APPENDIX H

Oakland Cumulative Growth Scenario and Foreseeable Future Development Projects in the Area (2025)

OAKLAND CUMULATIVE GROWTH SCENARIO

This appendix describes the cumulative growth scenario used for environmental impact analysis purposes in the *Oak Knoll Mixed Use Community Plan Project SEIR*. The scenario provides the future cumulative development context for Oakland, identified in terms of future employment, households, and population. Use of the scenario for analyzing the project's environmental impacts ensures that those impacts are appropriately considered as part of the cumulative context of future citywide and regional growth and development.

The need for developing the cumulative growth scenario is explained below, followed by a description of the approach and the chronology of scenario development and updates. Then, the cumulative scenario for Oakland is summarized, followed by comparisons with projections from the Association of Bay Area Governments (ABAG). The assumptions for growth in the rest of Alameda County and Bay Area region are then identified.

NEED FOR THE CUMULATIVE GROWTH SCENARIO

The cumulative growth scenario for Oakland was developed primarily for use in the cumulative transportation analyses in Oakland EIRs. The growth scenario was originally prepared in 2000 after analyses indicated that the growth projections from ABAG as incorporated into the Alameda County Congestion Management Agency (CMA) travel demand model did not reflect the level of growth and development occurring in Oakland. Those projections also did not reflect the locations of growth for future development projects under construction, approved, proposed, and reasonably foreseeable for Oakland. Since the cumulative growth scenario for Oakland was originally developed, it continues to be updated and refined as needed for EIR analyses and planning efforts, and to incorporate newly released 2000 Census data and new projections series from ABAG.

Totals for the cumulative growth scenario for Oakland are now somewhat higher than the ABAG projections currently incorporated into the CMA travel model. Oakland's cumulative growth scenario continues to be used in EIR analyses and planning efforts as it provides more specificity about growth and development occurring in Oakland and can be updated as needed for EIR and planning purposes.

FORECAST-BASED APPROACH THAT INCORPORATES FORESEEABLE FUTURE DEVELOPMENT PROJECTS

The cumulative growth scenario for Oakland is developed using a forecast-based approach, *i.e.*, an approach based on regional forecasts of economic activity and demographic trends. The cumulative growth scenario also considers recent and anticipated future development projects in Oakland as well as other changes in land use, employment, and population. Development projects and other changes are identified and updated based on input from City of Oakland and Port of Oakland staffs and on analysis of economic, demographic, and real estate market data

and trends. Anticipated future development projects are identified and updated to include approved, proposed, probable, and potential development projects reasonably foreseeable over the next 20 to 25 years.

The growth that could be accommodated by recent and expected future development projects and other changes in land use, employment, and population is evaluated within the context of regional economic and demographic trends and projections. The ABAG projections provide the reference for citywide and county totals for future years. The list of development projects and other changes provide the ability to relate individual projects to the citywide context. The amount of growth represented by development projects and other changes is "fit" within the ABAG projections, to the extent possible. Citywide totals are increased above the ABAG projections if justified by recent and expected future development projects and other anticipated changes. The locations of specific projects and development sites are used for the allocation of growth to subareas and traffic analysis zones (TAZs) within the city. Transportation analyses using the CMA's travel demand model require inputs at the TAZ level.

CHRONOLOGY OF SCENARIO DEVELOPMENT

The cumulative growth scenario for Oakland was originally prepared and continues to be updated by Hausrath Economics Group (HEG), working closely with City of Oakland staff. The scenario was first completed in November 2000. Since that time, the scenario has been updated and refined for different parts of the City as needed for EIR analyses and planning efforts. It also has been updated to incorporate newly released 2000 Census data and new projections from ABAG. The following identifies the different updates that were completed prior to the scenario developed for this SEIR:

- June 2001, updated scenario for *Metroport Project EIR*, focusing on updates in the Oakland Airport/Coliseum area;

- August 2001, updated scenario for *Leona Quarry Project EIR*, focusing on the area surrounding the Leona Quarry project;

