

1 **4.8 POPULATION, HOUSING, AND EMPLOYMENT**

2 Redevelopment would result in benefits to study area economics and housing, as well as in one  
3 less than significant impact related to population growth. Mitigation is not warranted, and none is  
4 recommended.

5 **4.8.1 Study Area**

6 The study area for analysis is the approximately 1,800-acre redevelopment project area, plus  
7 the limits of logical demographic and economic units that are located entirely or partially within  
8 the project area (e.g., census tracts).

9 **4.8.2 Regulatory Setting**

10 **Federal**

11 **Housing.** The U.S Department of Housing and Urban Development (HUD) manages programs  
12 intended to improve the quantity and quality of housing, and to improve communities in general  
13 via the provision of grant monies to states and cities. In 2001, HUD allocated approximately  
14 \$4.4 billion to eligible jurisdictions.

15 One HUD program is the Community Development Block Grant (CDBG) Program, authorized  
16 under Title I of the Housing and Community Development Act of 1974 (42 United States Code  
17 5301). Under the CDBG Program, HUD allocates grants to eligible metropolitan cities and urban  
18 counties (“entitlement communities”) for neighborhood revitalization, to expand affordable  
19 housing and economic opportunities, and to improve facilities and services that principally  
20 benefit low- and moderate-income persons. In 2001, HUD allocated approximately \$1.7 billion to  
21 entitlement communities under the CDBG Program (HUD 2001a).

22 HUD also administers the HOME Investment Partnerships Program, signed into law in 1990 as  
23 Title II of the Cranston Gonzalez National Affordable Housing Act (program regulations are at 24  
24 Code of Federal Regulations Part 92). Under the HOME program, HUD allocates grants to  
25 states and local governments exclusively to create affordable housing for low-income  
26 households. Recipients may choose from a broad range of eligible activities: provide funds for  
27 purchase or rehabilitation, build or rehabilitate units for the rental market; acquire and improve  
28 sites; demolish dilapidated housing for replacement by HOME-assisted development; and pay  
29 relocation expenses. In 2001, HUD allocated approximately \$53.5 million under the HOME  
30 Program (HUD 1998; 2001b, c).

31 HUD administers the Housing Opportunities for Persons with AIDS (HOPWA) Program,  
32 authorized by the AIDS Housing Opportunity Act (42 USC 12901). The program is governed by  
33 the HOPWA Final Rule (24 CFR Part 574) and the Consolidated Submissions for Community  
34 Planning and Development Programs, Final Rule (24 CFR Part 91). Under the HOPWA  
35 Program, HUD allocates grants to local governments to provide housing assistance and related

1 supportive services for low-income persons with HIV/AIDS and their families. In 2001, HUD  
2 allocated approximately \$229.4 million under the HOPWA Program (HUD 2001d).

3 Finally, HUD administers the Emergency Shelter Grant (ESG) Program; the authority of this  
4 program is based on the McKinney-Vento Homeless Assistance Act (42 USC §§ 11371-11378).  
5 The program is intended to be the first step in a continuum of assistance to prevent  
6 homelessness and to enable homeless persons and families to move toward independent living.  
7 Using the CDBG Program formula as the basis of allocation, HUD grants monies to eligible  
8 jurisdictions for the following: rehabilitation or conversion of buildings to homeless shelters;  
9 operating expenses; essential services; and homeless prevention activities (HUD 2001e).

10 **State/Regional**

11 **Housing, Redevelopment.** Under California Community Redevelopment Law, 20 percent of  
12 the tax increment generated annually by redevelopment project areas within a jurisdiction must  
13 be used by the redevelopment agency to increase, improve, and preserve the community's  
14 supply of affordable housing for persons of low and moderate income (Health and Safety Code  
15 § 33334.2). An agency has flexibility in accruing and dispersing these funds. The agency is  
16 obligated to dedicate 20 percent of the total annual increment to housing from all project areas  
17 within its jurisdiction (called the housing "set-aside"); each project area may contribute more or  
18 less than 20 percent. In addition, the Agency has discretion over the appropriate location of  
19 housing: units financed by the increment from a specific project area does need not be located  
20 within that project area.

