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## 3.8 POPULATION AND HOUSING

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### Introduction

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This section of the EIR provides background information on existing and projected population and housing conditions in Redwood City. For this discussion, employment resulting from the proposed project takes into account the Master Plan, and includes buildout of the project in five phases through 2025. Also, this discussion will analyze the employment and housing impacts of the Master Plan resulting from the proposed project and the Higher Occupancy Scenario (see Section 2, Project Description). Consequently, this section examines how employment increases resulting from the Master Plan may impact housing demand in Redwood City, San Mateo County, and other Bay Area counties. A population and housing assessment typically examines whether a proposed project would:

- result in substantial population growth in an area;
- result in displacement of people or housing; and
- affect the housing demand in the city and the larger housing market.

As discussed in the Initial Study (Appendix B), Kaiser Redwood City employment would not lead to the displacement of people or housing. Therefore, this topic is not addressed in the EIR. The proposed project would not involve construction of housing, and therefore would not directly increase the Redwood City's resident population. The balance of jobs and housing within Redwood City and San Mateo County is evaluated through analysis of the jobs/employed residents ratio over the duration of the proposed project. For the purposes of this discussion, changes resulting from present and future development at the Medical Center will be referred to as "Kaiser Redwood City."

While changes in employment and housing demand are important to understanding the effects of a project, CEQA distinguishes between socio-economic effects and physical environmental effects. Changes to the demographics of an area from a housing or employment project (such as increased population or employment) are not, in and of themselves considered physical environmental impacts under CEQA. However, population and employment changes may indirectly cause environmental impacts such as impacts resulting from extension of infrastructure or public services. The demographic changes caused by the project are presented in this section in order to provide background information for the EIR reviewer and a context for the "population driven" effects described in this EIR in terms of increased traffic, and increased demands on public services and utilities. This EIR fully considers the environmental effects of additional employees, patients, and visitors associated with the proposed project. These effects are described in Sections 3.4, Transportation; 3.9, Public Services; and 3.10, Utilities and Service Systems in this EIR.

## Setting

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### Population

According to the Association of Bay Area Governments (ABAG), San Mateo County had a population of 707,161 in 2000. Population in 2000 within Redwood City's jurisdictional boundary was 75,402 and within its sphere of influence, 99,210. ABAG projects that San Mateo County's population will increase by about 15 percent and Redwood City's population will increase by 13 percent from 2000 to 2025. Table 3.8-1 shows the projected population for Redwood City, San Mateo County, and other Bay Area counties from 2000 to 2025.

	<b>2000</b>	<b>2005</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>
Redwood City (Jurisdictional Boundary)	75,402	78,600	80,600	82,600	83,800	85,300
Redwood City (Sphere of Influence)	99,210	103,100	105,200	108,300	110,100	112,600
San Mateo County	707,161	734,100	754,600	775,900	795,100	813,300
Santa Clara County	1,682,585	1,788,300	1,879,700	1,949,500	2,007,500	2,064,200
Alameda County	1,443,741	1,534,400	1,588,900	1,628,800	1,669,400	1,714,200
San Francisco County	776,733	798,600	809,200	810,500	811,100	815,200

Source: Association of Bay Area Governments, *Projections 2002*, December 2001.

### Employment

Table 3.8-2 shows the number of jobs available in San Mateo County and Redwood City. Employment for 2000 to 2025 was analyzed by decades with the exception of 2020 to 2025 (buildout of the Master Plan). Key observations from the table are noted below.

- San Mateo County employment is projected to grow from approximately 395,900 jobs in 2000 to about 433,800 jobs in Year 2010, a ten percent increase. ABAG projects continued employment growth of 47,150 jobs between 2010 and 2020 for total countywide employment of about 11 percent or 481,000 by 2020. Overall, employment in San Mateo County will increase by about 27 percent from 2000 to 2025.
- Redwood City provided about 16 percent of San Mateo County's jobs in 2000. This level is expected to remain consistent in 2010 and 2020. ABAG projects an increase of 6,210 jobs from 68,210 jobs in Year 2010 to 74,990 in Year 2020, an increase of about ten percent. Overall, employment in Redwood City will increase by about 25 percent from 2000 to 2025.