- January 2002, updated scenario for *Oakland Army Base (OARB) Redevelopment Project EIR*, focusing on updates in the harbor and OARB redevelopment project area and adjacent parts of West Oakland;

- September 2002, 2000 Census data is incorporated into the land use database, along with future demographic factors consistent with the 2000 Census data, as provided by ABAG *Projections 2002*;

- September 2002, updated scenario for *Central City East (CCE) Redevelopment Project EIR*, focusing on updates in East Oakland, within and surrounding the redevelopment project area;

- Early December 2002, updated scenario for *Jack London Square Redevelopment Project EIR*, focusing on updates in the Jack London District of downtown Oakland including Jack London Square;

- Later December 2002, updated scenario for *West Oakland Redevelopment Project EIR*, focusing on updates in West Oakland, and parts of North Oakland within the redevelopment project area, and in adjacent blocks;

- Early February 2003, updated scenario for *Coliseum Gardens Project EIR*, focusing on the project and surrounding Coliseum BART station area;

- January/February 2003, updated scenario to incorporate ABAG *Projections 2002* and to provide land use inputs for the CMA travel model update completed in May 2003;

- June 2003, updated scenario for *Uptown Project EIR*, focusing on the project and updates in downtown Oakland areas surrounding the project; and

- December 2003, updated scenario for *Central Station/Wood Street Project EIR*, focusing on the project and surrounding areas of West Oakland and the Harbor as well as updates for major projects in downtown Oakland and elsewhere in the city.

- November 2004, updated scenario for *Oak to Ninth Avenue Project EIR*, focusing on the project and surrounding areas including the Estuary waterfront, downtown Oakland, and San Antonio area neighborhoods, and also including updates for major projects elsewhere in the city.

- April 2005 (with later modifications to reflect a revised project description), updated scenario for *Kaiser Permanente Oakland Medical Center Replacement Project EIR*, focusing on the project and surrounding areas of North Oakland. Base year 2000 employment also was updated in surrounding areas to incorporate newly released employment data from ABAG, based on analysis of 2000 Census results.

UPDATED CUMULATIVE GROWTH SCENARIO FOR OAKLAND

Cumulative Growth Scenario used for the Oak Knoll SEIR

The cumulative growth scenario for Oakland identifies employment, households, and population. Employment is disaggregated into four types: service, retail, manufacturing, and other, as required for use in the Alameda County CMA travel demand model. The projections are allocated to the large number of traffic analysis zones identified throughout the city.[1] Scenarios are developed for the years 2005, 2010, and 2025, consistent with the analysis years in the CMA travel model. The cumulative growth scenario for Oakland includes a 2000 base year scenario, consistent with 2000 Census data, although the CMA model does not include year 2000.

The cumulative growth scenario for the City of Oakland used for the *Oak Knoll Mixed Use Community Plan Project SEIR* is summarized in Table 1 on the next page.

Following the approach described earlier, analysis to develop the cumulative growth scenario for Oakland evaluated how the amount and type of growth represented by future development projects identified by the City and Port compared to the ABAG projections for Oakland. Other changes in land use, employment, and population also were accounted for. Other additions to employment and population included those resulting from increased occupancies of existing buildings, the re-leasing of space vacated by existing businesses and government activities relocating to newly developed projects, the renovation of space that had previously sat vacant, and the conversion of space in existing buildings to new and more intensive uses. Reductions in employment and population included changes as a result of base closures, displacements by development projects, and the movement of some types of businesses out of the area due to increasing rents and land values as well as other factors. In addition, the cumulative growth scenario also incorporates changes in demographic characteristics of the population in the City's existing housing stock, consistent with the ABAG projections.

[1] The traffic analysis zones (TAZs) are Census Tracts or subdivisions of Census Tracts identified for transportation analysis purposes and used in the CMA travel demand model.

