

B. POPULATION, EMPLOYMENT AND HOUSING

This section describes existing and projected population, employment and housing statistics in Benicia and Solano County and evaluates potential impacts that could result from implementation of the proposed project.

1. Setting

The following section utilizes data from the U.S. Census Bureau (Census), California Department of Finance (DOF), the Association of Bay Area Governments (ABAG),¹ and the City of Benicia General Plan.

a. Population. Founded in 1847 and incorporated in 1850, Benicia was the first city in the new State of California to be incorporated and at the same time was named the first county seat of Solano County. Benicia was also the third home of the State Capitol (from 1853 to 1854), after which time the Capitol was moved to its final destination in Sacramento.² Benicia’s population grew rapidly in its first decade as a city; however the City did not experience any significant population growth again until World War II, when the population doubled to 7,000 residents. As shown in Table IV.B-1, between 1970 and 2000, the population of Benicia grew steadily at a rate ranging from 31 percent to 43 percent per decade, and the City evolved primarily into a bedroom community for persons with jobs in urban centers like San Francisco and Oakland.

Table IV.B-1: Benicia Population Growth

| Year | Population | 10-Year Percent Increase |
|------|------------|--------------------------|
| 2000 | 26,865 | 9% |
| 1990 | 24,437 | 37% |
| 1980 | 15,376 | 43% |
| 1970 | 8,763 | 31% |
| 1960 | 6,070 | -20% |
| 1950 | 7,284 | |

Source: California Department of Finance, 2000. Historical Census Populations of California Cities, Places, and Towns 1850-2000.

Benicia’s population increased by 18,102 between 1970 and 2000, a 207 percent increase; however ABAG projects only a small, steady increase for following next 30-year period. The City’s 2005 population is estimated by ABAG at 26,900 and the 2010 population is projected to reach 27,600, representing only 2.6 percent growth during the five year period. In 2030, it is anticipated that the population of Benicia will increase to 31,100, representing only a 12.7 percent increase over the 2010 population.³ Average growth rates under such projections would be approximately 0.6 percent per year.

b. Housing. The following section describes the housing characteristics of Benicia and Solano County.

(1) Households. ABAG defines a household as an occupied dwelling unit. In 2000, Benicia had 10,328 households, comprising approximately 11.6 percent of the 130,403 households in Solano

¹ Some ABAG data is for the City’s “subregional study area,” or its sphere of influence, and not its corporate boundaries. Subregional data is only used when no City level data is available. When subregional data is used, it is explicitly noted.

² Benicia Historical Museum, 2006. *1847: Benicia is Born*. <http://www.beniciahistoricalmuseum.org/History/1847.htm>.

³ Association of Bay Area Governments, 2004. *Projections 2005, Forecasts for the San Francisco Bay Area to the Year 2030*.

County. By 2030, ABAG estimates the number of Benicia households will increase by 13 percent to 11,890 households.⁴

Large household sizes have a number of causes, including, in the San Francisco Bay Area, high housing prices and high rates of foreign immigration. The average household size for Benicia was 2.6 persons in 2000, which was slightly less than the Solano County average of 2.9 persons per household.⁵ Average household size has declined slightly in Benicia and remained relatively steady in Solano County since 1990, when it was 2.65 and 2.88, respectively.⁶ ABAG projects household sizes for Benicia and Solano County will remain relatively constant through 2030 at 2.61 and 2.92, respectively.

(2) Existing Housing Stock. Benicia's housing stock of 10,552 total units is characterized by a majority of single-family detached and attached homes (74.5 percent of total), a smaller percentage of multi-family units (16.8 percent of total) and relatively low vacancy rates (2.1 percent of total).⁷ Of the occupied units, approximately 7,304 were owner-occupied (70.7 percent of occupied units), and 3,024 were renter-occupied (29.3 percent of occupied units).⁸ The median number of rooms for housing units in Benicia was approximately 5.8 rooms.⁹

In 2000, the median value for an owner-occupied housing unit in Benicia was \$274,600.¹⁰ By 2005, the median value had increased to approximately \$550,000.¹¹

c. Employment. The City has traditionally been a "bedroom community" for residents commuting to jobs in cities throughout the Bay Area, although there are several large industrial employers within the City itself. Two types of employment data are described below: 1) total jobs – which indicate the number of all jobs within the community; and 2) employed residents – which indicate the number of residents of working age who actively participate in the civilian labor force. The civilian labor force includes: those who are employed (excepting those in the armed forces); and those who are unemployed but actively seeking employment. Those residents who have never held a job, who have stopped looking for work, or who have been unemployed for a long period are not considered to be in the labor force.

