

## 4.10 POPULATION AND HOUSING

### 4.10.1 Introduction

This section provides existing population, housing, and employment characteristics of the City of Del Mar and the City of San Diego and addresses potential population and housing impacts created by the proposed project. Sources of demographic information consulted include agencies such as the San Diego Association of Governments (SANDAG), the State of California Department of Finance, and the United States Bureau of the Census (U.S. Census Bureau). The 22nd District Agriculture Association (22nd DAA) does not maintain population or housing records.

### 4.10.2 Existing Environmental Setting

**Population, Employment, and Housing Trends in the Cities and County.** The project site is located in the City of Del Mar and the City of San Diego in northern San Diego County (County). The City of Del Mar is 1.8 square miles, approximately 20 miles (mi) north of downtown San Diego, and is primarily a residential community with small retail and service industries between Interstate 5 (I-5) and the Pacific Ocean. The City of San Diego encompasses approximately 219,241 acres (ac) and stretches from the United States/Mexico border into northern areas of the County. The City of San Diego is bordered on the northwest by the coastal communities of the City of Del Mar and the City of Solana Beach. Inland to the north, the City is bordered by unincorporated portions of the County and the Cities of Escondido and Poway.

SANDAG is the regional agency responsible for developing demographic projections, including population, household, and employment projections for the San Diego region (Region). SANDAG describes the Region as all 19 jurisdictions in the County, including incorporated and unincorporated cities. The demographic data provided by SANDAG identifies demographic population projections for 2000 through 2030. These growth projections are generated using the latest census data, local input, and historical growth trends. The growth projections for the City of Del Mar, City of San Diego, and Region are provided in Table 4.10.A.

**Population.** The City of Del Mar is the smallest incorporated city in the County of San Diego. According to the U.S. Census Bureau, the population in Del Mar was 4,389 in 2000, while the overall population of the County was approximately 2,813,833.

The City is largely developed, with little vacant land available to accommodate new construction. The median age of the City of Del Mar's population in 2008 is 48 years. Only a modest increase in population is anticipated resulting from small infill and redevelopment projects and natural population increases (number of births versus number of deaths).

After a decline in population for two decades, the City of Del Mar experienced modest population growth from 2000 to 2008 compared to other incorporated cities in the region (Refer to Table 4.10.B). SANDAG estimates that the population rose 4 percent in the City of Del Mar and 11 percent for the region from 2000 to 2008. SANDAG expects the City of Del Mar to realize another 2 percent total population growth from 2000 to 2010 (for a total of 6 percent), a 10 percent growth from 2010 through 2020, and a 7 percent growth from 2020 through 2030.

**Table 4.10.A: SANDAG Projections for 2000–2030**

	2000	2010	% Change 2000– 2010	2020	% Change 2010– 2020	2030	% Change 2020– 2030
<b>Total Population</b>							
City of Del Mar	4389	4661	6	5138	10	5497	7
City of San Diego	1,223,400	1,365,130	12	1,514,336	11	1,656,257	9
San Diego County	2,813,833	3,245,279	15	3,635,855	12	3,984,753	10
<b>Total Households<sup>1</sup></b>							
City of Del Mar	2178	2183	0	2367	8	2434	3
City of San Diego	450,691	496,747	10	546,835	10	585,161	7
San Diego County	994,677	1,125,611	13	1,247,522	11	1,331,782	7
<b>Total Employment</b>							
City of Del Mar	3842	4414	15	4543	3	4627	2
City of San Diego	777,600	880,326	13	956,165	9	1,010,157	6
San Diego County	1,384,676	1,573,742	14	1,741,033	11	1,913,682	10

Source: San Diego Association of Governments, Data Warehouse, April 2009.

<sup>1</sup> The category “Total Households” is the total number of occupied housing units.