**Table 3.8-2  
Employment Trends in San Mateo County and Redwood City, 2000-2025 (Number of Jobs)**

	2000	2010	2020	2025	Growth		
					2000-2010	2010-2020	2020-2025
San Mateo County	395,890	433,820	480,970	501,990	37,930 (9.58%)	47,150 (10.87%)	21,020 (4.37%)
Redwood City	62,000	68,210	74,990	77,650	6,210 (10.02%)	6,780 (9.94%)	2,660 (3.55%)

*Source:* Association of Bay Area Governments, *Projections 2002*, December 2001.

*Note:* Redwood City employment is based upon the City and the city sphere of influence. This total includes 1,527 FTE employees at the existing Kaiser facility in Redwood City.

Although the decline in dot-com industry during 2000-2001 and the events of September 11, 2001 have affected the Bay Area and the nation's economic growth, long-term prospects for the Bay Area's economy are positive.<sup>1</sup> The region already has an unusually high concentration of computer electronics, telecommunications, and computer software, and is one of the leading regions for biomedical research and development. Other industries within the varied economy include finance, tourism, and government. While the Bay Area remains one of the costliest places to live in the United States, it also retains the characteristics that cause many to choose to bear those costs. A wide variety of cultural institutions and the natural setting of the Bay Area attract a talented pool of people that in turn attract jobs. As a result, ABAG expects that the Bay Area will add approximately 1,180,000 jobs during the next twenty-five years.

Santa Clara County will see the largest increase in jobs over ABAG's forecast period with an additional 303,500 jobs. Alameda County will see the second largest increase, adding over 262,500 jobs during the next 25 years. As a city, San Francisco will add the most jobs over the next 25 years, more than 162,000, San Jose will add 132,000 jobs, and the North Bay city of Santa Rosa will add more than 50,500 during the same period.

Currently, approximately 39 percent of the region's jobs can be described as being part of the service sector. About 19 percent are in manufacturing or wholesale activities; 16 percent are in retail; and 26 percent are in other categories including government, construction, finance, and agriculture. While some economic activities are concentrated in particular parts of the Bay Area, the economies in each county have generally become more diverse.<sup>2</sup>

<sup>1</sup> The Bay Area region includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

<sup>2</sup> Association of Bay Area Governments, *Projections 2002*, December 2001.

## Housing

Table 3.8-3 presents housing data for San Mateo County and Redwood City. Housing for 2000 to 2025 was analyzed by decades with the exception of 2020 to 2025 (buildout of the Master Plan). Highlights are presented below.

- The number of occupied housing units in San Mateo County is projected to grow from approximately 254,000 units in 2000 to 267,000 units in 2010 or about nine percent and is projected to grow another five percent in the 2010 to 2020 period to total 281,670 units. Overall, housing in San Mateo County will increase by about 14 percent from 2000 to 2025.
- Redwood City's share of countywide housing was about 14 percent at about 35,250 units in 2000, and is projected to be about 14 percent of countywide units in year 2010 at 36,690 occupied housing units. ABAG projections indicate growth of Redwood City housing to 38,170 units by 2020 with a constant share of about 14 percent of countywide units. The city household growth rate is less than the countywide rates, reflecting the City's limited land availability for new housing and built out conditions.

Throughout the San Francisco Bay Area, the job growth from 2000 to 2025 is expected to outpace household growth.<sup>3</sup> This trend points out that there will be a limited supply of housing in the Bay Area region. Housing demand and housing prices continue to increase as the market attempts to allocate this scarce resource. Available and affordable housing are key issues in the Bay Area, and in San Mateo County and Redwood City in particular because housing supply is not sufficient to meet demands.

**Table 3.8-3  
Housing Trends in San Mateo County and Redwood City 2000-2025 (Occupied Dwelling Units)**

	2000	2010	2020	2025	Growth		
					2000-2010	2010-2020	2020-2025
San Mateo County	254,103	267,110	281,670	288,920	13,007 (5.12%)	14,560 (5.45%)	7,250 (2.57%)
Redwood City	35,247	36,690	38,170	38,860	1,443 (4.09%)	1,480 (4.03%)	690 (1.81%)

*Source:* Association of Bay Area Governments, *Projections 2002*, December 2001.

*Note:* Redwood City households are based upon the City and the city sphere of influence. This total includes 244 households for existing employees at the Kaiser facility in Redwood City.

To understand how the demand for housing for Kaiser Redwood City employees is met, it is necessary to understand the wider housing market within which Kaiser Redwood City employees seek residence. The housing market for Kaiser Redwood City employees mainly covers the counties of San Mateo, Alameda, Santa Clara, and San Francisco. Approximately 16 percent of Kaiser Redwood City employees live in Redwood City. Table 3.8-4 summarizes the residence patterns of Kaiser Redwood

<sup>3</sup> Association of Bay Area Governments, *Projections 2002*, December 2001.