TABLE F-1
UPDATED CUMULATIVE GROWTH SCENARIO
FOR OAKLAND, AS OF APRIL 2005

	2000 /a/	2005	2010	2025	Growth 2000-2025	Growth 2005-2025
Households	150,790	155,390	163,020	175,860	+25,070	+20,470
Household Population /b/	392,310	406,190	421,460	443,810	+51,500	+37,620
Total Population /b/	399,480	413,520	429,000	451,540	+52,060	+38,020
Employed Residents /b/	174,740	181,250	199,100	233,930	+59,190	+52,680
Total Employment	190,170	203,960	219,730	251,080	+60,910	+47,120
Manufacturing	18,300	18,200	18,740	19,430	+1,130	+1,230
Other /c/	73,140	77,980	82,280	90,820	+17,680	+12,840
Retail	22,960	24,660	27,880	31,750	+8,790	+7,090
Service	75,770	83,120	90,830	109,080	+33,310	+25,960

/a/ Households, household population, total population, and employed residents are from the 2000 Census.
/b/ Projections for 2005, 2010, and 2025 incorporate changes in demographic characteristics of the population in the existing housing stock in Oakland as evidenced in persons per household and employed persons per household factors from ABAG *Projections 2002*. The demographic characteristics of residents of new housing to be built in Oakland by 2005, 2010, and 2025 are based on those same ABAG factors or are estimated using special factors that better reflect the anticipated population in new housing, for TAZs with little or no housing in 2000 of the types being built (as the ABAG factors are based on the existing population in 2000).
/c/ Includes employment in finance, insurance, real estate (FIRE); government; construction; transportation, communications, and utilities (TCU); wholesale; and agriculture and mining.

Source: City of Oakland and Hausrath Economics Group based on approach and methodology described in this appendix.

Comparison with CMA/ABAG Projections

The Updated Cumulative Growth Scenario for Oakland is compared in Table 2 with the ABAG *Projections 2002* for Oakland and the ABAG projections as incorporated into the Alameda County CMA Travel Model for use in transportation analyses. The ABAG *Projections 2002* series provides the basis for the numbers in the CMA model at the time of the analysis for this EIR.

The cumulative growth scenario for Oakland compares to the CMA/ABAG projections (*Projections 2002*) as follows:

- **Employment**: Employment projections under the cumulative growth scenario are somewhat higher than the ABAG projections for Oakland for future years. The economic activity and employment growth to be accommodated by identified major development projects and other anticipated changes in land use and employment in Oakland are estimated to result in total employment

that is about five percent higher than the ABAG *Projections 2002* for both the shorter term (2010) and longer term (2025) futures.

- **Housing and Households**: Household projections for Oakland in 2010 and 2025 are higher under the cumulative growth scenario than the ABAG projections, about four to five percent higher in the near term future (2010) and about eight percent higher in the longer term (2025) future. Housing currently under development in Oakland and housing anticipated to be developed in the future (including the new housing proposed for the project) would accommodate more household growth than reflected by ABAG *Projections 2002*.

- **Population**: The cumulative growth scenario shows somewhat higher population in Oakland than the ABAG projections due to the larger number of households anticipated. Population under the cumulative growth scenario is about two percent higher than the ABAG projections in the near term future (2010) and about three to four percent higher over the longer term (2025). The differences in population are less than the differences in households because the cumulative growth scenario incorporates demographic assumptions for residents in new housing in Oakland that are specific to the types of new housing being built (as is the case for the project). Under the ABAG projections, the demographic characteristics of residents of new housing are based on the characteristics of residents in existing housing nearby, which may not necessarily be applicable for the types of new housing being built (such as for the higher-density types of new housing proposed for the project or being built downtown and along the Estuary waterfront, or for new loft housing in other parts of Oakland). In many cases, the types of higher-density new housing being developed include smaller housing units and attract households with smaller than average household sizes. The characteristics of residents in the existing housing stock and overall demographic trends are similar in both cases, as those assumed for the growth scenario are based on ABAG projections.