**Table 4.10.B: SANDAG Jurisdictional Estimates from 2000 and 2008**

Jurisdiction	2000 Population	2008 Population	Percent Change
San Diego Region	2,813,833	3,146,274	11
Carlsbad	78,247	103,811	33
Chula Vista	173,556	231,305	33
Coronado	24,100	23,101	-4
Del Mar	4,389	4,580	4
El Cajon	94,869	97,934	3
Encinitas	58,014	63,864	10
Escondido	133,559	143,389	7
Imperial Beach	26,992	28,200	4
La Mesa	54,749	56,666	4
Lemon Grove	24,918	25,611	3
National City	54,260	61,194	13
Oceanside	161,029	178,806	11
Poway	48,044	51,103	6
San Diego	1,223,400	1,336,865	9
San Marcos	54,977	82,743	51
Santee	52,975	56,068	6
Solana Beach	12,979	13,500	4
Vista	89,857	98,770	10
Unincorporated	442,919	491,764	11

Source: San Diego Association of Governments (SANDAG), Data Warehouse, April 2009.

The project site is also within the City of San Diego along the eastern boundary of the Fairgrounds (east of Jimmy Durante Boulevard). SANDAG estimates that the City of San Diego's population increased by 9 percent from 2000 to 2008 and that the City can expect an additional 3 percent growth from 2000 to 2010 (for a total of 12 percent), 11 percent growth from 2010 through 2020, and 9 percent growth from 2020 through 2030.

**Housing.** According to projections made by SANDAG, there were 2,146 total occupied housing units in the City of Del Mar in 2008, which represents a 1.5 percent decrease since 2000. SANDAG projects that the City of Del Mar will only experience an overall 11 percent increase in housing between 2000 and 2030, with an increase to 2,434 housing units, as compared to the Region, which is expecting a 34 percent increase in occupied households during the same time interval. The lower growth rate for the City of Del Mar is a result of the City of Del Mar's built-out status and limited land available for future development.

Housing in the City of Del Mar includes single-family homes, multiple-family homes, and mobile homes. Single-family homes account for over half the total housing units for the City of Del Mar, which is consistent with the Region, which has 63 percent single-family housing. In 2008, SANDAG estimated that for the Region, 36 percent of housing was for multifamily use, 12 percent was single-family attached, 48 percent was single-family detached, and 4 percent was mobile and manufactured homes.

SANDAG also estimated there were 487,775 total occupied housing units in the City of San Diego in 2008, which represents an 8 percent increase since 2000. The City of San Diego is projected to increase by an additional 2 percent by 2010 (for a total of 10 percent) and another 17 percent by 2030.

**Employment.** The City of Del Mar's employment rates are highly dependent upon three industry categories: the Professional/Scientific/Management/Administrative, Finance/Insurance/Real Estate, and Educational/Social/Health Service industries. SANDAG reports that in 2000 the employment status of the population that resides in the City of Del Mar was 88 percent of the population, which was higher than the Region's employment status of 49 percent.

The City of San Diego's economic base is primarily composed of manufacturing industries (including research and development), certain professional services, visitor industries, and industries related to national security and international affairs. High-technology manufacturing and research and development are the most significant because they support middle-income employment that is essential to preserve a healthy economic base.<sup>1</sup> SANDAG reports that in 2000 the employment status of the population that resides in the City of San Diego was 64 percent of the population, which was higher than the Region's employment status of 49 percent.

As for employment opportunities within the City of Del Mar, the City of San Diego, and the Region, SANDAG projects that the Region's employment rates will increase through 2030, with the City of Del Mar's increase rate smaller. Moreover, between 2000 and 2010, employment

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<sup>1</sup> City of San Diego General Plan. Economic Prosperity Element. March 2008.

opportunities are anticipated to grow substantially for the City of Del Mar at 15 percent, but level off to increase 3 percent and 2 percent, respectively, for 2020 and 2030. In the City of San Diego, employment opportunities are anticipated to grow by 13 percent between 2000 and 2010, 9 percent from 2010 to 2020, and 6 percent from 2020 to 2030.

