

4.12 Population and Housing

This section evaluates the potential impacts from population growth and displacement of housing from implementation of the 2045 General Plan.

4.12.1 Setting

a. Population

As shown in Table 4.12-1, the City of Solvang had an estimated population of 5,644 in 2020 (United States Census Bureau [Census] 2020a). In addition, Table 4.12-1 shows population growth in Santa Barbara County and California. From 2010 to 2020, Solvang’s population grew 8.2 percent, which is higher than the 6.9 and 7.4 percent growth experienced in Santa Barbara County and California, respectively.

Table 4.12-1 Population Growth in the City, County, and State

Year ¹	Solvang	Santa Barbara County	California
2010	5,218	416,051	36,637,290
2020	5,644	444,895	39,346,023
Percent Change From 2010-2020	8.2%	6.9%	7.4%

¹ Population estimates presented for Solvang and Santa Barbara County are consistent with population estimates stated in the adopted 2023-2031 Housing Element. The adopted 2023-2031 Housing Element does not contain population estimates for California.

Source: Census 2020a; Census 2010a

b. Housing

A household is defined as a group of people who occupy a housing unit (Census 2021). A household differs from a dwelling unit because the number of dwelling units includes both occupied and vacant dwelling units. Typically, not all the population in a given area lives in households. A portion of the population lives in group quarters, such as board and care facilities, while others are homeless.

Housing Units

Table 4.12-2 shows the growth in number of housing units in Solvang, Santa Barbara County, and California between 2010 and 2020. As shown in Table 4.12-2, between 2010 and 2020 Solvang’s housing inventory increased by 315 housing units resulting in a 14.3 percent growth during this period. Most of the increase in housing resulted from the development of the Skytt Mesa project (169 units) and the affordable Solvang Senior Apartments (45 units).

Table 4.12-2 Housing Inventory

	Solvang		Santa Barbara County		California	
	2010	2020	2010	2020	2010	2020
Total Housing Units ¹	2,207	2,566 ²	152,381	159,317	13,552,624	14,210,945
Occupied ¹	2,136	2,392	141,793	148,309	12,392,852	13,103,114
Vacancy Rate ¹	2.5%	5.2%	5.2%	3.4%	7.2%	4.8%
Growth in Total Housing Units from 2010-2020	14.3%		4.6%		4.9%	

¹ Housing estimates presented for Solvang are consistent with housing estimates stated in the adopted 2023-2031 Housing Element. The adopted 2023-2031 Housing Element does not contain housing estimates for Santa Barbara County or California.

² 2,566 existing housing units reflect 2019 buildout data (Mintier Harnish 2023), which was used in the table to maintain consistency throughout the EIR analyses.

Sources: Census 2020b; Census 2010b

Household Size

Small households (one to two persons per household [pph]) traditionally occupy units with zero to two bedrooms; family households (three to four pph) normally occupy units with three to four bedrooms. Large households (five or more pph) typically occupy units with four or more bedrooms. The number of units in relation to the household size may reflect preference and economics. Many small households obtain larger units, and some large households live in small units, for economic reasons. Table 4.12-3 compares the size of households in Solvang, Santa Barbara County, and California. As shown in Table 4.12-3 the average household size in Solvang remained at 2.39 pph between 2010 and 2020. Over the same period, the average household size in Santa Barbara County decreased from 2.86 to 2.85 pph, and the average household size in California increased from 2.91 to 2.93 pph.

Table 4.12-3 Household Size in the City, County, and State

Year	Solvang		Santa Barbara County		California	
	2010	2020	2010	2020	2010	2020
Household Size (pph)	2.39	2.39	2.86	2.85	2.91	2.93
Growth in Household Size from 2010-2020	0.0%		-3.5%		0.7%	

Source: California Department of Finance (DOF) 2021

4.12.2 Regulatory Setting

a. Federal Regulations

There are no federal regulations regarding population and housing that are applicable to the proposed project.

b. State Regulations

State Housing Element Statute

State housing element statutes (Government Code Sections 65580-65589.9) mandate that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, State housing policy rests upon the effective implementation of local general plans and in particular, housing elements. Additionally, Government Code Section 65588 dictates that housing elements must be updated at least once every eight years.

Regional Housing Needs Assessment

California’s Housing Element law requires that each county and city develop local housing programs to meet their “fair share” of existing and future housing growth needs for all income groups, as determined by the Department of Finance (DOF). The Santa Barbara County Association of Governments (SBCAG) is tasked with distributing the projected housing need within the County Santa Barbara among SBCAG’s eight cities and the unincorporated communities using four income categories (extremely low and very low, low, moderate, and above moderate). This fair share allocation is referred to as the Regional Housing Needs Assessment (RHNA) process. RHNA allocation represents the minimum number of housing units by income level each community is required to plan for through a combination of: 1) zoning “adequate sites” at suitable densities that foster affordability and 2) housing programs to support retention, rehabilitation, and production of lower income units with a reasonable degree of entitlement certainty. In addition, Government Code 65863 requires all jurisdictions to provide an additional 20 percent buffer to ensure housing capacity is maintained in the event a potential housing site becomes unavailable. Solvang’s allocation for 2023 to 2031 from the SBCAG Regional Housing Needs Plan (RHNP) plus a 20 percent buffer is shown in Table 4.12-4 below.