- **Employed Residents**: The cumulative growth scenario anticipates more employed residents in Oakland in the future compared to the ABAG *Projections 2002*, about eight to 10 percent more employed residents in the near-term (2010) future and 12 percent more over the longer term (2025). One reason is that 2000 Census data that provide the base year for the cumulative growth scenario show about three percent more employed residents in Oakland in 2000, compared to the ABAG projections which were prepared before release of employed resident data from the 2000 Census. The higher number of employed residents in Oakland in 2000 also are included in the future year totals under the cumulative scenario. Other reasons are because of the higher number of households under the cumulative scenario, and because of the demographic characteristics for residents in the types of

new housing being built in Oakland, which generally include proportionally more residents who work, compared to demographic characteristics for the population overall.

This approach ensures that the cumulative effects of all locally anticipated growth and development can be evaluated within the EIR analysis period.

TABLE 2
CUMULATIVE GROWTH SCENARIO APRIL 2005
AND CMA/ABAG PROJECTIONS FOR OAKLAND

	Jobs	Households	Household Population	Total Population	Employed Residents
2000					
Oakland Cumulative Scenario, 4/2005 /a/	190,170	150,790 /d/	392,310 /d/	399,480 /d/	174,740 /d/
2005					
Oakland Cumulative Scenario, 4/2005 /a/	203,960	155,390	406,190	413,520	181,250
CMA Model/ABAG *P2002* /b/	202,060	154,780	410,350	-	175,080 /e/
ABAG *Projections 2002*	202,080	153,530	407,900	415,700	173,000 /e/
2010					
Oakland Cumulative Scenario, 4/2005 /a/	219,730	163,020	421,460	429,000	199,100
CMA Model/ABAG *P2002* /b/	213,820	158,130	418,420	-	186,080 /e/
ABAG *Projections 2002* /c/	215,580	156,610	415,200	423,200	183,800 /e/
2025					
Oakland Cumulative Scenario, 4/2005 /a/	251,080	175,860	443,810	451,540	233,930
CMA Model/ABAG *P2002* /b/	245,060	169,080	442,370	-	217,040 /e/
ABAG *Projections 2002* /c/	243,500	168,640	441,200	449,500	217,600 /e/

/a/ *Oakland Cumulative Growth Scenario for Kaiser OMC Project EIR*, April 2005 (with later modifications to reflect a revised project description for Kaiser), prepared as described in this appendix.
/b/ ABAG *Projections 2002*, as included in the updated Alameda County CMA travel demand model released May 2003.
/c/ From ABAG *Projections* 2002 publication.
/d/ From 2000 Census.
/e/ Not based on 2000 Census, as developed prior to release of employed resident data.

Source: Hausrath Economics Group based on sources identified above, and as described further in this appendix.

THE PROJECT VICINITY

The cumulative growth scenario assumptions are routinely updated to account for major projects elsewhere in Oakland, as identified by City staff and other sources. The City maintains lists of major projects under construction, approved and proposed projects, potential projects under consideration and anticipated to be developed by 2025, as well as other possible developments and changes within the analysis timeframe. For purposes of the *Oak Knoll Mixed Use Community Plan Project SEIR*, approximately 510 housing units in the southeast area of Oakland, east of I-580, in addition to the Leona Quarry Project were "added" to the growth forecasts to reflect anticipated development in within the project area. In most cases, the project assumptions identified on the lists describe the new development; they do not identify existing uses and activities on development sites that would be removed for development, although the latter are accounted for in the cumulative growth scenario.

As explained earlier in this appendix, the scenario also includes other changes in land use and in employment and population besides those associated with development of projects on the lists. Thus, the lists alone do not equate to the changes over time in the growth scenario.

The amounts of employment, household, and population growth reflected by the growth scenario, and those represented by the projects on the lists, are more important than the specific projects identified. It is to be expected that the projects on the lists will change over time, and some will be added while others will be deleted. The lists reflect the best information at the time of the analysis. The growth scenario itself can remain valid as changes occur over time in the specifics of the development projects anticipated for the surrounding areas.