(1) Total Jobs. According to ABAG, Solano County will experience the highest rate of job growth of any Bay Area county in the 2000 to 2015 period. This is due to the availability of large amounts of land designated for commercial and industrial development. However, the City of Benicia is expected to experience a lower percentage rate of job growth than the County over this period.

⁴ Ibid.

⁵ United States Census Bureau, 2000a. Summary File 1 (SF 1) and Summary File 3 (SF 3) for the City of Benicia and Solano County.

⁶ United States Census Bureau, 1990. Summary File 1 (STF 1), 100-Percent Data, Table DP-1.

⁷ United States Census Bureau, 2000b. Summary File 3 (SF 3), Profile of Selected Housing Characteristics, Table DP-4.

⁸ United States Census Bureau, 2000a. op. cit.

⁹ United States Census Bureau, 2000b. op. cit.

¹⁰ Ibid.

¹¹ City of Benicia, Economic Development Division, 2006. Business Economic Outlook.

According to ABAG's subregional study data, in 2000, Benicia had 14,560 total jobs, which comprised approximately 11 percent of all jobs in Solano County. ABAG estimates that the total number of jobs in Benicia increased 5.5 percent to 15,410 total jobs over the five year period between 2000 and 2005. By 2030, ABAG projects that the total number of jobs in Benicia will increase an additional 20 percent from 2005, reaching approximately 19,340 total jobs. Total jobs in the County are projected to increase from 136,740 in 2000 to 217,910 in 2030 (or 59 percent). Benicia jobs are expected to remain at 11 percent of the County total and the City is projected to contribute to only 5.8 percent of the total increase in County jobs through the year 2030.

(2) Employed Residents. According to ABAG, the City subregional study area contained 14,455 employed residents in 2000. ABAG defines employed residents as employed people who "live in the identified community or county but do not necessarily work there." Unemployed residents are not counted as employed residents, even if they are actively seeking employment.

ABAG projects that the number of employed residents in the City will increase to 14,570 in 2010, 15,000 in 2020, and 16,800 in 2030. This growth in employed residents represents an approximately 13 percent increase from 2000 to 2030, substantially lower than the County-wide increase expected during the same time period. The number of employed residents in the County is expected to increase 47 percent, from 182,964 in 2000 to 269,800 in 2030.

d. Jobs-to-Housing Balance. The jobs-to-housing concept is used to determine whether a community has an adequate number of jobs available to provide employment for all the residents within the community seeking employment. Understanding this concept can be useful in understanding the interconnections among housing affordability, traffic flows and congestion, and air quality within a community and its larger region. However, the jobs/housing ratio is best analyzed at the sub-regional or regional level due to tendency of people to commute to jobs.

(1) Methodology. Typically, the term "jobs-to-housing balance" is used to refer to a relationship between jobs and housing units within a community. A jobs-to-housing units ratio of 1.5 is considered ideal, which takes into account residents who do not participate in the labor force (e.g. those who are retired, disabled, or students). The 1.5 jobs-to-housing units ratio indicates a community has an adequate number of jobs to meet the demand for jobs by its residents, and therefore, is in balance.

A more helpful indicator of balance, however, is the relationship between the number of jobs provided to the number of residents seeking employment (i.e., employed residents). An ideal jobs-to-employed residents ratio is 1.0, which indicates that every resident seeking a job can find one within the community.

A jobs-to-employed residents ratio that is greater than 1.0 indicates the community provides more jobs than it has residents seeking jobs. With this out-of-balance condition, the community is likely to experience traffic congestion associated with people coming to jobs from outside the area, as well as intensified pressure for additional residential development to house the labor force. Conversely, a jobs-to-employed residents ratio of less than 1.0 indicates a community has fewer jobs than employed residents demanding employment. With this converse, out-of-balance condition, most residents need to commute outside of the community (i.e. out-commute) for employment. The resulting commuting patterns can lead to traffic congestion and adverse effects on both local and regional air quality.