21 **Housing, Fair-Share.** In response to state-wide population and household growth, and to  
22 ensure availability of decent and affordable housing, the State of California enacted laws  
23 (Government Code §§ 65580-65589.8) that require the State Department of Housing and  
24 Community Development (HCD) to determine each region's share of state housing need. In  
25 turn, regional councils of government are required to periodically distribute the state-identified  
26 housing need for their region (Government Code § 65584(a)).

27 **Local**

28 **Housing, Redevelopment.** In December 2001, the Oakland Redevelopment Agency adopted a  
29 resolution increasing the affordable housing set-aside to 25 percent for Oakland redevelopment  
30 project areas that meet a debt-coverage threshold ratio of 1.2 (120 percent).

31 The Housing Element of the *Oakland General Plan* (City of Oakland 1992) takes a problem-  
32 oriented approach to examining Oakland housing, and puts forth goals and policies intended to  
33 resolve the identified problems. Those goals and policies relevant to this redevelopment  
34 program are included in Appendix 4.1 of this document.

**4.8.3 Regional Setting**

The region under consideration is the City of Oakland. Information regarding the existing regional setting is from statistics compiled by and projections prepared by the Association of Bay Area Governments (ABAG), and from the U.S. Census. Compared to Alameda County, in which Oakland is located, Oakland currently experiences higher vacancy rates and lower housing ownership rates; during the redevelopment build-out period Oakland is projected to experience lower population growth, and substantially lower jobs growth than the county.

**Population**

The population of the City of Oakland in 2000 was 399,484. By year 2020, total Oakland population is expected to grow by approximately 10.1 percent, to 440,000 (ABAG 2001a; ABAG 2001b). This rate of growth is substantially less than that projected for Alameda County—15.6 percent—for the same 20-year period (ABAG 2001b; Hausrath Economics Group 2002).

**Housing**

In 2000, there were 157,508 housing units in the City of Oakland. Approximately 95.7 percent, or 150,790, of these units were occupied (this represents the number of households in the City); 41.4 percent were owner-occupied (ABAG 2001a). These occupancy rates were lower than those of Alameda County, which were 96.9 percent total occupancy, and 57.4 percent owner-occupied (ABAG 2001c). In January 2001, the median price of an Oakland home was approximately \$254,000, or 27.4 percent less than the median home price across Alameda County of \$350,000 (East Bay Almanac 2001).

HUD Program	2000 Oakland Allocation
CDBG	10.7
HOME	4.9
ESG	0.4
HOPWA	1.8
<b>Total</b>	<b>\$17.8 million</b>

Source: HUD 2001f.

In 2000, the City of Oakland received \$17.8 million from HUD for community and housing development, including the following funding sources:

**Housing Fair-Share**

In October 1999, the HCD issued regional housing “goal” numbers. The nine-county Bay Area region’s share of statewide housing need was determined to be approximately 230,745 units. In June 2001, ABAG issued its regional Housing Needs Determination (RHND) for 2001 through 2006. The RHND allocated approximately 46,795 units to Alameda County; of these, 7,735 were allocated to Oakland. In addition, the RHND allocated Oakland units by income category are as follows:

Income Category	Number of Units Allocated
Very Low	2,238
Low	969
Moderate	1,959
Above Moderate	2,567
<b>Total</b>	<b>7,733</b>

Source: ABAG 2001d.

**Employment**

In November 2001, the total number of employed persons in the City of Oakland was 185,830; the unemployment rate was 8.8 percent. The Oakland unemployment

1 rate was higher than that of Alameda County, 5.6 percent, for the same period (California  
2 Employment Development Department [EDD] 2001a). From 2000 to 2020, Oakland job growth  
3 is projected to be approximately 21.4 percent; this is substantially lower than that projected for  
4 Alameda County, 28.3 percent, for the same time period (ABAG 2001b).

5 **4.8.4 Local Setting**

6 For housing, the current setting is described below. For population and employment, both the  
7 current setting, and the setting in 1995 (the alternative baseline year) are described below. The  
8 analysis of impacts to population and employment uses an alternative baseline for only the  
9 Oakland Army Base portion of the project area.