City employees. More than half (56 percent) of the employees live in San Mateo County, and most of the remaining (40 percent) live in Alameda, Santa Clara, and San Francisco Counties. Table 3.8-5 shows the number of current and projected households in the primary housing market for Kaiser Redwood City employees. Notably, about 94 percent of Kaiser Redwood City employees live within a 25-mile radius of the Medical Center. Table 3.8-6 compares projected demand for housing with the housing unit development potential between the years 2000-2025. The projections for the counties of San Mateo, Santa Clara, and Alameda indicate that presently zoned residential land is insufficient to meet demand by 2025 thereby further exacerbating the market's inability to keep pace with demand for housing. Overall, there would be an insufficient potential supply of housing relative to demand in the housing market area by 7,320 units (see Table 3.8-6). San Francisco County is the only county projected to have a surplus in housing supply.

**Table 3.8-4**  
**Kaiser Redwood City Employee Residence Pattern**

Place	Percent
San Mateo County	56.33%
<i>Redwood City</i>	<i>15.89%</i>
<i>San Mateo, Foster City</i>	<i>14.15%</i>
<i>San Carlos</i>	<i>3.86%</i>
<i>Menlo Park</i>	<i>3.79%</i>
<i>Hillsborough</i>	<i>2.70%</i>
<i>Belmont</i>	<i>2.64%</i>
<i>Daly City</i>	<i>2.44%</i>
<i>San Bruno</i>	<i>2.32%</i>
<i>Remaining Cities in San Mateo County</i>	<i>8.54%</i>
Alameda County	18.20%
Santa Clara County	17.68%
San Francisco County	4.18%
Other Bay Area Counties <sup>1</sup>	1.16%
Central Valley Counties <sup>2</sup>	1.59%
Remaining Counties in California <sup>3</sup>	1.63%
Out of State <sup>4</sup>	0.19%

*Sources:* Kaiser Permanente Redwood City, Employees by Zip Code, June 20, 2002, and EIP Associates, 2002.

*Notes:*

1. Other Bay Area Counties include Contra Costa, Marin, Solano, and Sonoma.
2. Central Valley Counties include San Joaquin, Sacramento, Stanislaus, San Benito, Tuolumne, Madera, and Butte.
3. Remaining Counties in California include Santa Cruz, Shasta, Santa Barbara, and Riverside.
4. Other States include Maryland, New York, and Washington.

**Table 3.8-5  
Kaiser Redwood City Housing Market Area  
Housing Trends, 2000-2025 (Occupied Households)**

	2000	2010	2020	2025	Growth		
					2000-2010	2010-2020	2020-2025
San Mateo County	254,103	267,110	281,670	288,920	13,007 (5.11%)	14,560 (5.45%)	7,250 (2.57%)
Santa Clara County	565,863	626,730	674,410	695,170	60,867 (10.76%)	47,680 (7.61%)	20,760 (3.08%)
Alameda County	523,366	562,010	595,400	611,680	38,644 (7.38%)	33,390 (5.94%)	16,280 (2.73%)
San Francisco County	329,700	342,730	347,180	348,990	13,030 (3.95%)	4,450 (1.30%)	1,810 (0.52%)
<i>Total</i>	<i>1,673,032</i>	<i>1,798,580</i>	<i>1,898,660</i>	<i>1,944,760</i>	<i>7.50%</i>	<i>5.56%</i>	<i>5.06%</i>

*Sources:* Association of Bay Area Governments, *Projections 2002*, December 2001; and EIP Associates, 2002.

**Table 3.8-6  
Housing Market Area  
Comparison of Household Growth with Housing Supply, 2000-2025**

	Potential Units (Supply)	Projected Demand (Household Growth)	Deficit
San Mateo County	24,560	34,810	-10,250
Santa Clara County	102,830	129,310	-26,480
Alameda County	82,860	88,310	-5,450
San Francisco County	<u>54,150</u>	<u>19,290</u>	<u>+34,860</u>
<i>Total</i>	<i>264,400</i>	<i>271,720</i>	<i>-7,320</i>

*Source:* Association of Bay Area Governments, *Projections 2002*, December 2001.