This ratio does not, however, account for regional in- or out-commuting due to job/labor mismatches or housing affordability. Even if a community has a numerical balance between jobs and housing/employed residents, sizeable levels of in- and out-commuting are possible, especially where employment opportunities do not match local skills and educational characteristics of the local labor force. In such instances, regional commuting tends to occur. For example, a numerically balanced community may have high housing costs and low-wage jobs, thus encouraging its residents to out-commute for their high wage jobs elsewhere, and its workers to in-commute from outside the community where housing costs are affordable in relation to their low wage incomes. This condition is often referred to as a jobs-to-housing *mismatch*. A jobs-to-housing match occurs when the types of jobs provided in a community “match” the income needs of the employed workers within the community.

(2) Jobs-to-Employed Residents in Benicia and Solano County. According to ABAG, Solano County had more employed residents than total jobs in 2000 and 2005, indicating a somewhat higher-than-balanced level of out-commuting. Benicia’s jobs-to-employed residents ratios in 2000 and 2005 of 1.01 and 1.1, respectively, indicate the community is nearly balanced, with an adequate number of jobs available to accommodate Benicia’s demand for jobs. Solano County, however, has more employed residents than total jobs available, with a jobs-to-employed residents ratio of 0.75 in 2000, and 0.76 in 2005. By 2030, ABAG projects that Benicia’s jobs-to-employed residents ratio will increase to 1.15, with more jobs than workers. Solano County’s jobs-to-employed residents ratio will remain relatively constant through 2030 at 0.81, with more workers than jobs Countywide.

Table IV.B-2 provides housing and employment data for Benicia and Solano County. This table also provides data indicating what the jobs-to-housing units ratios would be if this more general methodology were applied. As described earlier in this section, a jobs-to-housing units ratio of 1.5 is considered ideal and indicates that a balanced number of jobs are provided given the number of housing units within the community.

Table IV.B-2: Housing and Employment Data – City of Benicia and Solano County

| | 2000 | | 2005 | | 2020 | | 2030 | |
|---|--------|---------|--------|---------|--------|---------|--------|---------|
| | City | County | City | County | City | County | City | County |
| Total Jobs | 14,560 | 136,740 | 15,410 | 148,640 | 19,040 | 189,450 | 19,340 | 217,910 |
| Employed Residents | 14,455 | 182,964 | 14,390 | 194,900 | 15,600 | 240,900 | 16,800 | 269,800 |
| Housing Units | 10,352 | 130,403 | 10,450 | 141,100 | 11,320 | 176,700 | 11,920 | 193,840 |
| Jobs-to-Housing Unit Ratio (Ideal is 1.5) | 1.41 | 1.05 | 1.47 | 1.05 | 1.68 | 1.07 | 1.62 | 1.12 |
| Jobs-to-Employed Residents Ratio (Ideal is 1) | 1.01 | 0.75 | 1.07 | 0.76 | 1.22 | 0.79 | 1.15 | 0.81 |

Source: ABAG, 2004. *Projections 2005*; LSA Associates, Inc., 2006

e. City of Benicia General Plan and Housing Element. Applicable population, employment and housing goals from the City of Benicia General Plan and Housing Element are presented below.

Economic Development

- *Economic Development Goal 2.5:* Facilitate and encourage new uses and development which provide substantial and sustainable fiscal and economic benefits to the City and the community while maintaining health, safety, and quality of life.

- *Economic Development Goal 2.6:* Attract and retain a balance of different kinds of industrial uses in Benicia.
- *Economic Development Goal 2.7:* Attract and retain industrial facilities that provide fiscal and economic benefits to – and meet the present and future needs of – Benicia.

Housing Element

- *Housing Stock Goal 2:* Promote the development of an adequate supply and mix of housing to meet existing and future housing needs.

2. Impacts and Mitigation Measures

This section includes an analysis of impacts related to population, employment and housing that could result from implementation of the proposed project. The section begins with the criteria of significance, which establish the thresholds to determine whether an impact is significant. The latter part of this section presents the impacts associated with the proposed project and identifies mitigation measures, as appropriate.

a. Criteria of Significance. The proposed project would have a significant impact on population, employment, and housing if it would:

- Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere; or
- Induce substantial 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).

b. Less-than-Significant Population, Employment and Housing Impacts. The following discussion examines potential less-than-significant impacts of the proposed project.