10 The discussion of local setting and impacts uses the following terms:

- 11 • **Direct jobs** are those directly resulting from a source. These jobs are often, but are not  
12 necessarily located proximate to their source. Direct jobs are those that would not occur  
13 without redevelopment, and may include workers in project area offices, cargo truck drivers,  
14 etc.
- 15 • **Indirect/induced jobs** are those resulting from economic activity related to the direct  
16 source. These jobs support the source of direct economic activity, and include jobs such as  
17 business machine sales/maintenance, restaurant workers, etc.
- 18 • **Local jobs** are those, whether direct or indirect/induced, which are physically located within  
19 the redevelopment project area.

20 **Population, Setting**

21 Year 2000 population of the study area was zero—the entire area was in non-residential use. In  
22 2001, the Phoenix Lofts project was completed at 2<sup>nd</sup> and Brush streets, providing 20 loft units.  
23 Assuming ABAG’s person-per-household estimate of approximately 2.6 persons per Oakland  
24 household in 2000 (ABAG 2001b), total study area 2001 population would be 52 people. The  
25 entire population is located within the Maritime sub-district.

26 **Population, Alternative Baseline**

27 In 1990, there was an estimated on-base family population of 392 persons (Herman Zillgens  
28 Associates 1995). This does not include transient military personnel in training. In the absence  
29 of more current estimates, this analysis assumes a permanent population of 392 persons at the  
30 OARB in the baseline year of 1995.

31 **Housing**

32 Year 2001 housing units in the study area include the 20 Phoenix loft units located in the  
33 Maritime sub-district. In addition, the Base has 112 unoccupied military family units as well as  
34 enlisted and single officer quarters, located in the Port development area (Corps 2001). These

1        quarters are either barracks or dormitory style, and are not habitable as household or family  
 2        units. The interim leasing program does not include housing.

3        **Employment, Setting**

4        In 2000, there were no employed residents  
 5        within the study area. An estimate of the  
 6        number of jobs located within the study area in  
 7        2000 (“local jobs”) is as follows:

<b>Study Area Local Jobs, 2000</b>	
Gateway Development Area:	890
Port Development Area:	440
Maritime sub-district:	1,850
16 <sup>th</sup> /Wood sub-district:	100
<b>Total</b>	<b>3,280</b>
<b>Source:</b> HEG 2001.	

8        **Employment, Alternative Baseline**

9        In 1995, approximate total local jobs at the  
 10        OARB were 2,045, including 1,910 civilian and 135 military jobs (Corps 2001). Total local OARB  
 11        jobs in 1995 were approximately 705 greater than in 2000. Ordinarily it would be expected that  
 12        direct jobs associated with the OARB would be  
 13        greater than local jobs. However, the Army’s EIS  
 14        did not report direct job numbers. Therefore,  
 15        local job numbers are used.

<b>Study Area Direct Baseline Jobs OARB: 1995; Maritime and 16<sup>th</sup>/Wood: 2000</b>	
OARB sub-district:	2,045
Maritime sub-district:	9,100
16 <sup>th</sup> /Wood sub-district:	100
<b>Total</b>	<b>11,245</b>
<b>Source:</b> OARB sub-district—Corps 2001. Maritime sub-district—Port of Oakland 2002. 16 <sup>th</sup> /Wood sub-district: HEG 2001.	

16        An estimate of total study area baseline  
 17        employment is as follows (note that local and  
 18        direct jobs for the OARB are treated as the  
 19        same, in the absence of information regarding all  
 20        direct OARB jobs):

21        **4.8.5 Impact Analysis Methodology**

22        As allowed by the California Environmental Quality Act (CEQA), where relevant, the analysis of  
 23        impacts of community reuse of a military base may be based on environmental conditions that  
 24        existed at the time the federal government made the decision to close the base, rather than  
 25        current existing conditions. For the OARB, this decision was made in 1995. The analysis of  
 26        impacts to population and employment use this alternative baseline for only the OARB portion of  
 27        the project area.

28        Estimates of jobs generated by redevelopment throughout the project area are derived from an  
 29        employment model developed specifically for the OARB area redevelopment project area. The  
 30        model and results are included as Appendix 4.8 of this EIR.