## Jobs/Housing Ratio

Table 3.8-7 shows the projected jobs/housing ratio for San Mateo County and Redwood City. The jobs housing ratio is intended to compare at an equivalent level the availability of housing for those employed in an area. A ratio of more than one ( $> 1$ ) indicates a surplus of jobs in the area. This would show that the majority of employees are commuting into the area. A ratio of less than one ( $< 1$ ) indicates that the community has fewer jobs than workers. Generally, a ratio of 0.9 to 1.1 is considered fairly balanced. San Mateo County and Redwood City have a ratio of more than one. More jobs are in the area than the number of employed residents. Although the jobs/housing ratio for San Mateo County is expected to slightly decline from 1.76:1 to 1.60:1 from 2000 to 2025, the area would still have a surplus of jobs in the County but to a lesser degree. Redwood City's jobs/housing ratio from 2000 to 2025 is expected to increase from 1.76:1 to 2.00:1. This shows that the surplus in Redwood City jobs is expected to increase.

	<b>2000</b>	<b>2010</b>	<b>2020</b>	<b>2025</b>
<b>San Mateo County</b>				
Housing	696,711	743,600	783,000	801,200
Jobs	395,890	433,820	480,970	501,990
Jobs/Housing Ratio	1.76:1	1.71:1	1.63:1	1.60:1
<b>Redwood City</b>				
Housing	35,247	36,690	38,170	38,860
Jobs	62,000	68,210	74,990	77,650
Jobs/Housing Ratio	1.76:1	1.86:1	1.96:1	2.00:1

*Sources:* Association of Bay Area Governments, *Projections 2002*, December 2001; and EIP Associates, 2002.

*Note:* Data for the jobs/housing ratio was rounded to the nearest hundredths place.

## Impacts and Mitigation Measures

### Significance Criteria

According to Appendix G of the CEQA Guidelines, the proposed project would result in significant population and housing impacts if the proposed project individually or cumulatively would:

- Induce substantial population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extensions of roads or other infrastructure);

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

As discussed in the Initial Study (Appendix B), the proposed project would not result in displacement of housing or people that would require the construction or replacement housing. Consequently, the focus of this analysis is on inducing growth into the area and the project's effect on the jobs/employed residents ratio.

## **Environmental Analysis**

As described in Section 3.1, for each impact, a level of significance is determined and is reported in the impact statement. Conclusions of significance are defined as follows: significant (S), potentially significant (PS), less than significant (LTS), and no impact (NI). If the mitigation measures would not diminish potentially significant or significant effects to a less-than-significant level, the impacts are classified as "significant unavoidable effects (SU)." For this section, PH refers to Population and Housing.

***PH-1. Employment Growth*** – *Under either the proposed project or the Higher Occupancy Scenario, the Master Plan would not significantly increase overall employment in Redwood City or San Mateo County. (LTS)*

The existing Medical Center in Redwood City employs 1,387 providers and staff. Under the proposed project, Kaiser estimates that the replacement of the hospital, and the construction of MOB, administrative buildings, and additional parking structures would result in a total employment of 1,521 providers and staff by 2025 at the Medical Center, an increase of 134 employees, or about 9.7 percent. From 2000 to 2025, total employment in Redwood City is expected to increase by 15,650 jobs. On-campus Kaiser Redwood City facilities would account for a small proportion (about 0.85 percent) of the City's total employment growth between 2000 and 2025. The Master Plan at buildout by 2025 is not expected to significantly increase the number of jobs in Redwood City or San Mateo County. Therefore, under the proposed project, impacts resulting from employment growth would be less than significant.

According to the Higher Occupancy Scenario, the Master Plan would result in a total employment of 2,013 providers and staff by 2025 in Redwood City, an increase of 626 employees, or about 45 percent. As stated above, total employment in Redwood City is expected to increase by 15,650 jobs from 2000 to 2025. Kaiser Redwood City would account for a small proportion (about four percent) of this employment growth between 2000 and 2025. Under this scenario, the Master Plan at buildout by 2025 is not expected to significantly increase the number of jobs in Redwood City or San Mateo County. Therefore under the Higher Occupancy Scenario, impacts resulting from employment growth would be less than significant.

***PH-2. Housing Demand – Under either the proposed project or the Higher Occupancy Scenario, the Master Plan would not significantly increase overall housing demand (less than one percent) in Redwood City or in the primary housing market. (LTS)***

Within the primary housing market area for Kaiser Redwood City employees, i.e., the counties of San Mateo, Alameda, Santa Clara, and San Francisco, housing demand is expected to outpace the absolute supply of presently planned and zoned residential development potential by 2020. Under the proposed project, the increase in the number of Kaiser Redwood City staff due to the Master Plan would be part of that forecast demand for housing. Existing employment residence patterns show that over half of Kaiser Redwood City employees reside in San Mateo County (see Table 3.8-4).