**Regional Housing Needs Assessment.** Local jurisdictions are required by State law (Government Code Section 65580 et seq.) to plan for their fair share of projected housing construction needs in their region. Housing unit construction goals are set by the State Department of Housing and Community Development (HCD) and allocated to cities through regional planning agencies such as SANDAG. The allocation of housing goals is called the Regional Housing Needs Assessment (RHNA). Future housing need refers to the proportion of the region's future housing needs allocated to a community. Each jurisdiction's future housing need is calculated in terms of four factors: (1) the number of units needed to accommodate forecast household growth; (2) the number of units needed to replace demolition due to attrition in the housing stock (i.e., fire damage, obsolescence, redevelopment, and conversion to nonhousing uses); (3) maintenance of an ideal vacancy rate for a well-functioning housing market; and (4) an adjustment to avoid an overconcentration of lower-income households in any one jurisdiction.

The RHNA prepared by SANDAG defines the housing unit construction goals for the City. The City of Del Mar's fair share for the planning period between 2005 and 2010, the last adopted RHNA period, was established by SANDAG at 25 units. The RHNA target number was based on projected household growth and the resultant need for construction of additional housing units allocated over the five-year planning period. Of the Region's 107,301 housing allocations, the City of Del Mar's assigned 25-unit share was divided into the following income groups according to median family income (MFI):

- Very Low Income      0–50 percent of Area MFI      6 units
- Low Income            51–80 percent of Area MFI      4 units
- Moderate Income      81–120 percent of Area MFI      5 units
- Upper Income          > 120 percent of Area MFI      10 units

The City of San Diego's fair share for the planning period between 2005 and 2010, the last adopted RHNA period, was established by SANDAG at 45,742 units. The RHNA target number was based on projected household growth and the resultant need for construction of additional housing units allocated over the five-year planning period. Of the Region's 107,301 housing allocations, the City of San Diego's assigned 45,742-unit share was divided into the following income groups according to MFI:

- Very Low Income      0–50 percent of Area MFI      10,645 units
- Low Income            51–80 percent of Area MFI      8,090 units
- Moderate Income      81–120 percent of Area MFI      8,645 units
- Upper Income          > 120 percent of Area MFI      18,362 units

New RHNA goals will be established for subsequent five-year increments (2010–2015).

**City of Del Mar Community Plan Housing Element.** The City of Del Mar's Housing Element reflects the State's housing unit construction goals as allocated by SANDAG in the RHNA. The Housing Element includes an inventory of available housing and an assessment of housing needs based on local and regional population and employment trends.

The Housing Element identifies various public and private-sector constraints that affect housing opportunities in the City of Del Mar and outlines strategies and programs to respond to identified issues. As stated above, SANDAG established the City of Del Mar's share of regional housing growth needs as 25 additional units provided by new construction for the 2005–2010 period. The City of Del Mar established several goals and policies in the approved Housing Element (June 2004) to assist the City in achieving these goals. These goals include: (1) to conserve and improve the existing stock of affordable housing; (2) to encourage adequate provision of a variety of housing opportunities; and (3) to promote equal housing opportunities. In addition to the goals and policies established, the City of Del Mar also outlined specific housing programs to define the specific actions the City will take to achieve the goals and policies. These programs include but are not limited to: conserving and improving the City's existing housing stock; providing adequate sites to achieve a variety and diversity of housing; assisting in the development of new affordable housing; assisting in the opportunities for use of existing affordable housing; removing governmental constraints on development; and promoting equal housing opportunities.

**City of San Diego General Plan.** In response to an increasingly severe lack of affordable housing in San Diego, in August of 2002, the Mayor and City Council took two significant steps: (1) adopted a resolution (Resolution No. R-296982) declaring a state of emergency in San Diego due to the severe shortage of affordable housing in the City, and (2) created an Affordable Housing Task Force to develop solutions to the problems identified in the resolution, which included the inability of most San Diegans to afford housing in the City and particular impacts on single-mothers, children, youths, seniors, and the disabled.