GROWTH IN THE REST OF ALAMEDA COUNTY AND BAY AREA REGION

The growth scenario used for the cumulative transportation analysis for this SEIR assumes growth in employment, households, and population as projected by ABAG *Projections 2002* and included in the CMA travel demand model for the rest of Alameda County and the Bay Area region outside of Oakland.[2] The land use projections in the CMA model for the nearby City of Alameda were reviewed, discussed with City of Alameda staff, and modified as part of the growth scenario update for the *Oak to Ninth Avenue Project EIR*. Inconsistencies in the data across analysis years and variables were identified, and the data were adjusted as needed. The adjusted CMA/ABAG projections (including for the City of Alameda) continue to be included in the cumulative database for use in this and other Oakland EIRs.

COMMENTS REGARDING ABAG'S RECENT SMART GROWTH FORECASTS

[2] The land use database in the Alameda County CMA travel model at the time of the analysis for this EIR was that updated as of May 2003 to incorporate ABAG *Projections 2002*, and then revised as of March 2004 to incorporate ABAG's revisions to the allocations of *Projections 2002* employment data to Census Tracts within cities in the region.

The ABAG *Projections 2002* referred to throughout this appendix, can be identified as ABAG's trends projections, as they are the most recent ABAG projections available during preparation of the analysis in this EIR based largely on regional and local economic, demographic, real estate, and land use trends. Since those projections, ABAG has recently developed policy-based projections that incorporate regional Smart Growth policy goals over the long-term future. The recently released ABAG *Projections 2005* provide a Smart Growth forecast that assumes the implementation of policies to encourage more growth in central parts of the region, less growth in more outlying areas, and more total housing production in the region at higher overall densities of development and more focused in locations with proximity to employment centers and transit services. Substantial changes in state, regional, and local policies affecting land use, local government tax base, funding for affordable housing, investment in infrastructure, and various other incentives would be required to achieve the Smart Growth forecast. Because of its central location and its role as a center city within the region, long-term growth in Oakland (by 2025 and 2030) would be higher under ABAG's Smart Growth Forecast, compared to the *Projections 2002* trends forecast.

The cumulative analysis for this EIR is based on the Oakland Cumulative Growth Scenario for Oakland and on ABAG's *Projections 2002* for the rest of the region. A primary reason is that the Alameda County CMA's travel demand model and the CMA requirements for transportation analysis continue to be based on the ABAG *Projections 2002* projections. The *Projections 2002* projections are the only ones that have been allocated to TAZs throughout Alameda County and the rest of the region as required for land use inputs to the countywide transportation model (2006 Alameda County CMA Model). Another reason the cumulative analysis for this EIR is based on the Oakland Cumulative Growth Scenario and on ABAG's *Projections 2002* for the rest of the region is that Oakland's cumulative scenario reflects an accurate and realistic forecast of current and anticipated future growth and change in Oakland based on the analyses described in this appendix and the City's continuing process of reviewing and updating the cumulative scenario to incorporate new information/data and changing trends. Oakland's cumulative scenario already reflects local Smart Growth land use policies as set forth in the City's General Plan Land Use and Transportation Element. The cumulative scenario also has somewhat higher levels of growth in Oakland than ABAG's *Projections 2002*, particularly household growth, consistent with the intent of the region's Smart Growth policy goals.[3]

As mentioned above, ABAG *Projections 2002* are the most current ABAG projections available during preparation of the analysis in this EIR. ABAG's *Projections 2005* and *Projections 2007* (socioeconomic forecasts) were released to the City of Oakland in early 2007, well after issuance of the Notice of Preparation (NOP) for this EIR (February 8, 2007) and after completion of the in-depth transportation analysis was conducted for the project. ABAG *Projections 2002* are consistent with the forecasts in the subsequent Smart Growth forecasts reflected in *Projections 2005* and *Projections 2007*. The latter show that the substantial growth increase estimated under the Smart Growth projections (compared to previous projections, *Projections 2002*) would occur *after* 2030, which is beyond the 2025 analysis timeframe for this EIR. Therefore, use of the available ABAG *Projections 2002* in this EIR does not result in substantially different or

[3] The cumulative scenario totals for households in Oakland by 2025 are within two percent of ABAG's *Projections 2005* for Oakland in 2025, and the employment totals are within four percent.

understated project effects since they are consistent with the more recent projections for the time period analyzed herein.