(1) Displacement of Housing or People. There are no existing housing units at the project site. Development of the proposed project would not result in the displacement of housing or people, and therefore would not necessitate the construction of replacement housing elsewhere.

(2) Induce Substantial Population Growth. Development of the proposed project would not cause population growth at the project site by developing new housing. Population growth can, however, be induced by development of land uses which would generate new employment opportunities, thus increasing the demand for housing within the community. Population growth can also be induced by extending public services, utilities, and infrastructure onto sites not currently receiving these services, thus increasing the opportunity for the future extension of services onto adjacent undeveloped lands.

Development of the proposed project would generate approximately 7,680 new jobs within the City, which could induce population growth by increasing the demand for housing. Economic spin-off effects of the project (e.g., new jobs created through consumer demand generated by new project-related jobs) could also increase the local demand for housing. However, the City's General Plan anticipates the development of the project site with industrial and commercial uses. Proposed uses would not occur at an intensity (in terms of floor-area-ratio) in excess of the standards permitted by the General Plan. Because Solano County has a relatively affordable supply of housing compared to other parts of the Bay Area, it is expected that a portion of the jobs created by the business park

would be served by housing in the County. The County’s existing housing supply, combined with a limited supply of land zoned for residential uses, would ensure that the project would not induce substantial population growth due to job creation.

The project site is currently undeveloped and is not served by public services and utilities sufficient to allow for an increase in intensity of uses. The proposed project includes the extension of utilities into the site, including electricity, storm water, water and wastewater. However, the project site is within the northern boundary of the City limits and the City’s General Plan anticipates development of the project site with industrial and commercial uses. Any development proposal(s) on rural lands to the north and west of the project site would be required to undergo planning review, and to secure various planning entitlements, including General Plan/Zoning Ordinance amendments, and, for lands outside City boundaries, annexations. Therefore, the project would not be expected to substantially induce growth on currently undeveloped land.

(3) Jobs-to-Housing Imbalance. As shown in Table IV.B-3, the proposed project would create a maximum of 7,680 new jobs and no new housing units. By 2030 (the estimated time of project buildout), the 7,680 jobs added by the proposed project would represent approximately 28 percent of all City jobs and 3.4 percent of jobs Countywide. This number of jobs would affect the City’s 2030 jobs-to-housing unit balance, increasing it from 1.62 to 2.36. However, the project would enhance the jobs-to-housing ratio in the County, which is anticipated to have a relative shortage of jobs by 2030. Because the jobs-to-housing ratio is most applicable at the sub-regional or regional level (versus the local level), a local jobs/housing imbalance of the scale represented by this project would not be considered a significant environmental impact.

Table IV.B-3: Employment Estimates by Land Use Type

| Land Use | Square Ft./ Employee | Square Feet | Jobs |
|----------------------------------|----------------------|------------------|--------------|
| General Commercial | | | |
| Hotel/Conference Center | 1,338 | 140,000 | 105 |
| Three-story Hotel | 1,152 | 100,000 | 87 |
| Health and Fitness Club | 1,000 | 60,000 | 60 |
| Four-story Office | 311 | 200,000 | 643 |
| Movie Theater | 1,000 | 60,000 | 60 |
| Two-Story Office/Professional | 288 | 100,000 | 347 |
| Retail | 344 | 100,000 | 291 |
| Restaurant-Sit Down | 350 | 20,000 | 57 |
| Fast Food | 250 | 8,000 | 32 |
| Service Gas Station/Washing/Mart | 500 | 7,000 | 14 |
| Bank | 750 | 12,000 | 16 |
| R&D Services | 344 | 50,000 | 145 |
| Sub-Total Commercial | | 857,000 | 1,857 |
| Light Industrial | | | |
| Tilt-Up | 878 | 2,020,576 | 2,301 |
| Flex Use | 688 | 2,422,864 | 3,522 |
| Sub-Total Industrial | | 4,443,440 | 5,823 |
| Total | | 5,300,440 | 7,680 |

Source: Applied Development Economics, 2006. *Economic Impact Analysis of the Proposed Benicia Business Park*. August.

c. Significant Population, Employment and Housing Impacts. Implementation of the proposed project would not result in any significant population, employment, or housing impacts.