The housing shortage is similar in most other coastal California counties. The underlying problems are limited land supply available for housing, infrastructure deficiencies, and community opposition or resistance to increased density on the land that is available. Competing priorities, such as the need to protect environmentally sensitive land and to reduce development in the vicinity of airports, have further limited the land available for housing in recent years.

In order to ensure the provision of sufficient housing for all income groups to accommodate San Diego's anticipated share of regional growth over the next Housing Element cycle (2005–2010), the City established a variety of housing programs designed to monitor housing development, identify opportunities for housing development, and enforce adopted plans and policies.

The City of San Diego has adequate land zoned and designated for housing to meet its RHNA housing supply goals for the five years of this housing cycle. However, eventually it will be necessary to rezone and redesignate more land to create capacity for more housing supply, especially after 2015. The intent is for the new housing to be well designed and permitted only in appropriate locations consistent with the City of Villages concept. The City of Villages is a strategy adopted in 2002 to

combine housing, commercial uses, employment centers, schools, and civic uses together in areas where a high level of activity already exists. The City of San Diego has acknowledged that gaining community acceptance of the higher-density housing needed to meet demand will be a challenging task.

**Existing On-site Setting.** The Fairgrounds project site is the home of the Del Mar Racetrack and annual Horseracing Season from mid-July to early September. During the Horseracing Season, there are approximately 2,000 horses on site and subsequent horsemen/grooms to care for the horses. Although not housing in the traditional sense of providing permanent or long-term residence, there are 273 existing dormitory units, in which two occupants can reside per unit, in order to provide temporary housing to the horsemen/grooms during the Racing Season.<sup>1</sup> There is no permanent housing on the Fairgrounds site.

#### 4.10.3 Methodology

The effects of the proposed project are evaluated below to determine whether they will result in a significant adverse impact on the environment. Using demographic information provided by agencies such as SANDAG, the State of California Department of Finance, the U.S. Census Bureau, and the Cities of Del Mar and San Diego, this section compares existing population and housing characteristics and goals to the proposed project impacts and evaluates consistency with agency information and requirements.

#### 4.10.4 Impact Significance Criteria

For this project, the following thresholds of significance are used. The effects of the proposed project on population, housing, and employment may be considered to be significant if the proposed project would:

- Threshold 4.10.1** 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).
- Threshold 4.10.2** Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.
- Threshold 4.10.3** Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

#### 4.10.5 Project Impacts

- Threshold 4.10.1** Induces 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).

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<sup>1</sup> (2003) *Draft Programming and Master Planning for Stable Area*, Del Mar Thoroughbred Club.

**Near-Term Project Impact Analysis.** The proposed near-term projects include a project to construct a 330-room condominium hotel, in which some hotel rooms are proposed to be owned by the 22nd DAA as the hotel operator, and some hotel rooms/suites will be owned in a condominium structure. The purpose of the condominium ownership structure is related to the financing of the capital improvements. None of the hotel rooms and suites will serve as permanent, primary, or year-round housing for owners or guests. All of the hotel rooms and suites will be limited to a maximum duration of stay to ensure that the hotel rooms and suites will be available to the public. Final approval and construction of the hotel will be subject to issuance of a Coastal Development Permit (CDP) by the California Coastal Commission (CCC). The specific limitations regarding maximum length of stays will be determined at the time of the project is reviewed by the CCC. The hotel is anticipated to employ 413 employees. In addition, the existing 58 recreational vehicle (RV) parking spaces (with hook-ups) on site near the location of the proposed hotel will be temporarily removed during construction but will be replaced upon completion of the project.