According to proposed project, Kaiser estimates the addition of 134 new employees at buildout in 2025. About 16 percent of current Kaiser Redwood City employees live in Redwood City. Assuming this residential pattern applied to new employees, about 21 of the 134 new employees under the Master Plan could live in Redwood City. The increased number of Kaiser Redwood City employees would account for a small proportion (about 0.58 percent) of the total projected increase in Redwood City housing.

Since not all Kaiser Redwood City employees would choose to live in Redwood City, nor could they all afford to live there, they would be expected to choose residences within the primary housing market area. The remaining 113 new employees would seek residence in the primary housing market or beyond. The project-related increase in the demand of 113 units for housing by the year 2025 would have an insignificant percentage (less than one percent) of the projected growth of 268,428 households in the housing market area. Therefore, impacts resulting from increased housing would be less than significant.

The Higher Occupancy Scenario would follow the same residential pattern as the proposed project. Based on the residential locations of existing Kaiser Redwood City employees, an estimated 16 percent of the new employees would reside in Redwood City. Consequently, 16 percent of the total housing demand for 626 units, or about 100 units, would occur in Redwood City. Because no new residential development is proposed as part of the project, it is assumed that these new employees would be either existing residents (who have accepted new jobs created by the project) or new residents who would move into existing housing in Redwood City. The Master Plan at buildout by 2025 is not expected to significantly increase housing demand in Redwood City or in the primary housing market. In addition, the increase in housing demand due to increased employment would not significantly affect population driven effects (see Section 3.9, Public Services).

Since not all Kaiser Redwood City employees would choose to live in Redwood City, nor could they all afford to live there, they would be expected to choose residences within the primary housing market area. The remaining 526 new employees under the Higher Occupancy Scenario would seek residence in the primary housing market or beyond. The project-related increase in the demand of 526 units for housing by the year 2025 would have an insignificant

percentage (less than one percent) of the projected growth of 268,428 households in the housing market area. Therefore, impacts resulting from increased housing would be less than significant.

**PH-3. Jobs/Employed Residents Ratio** – Under either the proposed project or the Higher Occupancy Scenario, the Master Plan would not significantly affect the Redwood City and San Mateo County jobs/employed residents ratios. (LTS)

As shown in Table 3.8-8, the jobs/employed residents ratio for Redwood City and San Mateo County with the proposed project would be constant with the City’s jobs/employed residents ratio without the proposed project from 2000 to 2025. Similarly with the Higher Occupancy Scenario, the jobs/employed residents ratio at buildout in 2025 for Redwood City and San Mateo County would be constant. Because the proposed project’s new employment and increased demand for Redwood City housing would be minimal, impacts resulting from an imbalance in employment to housing would be less than significant.

**Table 3.8-8  
Jobs/Employed Residents for San Mateo County and Redwood City  
with the Proposed Project, 2000-2025**

	2000	2010	2020	2025
<b>San Mateo County</b>				
Housing	254,103	267,110	281,670	288,920
Jobs without the Proposed Project	395,890	433,820	480,970	501,990
Jobs with the Proposed Project	395,890	433,846	480,970	502,062
Jobs with the Higher Occupancy Scenario				502,341
Ratio without the Proposed Project	1.56:1	1.62:1	1.71:1	1.74:1
Ratio with the Proposed Project	1.56:1	1.63:1	1.71:1	1.74:1
Ratio with the Higher Occupancy Scenario				1:74:1
<b>Redwood City</b>				
Housing	35,247	36,690	38,170	38,860
Jobs without the Proposed Project	62,000	68,210	74,990	77,650
Jobs with the Proposed Project	62,000	68,217	74,990	77,670
Jobs with the Higher Occupancy Scenario				77,725
Ratio without the Proposed Project	1.76:1	1.86:1	1.96:1	2.00:1
Ratio with the Proposed Project	1.76:1	1.86:1	1.96:1	2.00:1
Ratio with the Higher Occupancy Scenario				2.00:1

*Sources:* Association of Bay Area Governments, *Projections 2002*, December 2001. Total projected providers and staff during phases I-V, Kaiser Permanente, Capital Projects Group, South Bay Service Area, 2002, and EIP Associates, 2002.

*Note:* Data for the jobs/housing ratio was rounded to the nearest hundredths place.