently, Half Moon Bay is working on the Cycle 6 housing element which would include a higher RHNA. Although implementation of the project would not contribute to housing needed to meet RHNA for Half Moon Bay, it would not use any land intended for residential allocations as described in the Housing Element. Therefore, implementation of the project would not interfere with the allocation of units anticipated to meet and exceed the RHNA. For this reason, the project would be consistent with the ABAG Regional Housing Needs Determination.

## Local

### Half Moon Bay General Plan

**Table 4.13-3** is a list of population and housing policies from the General Plan that are applicable to the project. In addition, the LCLUP includes very specific policies to balance growth through the control of the number of housing units, water supply and infrastructure (sewer and transportation). However, these policies generally related to housing and developments that would generate secondary needs for housing such as a major employer. These policies while relevant to balanced growth in the city, do not apply to the project because of the type of use is not residential, the fact that the LCLUP has already identified the site for General Commercial, and there appears to be existing capacity to accommodate the project with regard to water and infrastructure. As stated in **Section 4.16, Utilities and Service Systems**, Coastside County Water District (Coastside CWD) serves as the water retailer for Half Moon Bay. Coastside CWD has determined that implementation of the project would not require the relocation or construction of new or expanded water facilities to supply the project site with potable water.<sup>7</sup> Therefore, only applicable policies are specifically discussed in **Table 4.13-3**.

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<sup>6</sup> City of Half Moon Bay, 2015, General Plan Housing Element 2015-2023. Available: <https://www.half-moon-bay.ca.us/DocumentCenter/View/186/2015-2023-Housing-Element-PDF>. Accessed: January 2022.

<sup>7</sup> Brennan, Cathleen, 2019. Cathleen Brennan, Water Resources Analyst Coastside County Water District, Personal Communication, June 6, 2019.



**Table 4.13-3 Project Consistency with Relevant General Plan Policies**

General Plan Policy Number	General Plan Policy	Project Consistency
<b>Coastal Act Policies</b>		
2.2c	Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners.	<b>Consistent.</b> Development of the project would construct 129 rooms for guests who may also participate in public recreational opportunities in the coastal zone.
2.2d	Assure priority for coastal-dependent and coastal-related development over other development on the coast.	<b>Consistent.</b> Implementation of the project would provide lodging for potential visitors of Half Moon Bay's coast and would therefore be considered coastal-related development.
<b>Visitor-Serving Commercial Development</b>		
2-29	Generally locate new visitor-serving commercial development facilities that provide lodging, food, and automobile service within the downtown commercial core, within and near Ocean Colony/Half Moon Bay Golf Links, at Pillar Point Harbor (near Dunes Beach), and in the Wavecrest area as designated in the Wavecrest Conservancy Project.	<b>Consistent.</b> The project would be located on Main Street approximately 0.60 south of the downtown commercial core and would provide lodging for guests who may utilize Half Moon Bay services.
2-30	Allow for the location of new non-coastal-dependent visitor accommodations such as resort hotels, in areas environmentally suitable for these forms of activities if consistent with land use designations and the LUP Map.	<b>Consistent.</b> Build out of the project would provide lodging for visitors interested in exploring the city and the surrounding area, in addition to potentially visiting the coast. The site is environmentally suitable in that it is located on major transportation routes as designed and would not adversely affect biological resources or coastal resources.
<b>LCLUP Chapter 5 Coastal Access and Recreation</b>		
5-70: New Overnight Accommodations	Consider the carrying capacity of the coast, visitor demand over a range of affordability levels for various accommodation types, and	<b>Consistent.</b> The project site located south of SR-92 is along on span of SR-1 where a 52-room hotel was recently converted to a homeless shelter. Past studies indicate that there is adequate visitor demand on the

General Plan Policy Number	General Plan Policy	Project Consistency
	<p>consistency with all applicable LCP and General Plan policies before approving any new overnight accommodation development proposals. Prioritize lower-cost visitor-serving accommodations over higher-cost lodging.</p>	<p>coast to support the hotel. Furthermore, the Chamber of Commerce has also found need for conference facilities which can support mid-week hotel demand which is off-peak from the high weekend demand. The proposed hotel is mid-range.</p>
<p>5-71: Inclusion of Lower-Cost Accommodations</p>	<p>Require new development of higher cost accommodations and/or new development that would fail to provide lower cost accommodations on land where that use is allowed and suitable to provide lower cost accommodations (e.g. a lower-cost bank of rooms in a hotel, a hostel, campground, cabins, etc.). The lower-cost accommodations may be provided as listed in order of priority as follows: on-site, off-site, or through payment of an in-lieu fee fund to support establishment of new lower-cost accommodations in the coastal zone. The provision of lower-cost accommodations shall equate to 15 to 25 percent of the number of approved high-cost accommodations in consideration of the price range of the proposed lodging options and provision by the development of other low-cost public access and recreation benefits such as airport shuttles, bicycle rentals, or trail connections. Require full replacement of any existing low-cost rooms proposed for conversion to high-cost rooms.</p>	<p><b>Consistent.</b> The proposed hotel would offer new accommodations and is not replacing any existing low-cost rooms. The project is providing bicycle rentals and a new trail segment. City permitting will review the project's provision of public benefits to ensure compliance with this policy.</p>

Source: City of Half Moon Bay, 2021.