The construction of the hotel facility will include demolition of several structures that serve 22nd DAA functions, including the 22nd DAA marketing/human resources buildings and exhibit offices; the 22nd DAA operations building; the existing fire station; Don Diego Clock Tower (although decorative tile from the Clock Tower will be retained and reused on site); and the production, operations, and purchasing trailers. The 22nd DAA functions will be provided for in other components of the Master Plan, including the new maintenance buildings and new administration/office structures. Construction of the hotel and other near-term projects will not eliminate housing and will not add new permanent housing units; therefore, implementation of the hotel and other near-term projects would not substantially impact population growth by removing existing housing stock.

The 62 existing RV parking spaces located at the Surf and Turf area are proposed to be enhanced by adding sewer hookup to all 62 RV parking spaces. Currently, these parking spaces have water and electricity hook-ups. Implementation of the project will not result in a change in the total number of RV parking spaces on site. The RV parking provides short-term stays for visitors.

The proposed near-term projects include on-site Fairgrounds facilities and a replacement fire station. The proposed project does not include the extension of existing infrastructure, such as utilities or roads that could induce population growth. Traffic mitigation measures identified in Section 4.2 of this EIR are intended to address impacts associated with the proposed projects and are not capacity-enhancing projects that would induce substantial population growth. Therefore, the proposed near-term project would not result in a significant impact by inducing substantial population growth from the extension of infrastructure.

Proposed near-term projects, such as the Solana Gate realignment and East Parking Lot surfacing, are facility enhancements that will not directly result in an increase in employment. Similarly, there is no increase in employment associated with the replacement of the 22nd DAA administration offices and the fire station. The proposed hotel and Health Club/Sports Training Facility will result in an increase in permanent on-site employment, expected to be approximately 413 full-time equivalent (FTE) employees at the hotel and 30 FTE employees at the Health Club/Sports Training Facility. This increase in permanent on-site employment is consistent with and well within the employment projections for the Cities of Del Mar and San Diego (see Table 4.10.A). Therefore, the proposed

project will not result in a significant impact by inducing substantial population growth from increased employment.

The 22nd DAA has developed a phasing plan to implement the Master Plan near-term projects based on anticipated funding and time constraints from other events held on site. The long-term projects proposed in the Master Plan require additional environmental analysis and/or will be implemented by another lead agency (i.e., SANDAG is the Lead Agency for the seasonal train platform) and therefore have not been included in the proposed phasing plan.

The phasing plan consists of two phases for a total of 38 months of construction, including demolition, site work, and structural completion of each near-term project. Under the first phase the following projects would be implemented: construction of new official gate/administration office facility and ticket box office (10 months); relocation of the fire station (13 months); relocation of the existing Fairgrounds maintenance buildings/yard (6 months); realignment of the Solana Gate (4 months); paving of the East Parking Lot and implementation of best management practices (BMPs) (5 months); construction of the Health Club/Sports Training Facility (12 months); sewer hook-up facilities added to the RV lot at Surf and Turf (2 months); widening of the turf track (6 months); and construction of the electronic reader board sign (2 months). The second phase consists of construction of the exhibit building (13 months) and hotel with accompanying conference facilities (20 months).

Construction of the near-term projects in phases will not affect the provision of permanent housing or employment in the immediate area or in the Region. No housing will be demolished or reconstructed. Temporary construction jobs will be created during the construction phases, and are anticipated to be filled primarily from the local construction workforce. A change in permanent employment would result from the operation of the hotel and Health Club/Sports Training Facility, but not as a direct result of the phased construction activity. The Fairgrounds is located in an urbanized region with an ample supply of construction workers, and no short-term or long-term changes in growth are expected to occur as a result of the phased construction activity.

**Long-Term Project Impact Analysis.** The proposed project also includes demolition of the horsemen's/grooms' 48-room dormitory known informally as "Motel 6" and construction of a replacement horsemen's/grooms' dormitory housing as part of the improvements planned for the Backstretch Area. The grooms previously housed in the dormitory structure would be housed in the new split barn (a previously approved project) and other dormitory facilities associated with the existing and planned stables. There would be no net loss of temporary housing as a result of the proposed project because the existing dormitory space would be replaced on site. The demolition of the existing dormitory and construction of the new barns with grooms' quarters would occur between Race Meet seasons, so that all the horses and grooms can be housed during the Race Meet.