31        **Significance Criteria**

32        Redevelopment would have a significant impact on the environment if it would:

- 33        • Induce substantial population growth in an area, either directly or indirectly;

1 • Displace substantial numbers of existing housing units, necessitating the construction of  
2 replacement housing elsewhere; or

3 • Displace substantial numbers of people, necessitating the construction of replacement  
4 housing elsewhere.

5 Not all criteria above apply to redevelopment as proposed. A small permanent resident  
6 population is located on the boundary of the Maritime sub-district. Redevelopment would not  
7 displace or otherwise affect that population. No substantial permanent population exists that  
8 could be directly displaced by redevelopment.

9 The unoccupied 112 military family units located within the Port development area were always  
10 military housing not available to the community as affordable housing. In addition, the enlisted  
11 and officers quarters are not suitable as community housing. Removal of these structures does  
12 not displace affordable community housing, or necessitate the construction of replacement  
13 housing.

14 **4.8.6 Impacts**

15 **Benefits**

16 **Housing.** Redevelopment of the project area would occur under a tax increment financing  
17 framework. Pursuant to Section 33334.2 of the Health and Safety Code (Community  
18 Redevelopment Law), the ORA would dedicate 20 percent of the tax increment generated city-  
19 wide to increase, improve, and preserve the supply of low- and moderate-income housing in the  
20 City. Should the project area achieve a 120 percent debt coverage ratio, the City would increase  
21 the amount dedicated to housing to 25 percent. This influx of monies for affordable housing  
22 would be a benefit to Oakland housing.

23 Redevelopment would result in construction of approximately 375 live-work units in the  
24 16<sup>th</sup>/Wood sub-district. Depending on their date of their construction, these units could assist the  
25 City in fulfilling its fair-share of regional housing units under the current RHND cycle (through  
26 2006), or future RHND cycles. This would be a benefit to local and regional housing.

27 **Employment.** Redevelopment would provide the opportunity to substantially increase the  
28 number of available jobs in West Oakland. As described in Chapter 3: Description, the project  
29 area has historically suffered from blighted conditions and associated economic depression.  
30 These conditions could worsen as a result of the closure of the OARB. Redevelopment has the  
31 potential to generate substantial numbers of jobs in this area, and therefore to improve the  
32 physical and economic condition of West Oakland, and of the City and its citizens as a whole.  
33 The addition of jobs is a substantial and important benefit of redevelopment.

34 Table 4.8-1 provides summarizes the result of the analysis of employment generation for the  
35 redevelopment program. Details of this analysis are located in Appendix 4.8. Redevelopment as  
36 proposed is expected to generate approximately 16,400 gross direct (14,270 net) and 29,700  
37 indirect/induced jobs, a total of approximately 46,100 gross (43,970 net) new jobs. Net jobs

account for those jobs that would be eliminated by redevelopment in the OARB and 16<sup>th</sup>/Wood sub-districts, which will be substantially re-built under redevelopment as proposed. In 2020, the redevelopment project area is expected to encompass approximately 13,920 local jobs, an increase of approximately 10,640 local jobs over the setting condition.

Taking into account the number of alternative baseline (1995) local jobs at the OARB (2,045) less 2000 local OARB jobs (890 + 440 = 1,330), or 715 local jobs, net local jobs at the OARB sub-district due to redevelopment would be 5,625 (6,150 + 190 – 715).

**Table 4.8-1  
Redevelopment Job Generation, Baseline Compared to 2020**

Direct Jobs <sup>a</sup>	OARB				Total
	Gateway	Port	Maritime	16 <sup>th</sup> /Wood	
Baseline <sup>b</sup>	1,025	1,020	9,100	100	11,245
2020 <sup>c</sup>	6,135	1,330	13,170	4,880	25,515
Difference	5,110	310	4,070	4,780	14,270
Percent, Net Direct Jobs	35.8	2.2	28.5	33.5	100.0
<b>Local Jobs</b>					
2000	890	440	1,850	100	3280
2020	6,150	190	2,760	4,820	13,920
Difference	5,260	-250	910	4,720	10,640
Percent, Local Jobs	49.4	-2.4	8.6	44.4	100.0