## 4.13.4 IMPACTS AND MITIGATION MEASURES

### Thresholds of Significance

The following thresholds of significance for population and housing were derived from the *Environmental Checklist in the California Environmental Quality Act (CEQA) Guidelines Appendix G*. These thresholds of significance have been amended or supplemented, as appropriate, to address lead agency requirements and the full range of potential impacts related to this project.

An impact of the project would be considered significant and would require mitigation if it would meet one of the following thresholds of significance:

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

### Methodology

To determine potential impacts, the impact significance criteria identified above were applied to construction and operation of the project. The evaluation is based on existing conditions and applicable planning documents listed above. The analysis takes into consideration both the potential direct impacts of the project, as well as indirect impacts of the project in the context of the General Plans and the Local Coastal Program (LCP). The Half Moon Bay LCLUP and the Zoning Ordinance together constitute Half Moon Bay's LCP for the coastal zone.

### Discussion of Impacts

**Population 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)?*

**Less than Significant.** An evaluation of the project's direct and indirect impacts is provided below, addressing both construction-period and operational impacts. Construction of the project would result in a temporary increase in construction-related job opportunities in the local area.

Construction employment is, by its nature, an employment type that requires workers to commute or travel to changing job sites, because workers may be employed on several jobs simultaneously. The project applicant estimates 40 construction workers would be hired for construction, with the intention of hiring local. The project employment opportunities created as a result of project construction and operation would not induce a substantial amount of permanent growth, because these employment opportunities are few and/or temporary. Development of the project would not include any new housing and would not directly affect the rate, type, or amount of growth in Half Moon Bay, as implementation of project would only affect the visiting population.

The project is consistent with existing and planned land uses in the surrounding the project site and would not directly or indirectly induce unplanned population growth. The project is in a Commercial – General land use designation. Therefore, development of the project would support implementation of the General Plan by developing a hotel with 129 guest rooms and supporting facilities such as a board room, lobby and lounge area, swimming pool, fitness area, and a multipurpose room. No permanent housing, businesses, or extensions of roads or other infrastructure are proposed in this project. The completion of this project would provide temporary lodging for visitors, but there is no anticipated population growth due to the visiting population.

Operation of the project would create approximately 30 permanent jobs for workers, which has the potential to induce growth in the area. However, as explained in **Section 4.13.2, Existing Conditions**, 75 percent of workers in Half Moon Bay reside outside of the City limits. Further, the potential growth in population resulting from the introduced permanent employment opportunities would be extremely small. Therefore, the project employment opportunities created from operation of the project would not induce substantial unplanned population growth Half Moon Bay such that an impact would occur.

Given the above, this impact would be less than significant. However, it is noted that the jobs provided would be service industry jobs and would not contribute positively to the jobs/housing imbalance which already has many service employees commuting from outside the city to work due to the disparity of income and local housing costs. This is not a significant impact as defined by the CEQA significance threshold for growth inducement. Therefore, no impact would occur.

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

**No Impact.** The project site does not include any existing housing and therefore development of the project would not displace existing housing or people and would not necessitate the construction of replacement housing elsewhere. The existing residences located across Main Street from the project site to the east would remain and would not be changed as a result of the project. Therefore, no impact would occur.

### **4.13.5 CUMULATIVE IMPACTS**

Cumulative impacts occur when two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts. Other projects in the area include past and planned residential, commercial, and infrastructure development projects in Half Moon Bay. See **Chapter 4.0, Setting, Impacts, and Mitigation Measures**, for the full list of cumulative projects within Half Moon Bay.

The project consists development of the site formerly designated as the L.C. Smith PDD, which is designated for commercial development. The land use designation was revised in 2021 to Commercial – General upon certification of the comprehensive LCLUP update. Therefore, the project has been accounted for in the General Plan and would not interfere with planned housing required to meet the RHNA as it has not been identified as a potential housing site. Development of the project would not contribute to substantial population growth in the surrounding area. Employment opportunities induced by the project would not create a substantial amount of permanent growth, because these employment opportunities are few and/or temporary. Operational employment including housekeeping, front desk, clerical, and maintenance jobs, could potentially be filled by existing local residents. Similarly, future developments in Half Moon Bay would be required to be consistent with the General Plan. Therefore, the project, in combination with the projects in **Table 4.0-1, List of Cumulative Projects**, would not result in a cumulatively considerable contribution to a cumulative impact related to population and housing.

## 4.13.6 REFERENCES

City of Half Moon Bay, 2015, General Plan Housing Element 2015-2023.

Available: <https://www.half-moon-bay.ca.us/DocumentCenter/View/186/2015-2023-Housing-Element-PDF>. Accessed: January 2022.

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