These Backstretch Area improvements are identified as a long-term project subject to the development of specific plans and subsequent CEQA clearance. In addition, the proposed Master Plan has several long-term projects that are in the conceptual phase which either constitute improvements/replacements of existing structures (i.e., Horseman's Village) and/or construction of new facilities (i.e., multilevel parking structure, vehicle wash rack, and seasonal train platform). Since none of these proposed long-term projects are residential, direct or indirect population growth as a result of the project is not expected and no mitigation is required.

**Thresholds 4.10.2** Displaces substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.

**Thresholds 4.10.3** Displaces substantial numbers of people, necessitating the construction of replacement housing elsewhere.

**Near-Term Project Impacts Analysis.** In its existing condition, there is temporary housing in the form of RV parking areas and a horsemen's/grooms' dormitory on the proposed project site. The proposed project consists of the development of a 330-room condominium hotel in the southern portion of the Fairgrounds, demolition of a dormitory structure, and relocation or on-site improvements to existing RV parking facilities (discussed above). The proposed project will not result in a significant impact related to existing housing or people since all existing on site temporary housing affected by the proposed project would be replaced on site. There is no existing permanent housing on the Fairgrounds or fire station sites. The near-term projects will not displace existing housing or residents. No mitigation is required.

**Long-Term Project Impact Analysis.** There is no existing permanent housing on the Fairgrounds site, and none is proposed. The proposed long-term projects (seasonal train platform, multilevel parking structure, improvements to the Backstretch Area, new Horsemen's Village to replace the existing facility, and new truck tunnel under the Racetrack) will not displace existing or planned housing. The continued replacement of groomsmen dormitories will result in replacement in-kind of existing seasonal accommodations. Since the proposed long-term projects would not displace substantial numbers of existing housing or people, construction of replacement housing is not necessary. The long-term projects do not result in a significant impact to existing housing or people, and no mitigation is required.

#### **4.10.6 Cumulative Impacts**

The purpose of this section is to evaluate any additional incremental impact that the proposed project is likely to cause over and above the combined impacts of recently approved and proposed projects in the Cities of Del Mar and San Diego. The impact area used to assess potential cumulative population and housing impacts is the jurisdictional limits of both Cities.

The proposed near-term and long-term projects for the Del Mar Fairgrounds would promote the facility as a regional entertainment, recreational, cultural, and community asset. Even with the proposed upgrades to existing facilities and construction of new facilities, this multiuse facility would not permanently or substantially affect existing and projected housing and population in the City of Del Mar or the City of San Diego. Any change in population and housing resulting from increased employment opportunities on site is within and consistent with the employment projections described in Table 4.10.A. The City of Del Mar is largely built out, and opportunities to develop additional housing opportunities are limited. While the proposed changes to the Del Mar Fairgrounds could attract more people, employment, and a greater short-term housing need during some seasons, all these factors will fluctuate depending on the events hosted on the project site throughout the year. The proposed projects would not cause a significant permanent impact to housing and population for the

City of Del Mar or City of San Diego. The proposed project's incremental contribution to population and housing impacts is not cumulatively considerable. Cumulative housing and population impacts would be less than significant; therefore, no mitigation is required.

#### **4.10.7 Level of Significance prior to Mitigation**

No potentially significant impacts related to housing and population have been identified.

#### **4.10.8 Mitigation Measures**

There are no significant project impacts related to housing and population, and no mitigation is required.

#### **4.10.9 Programmatic Impact Avoidance and Mitigation Strategies**

There are no significant impacts to housing and population anticipated as a result of the proposed long-term projects; therefore, programmatic impact avoidance and mitigation strategies are not required.

#### **4.10.10 Level of Significance after Mitigation**

Impacts related to housing and populations are below a level of significance.