**Sources:** Economic Model for OARB Redevelopment (Appendix 4.8).  
2020 Local jobs, Port of Oakland 2001; HEG 2001.

**Notes:**

- <sup>a</sup> Assumes roughly equal distribution of OARB baseline jobs between the Gateway and Port development areas.
- <sup>b</sup> The baseline for impact analysis of direct jobs comprises the 1995 alternative baseline for the OARB and the 2000 setting for the Maritime and 16<sup>th</sup>/Wood sub-districts.
- <sup>c</sup> Because the OARB and 16<sup>th</sup>/Wood sub-districts will be substantially or entirely re-built under redevelopment, their 2000 direct jobs will be replaced with redevelopment jobs; the Maritime sub-district will not be re-built, and the increase in employment for that sub-district due to redevelopment is in addition to year 2000 direct jobs.

The HEG model identifies more local jobs in the Gateway area than would the program economic model.

**Impacts**

**Impact 4.8-1:** Redevelopment could induce population growth in Oakland.

**Significance:** Less than significant

**Mitigation:** Mitigation is not warranted.

1 Build-out of the project area, including generation of substantial jobs, and construction of  
2 dwelling/work units, would attract people to the Oakland area.

3 As people are attracted to new jobs generated by redevelopment, they will increase population  
4 as well as demand for housing across the City. Housing developed as part of the redevelopment  
5 program would attract new residents to the 16<sup>th</sup>/Wood sub-district. Therefore, redevelopment  
6 has the potential to increase the population of Oakland.

7 The 14,270 net new direct jobs generated by project area redevelopment would attract employees  
8 and their families to the area. ABAG projects that between 2000 and 2020, the number of  
9 Oakland jobs will increase by 29,450; estimated net jobs generated by the proposed  
10 redevelopment program represent approximately 49 percent of that total. The City of Oakland  
11 regional traffic model estimates that citywide, 42 percent of Oakland jobs are filled by residents.  
12 Based on the historical trend, about 4,470 of the projected 10,640 new local jobs (or 42 percent)  
13 from redevelopment would be filled by Oakland residents (and the remainder by commuters in-  
14 migrating from other communities). Conservatively assuming one-third of the Oakland employees  
15 are new residents attracted to Oakland by redevelopment-generated local jobs, approximately  
16 1,475 new employees would be attracted to Oakland. In 2020, ABAG projects there will be  
17 205,500 employed residents and 165,010 households in Oakland, or approximately 1.3 employed  
18 residents per household. Therefore, the creation of jobs and attraction of workers is projected to  
19 increase the need for housing by approximately 1,135 units. Less the 375 dwelling units planned  
20 for the 16<sup>th</sup>/Wood sub-district, net housing demand attributable to redevelopment would be 760  
21 units. ABAG projects that between 2000 and 2020, the number of Oakland households (occupied  
22 housing units) would increase by 4,820; housing demand generated by the proposed  
23 redevelopment program would represent approximately 15.7 percent of that projection.

24 ABAG projects that in 2020, the average number of persons per Oakland household would be  
25 2.6. Because live/work units generally are not family housing, and do not represent the  
26 household norm, using the ABAG projection would provide a conservative estimate of  
27 approximately 975 persons residing in the 16<sup>th</sup>/Wood sub-district at build-out. In addition, the  
28 remaining 760 units needed for attracted workers would result in an increase in population  
29 Oakland-wide of approximately 1,975 persons. The total new residents attracted to Oakland by  
30 redevelopment housing and local employment opportunities is expected to be approximately  
31 2,650 by year 2020. Accounting for the OARB baseline year population of 392, net increase in  
32 population due to redevelopment would be approximately 2,260 persons. ABAG projects that  
33 between 2000 and 2020, the Oakland population would increase by 40,515 persons; net  
34 population increases generated by the proposed redevelopment program would represent  
35 approximately 5.5 percent of that projection.

36 Redevelopment as proposed could induce housing demand and population growth, well within  
37 that projected by ABAG for the build-out period. Thus, the impact to population growth is  
38 considered less than significant.

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1 **4.8.7 Mitigation**

2       Redevelopment would not result in significant impacts, and mitigation is not warranted.

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