Table 4.12-4 Regional Housing Needs Assessment 2023-2031

Income Group	RHNA Allocation with Required 20 Percent Buffer (units)	Percent of Total RHNA Allocation with Required 20 Percent Buffer
Very Low	66	30%
Low	47	22%
Moderate	27	13%
Above Moderate	75	35%
Total	215	100%

Source: SBCAG 2021a

c. Local Regulations

Santa Barbara Council of Governments

The City of Solvang is located within the SBCAG planning area. SBCAG functions as the Metropolitan Planning Organization for Santa Barbara County and the communities and cities therein, and is responsible for preparing and implementing the region's RHNA and the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The RTP/SCS is a long-term (20-year or more) blueprint of the region's transportation system and is updated every four years. The plan identifies transportation needs of the metropolitan region and creates a framework for project priorities. SBCAG adopted an updated RTP/SCS in August 2021 (SBCAG 2021b). SBCAG projections for Santa Barbara County consider regional, state, and national economic trends and planning policies.

City of Solvang Housing Element

The Housing Element is one of the seven State-mandated elements of the General Plan (Government Code Sections 65300 through 65303.4). The Housing Element serves as a tool to identify and provide for the housing needs of the community. It identifies recent demographic and employment trends that may affect existing and future housing demand and supply. California law requires the Housing Element to include policies and programs that will support the provision of an adequate housing supply for citizens of all income levels. The Housing Element is the only element that requires review by the State. The element addresses the City's ability to meet the regional housing needs as determined by the State.

The City's General Plan is currently undergoing a comprehensive update, which is evaluated throughout this Environmental Impact Report (EIR). As part of a separate project, the City updated its Housing Element for the 2023-2031 planning period (6th cycle) in compliance with updated RHNA allocations and new housing laws. The updated Housing Element, which was adopted in December 2023, includes a detailed analysis of housing needs, resources, and constraints; an analysis and identification of any areas that may perpetuate housing inequities in the community; and policies and programs with the goal of achieving more equitable housing practices.

4.12.3 Impact Analysis

a. Methodology and Significance Thresholds

Methodology

Population and housing trends in Solvang were evaluated by reviewing the most current data available from the Census Bureau, DOF, SBCAG's Regional Growth Forecast, and the City's adopted 2023-2031 Housing Element. Population and housing data are available on a city, county, regional, and state level. For this analysis, data provided at the city level is compared to County and State trends.

Significance Thresholds

CEQA Guidelines Appendix G provides the following significance thresholds to determine if a project would have a potentially significant impact on population and housing. For the purposes of this EIR, implementation of the proposed project may have a significant adverse impact if it would:

1. Induce substantial unplanned 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); or
2. Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere.

b. Project Impacts and Mitigation Measures

<p>Threshold 1: Would the project induce substantial unplanned 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)?</p>

Impact POP-1 IMPLEMENTATION OF THE 2045 GENERAL PLAN WOULD ACCOMMODATE GROWTH WHICH EXCEEDS THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS' REGIONAL GROWTH FORECAST. HOWEVER, GROWTH RESULTING FROM THE 2045 GENERAL PLAN IS ANTICIPATED AND WOULD NOT CONSTITUTE SUBSTANTIAL UNPLANNED POPULATION GROWTH. FURTHER, THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS WOULD UPDATE THEIR GROWTH PROJECTIONS TO BE CONSISTENT WITH THE 2045 GENERAL PLAN DURING THE NEXT PLANNING CYCLE. THIS IMPACT WOULD BE LESS THAN SIGNIFICANT.

Implementation of the 2045 General Plan would result in housing growth in Solvang. As stated in Table 2-1 of Section 2, *Project Description*, 2045 General Plan buildout would enable development in the Planning Area through the year 2045 that could result in an increase of 497 residential units in Solvang, which would result in a total of 3,063 housing units in 2045. This would exceed SBCAG's 2045 housing unit projections of 2,700 housing units (a difference of 363 housing units or approximately 12.6 percent) (SBCAG 2019). However, the State requires that all local governments adequately plan to meet the housing needs of their communities (HCD 2023). Given that the State is currently in an ongoing housing crisis due to an insufficient housing supply, the additional units under the 2045 General Plan would further assist in addressing the existing crisis and meeting the housing needs of Solvang.

The adopted Housing Element was recently updated in December 2023 to meet projected population and housing growth. SBCAG's RHNA allocation for Solvang is 191 housing units, split among extremely low, very low, low, moderate, and above moderate-income categories, shown in Table 2-10 of Section 2, *Project Description*. The adopted Housing Element is designed to accommodate regional growth anticipated by SBCAG's RHNA allocation, which requires the City to plan for 191 new housing units by 2031. The increase in 497 housing units resulting from the 2045 General Plan would help the City meet their RHNA as required by the State. Therefore, the 2045 General Plan would not result in unplanned housing growth because it would be consistent with the City's RHNA and is being planned for and analyzed in this EIR.

Implementation of the 2045 General Plan would also result in population growth in Solvang. Based on Solvang's approximate average household size of 2.39 pph, it is anticipated that an increase in 497 residential units would result in an additional 1,187 residents in Solvang. As such, the total population in Solvang, with the additional 1,187 residents and 211 employees (for a total of 1,398 people) as shown in Table 2-1 of Section 2, *Project Description*, is anticipated to increase to a total population of 7,042 in 2045 which is greater than SBCAG's 2045 population forecast of 6,300 residents in Solvang (a difference of 747 people or approximately 11.1 percent) (SBCAG 2019). Although implementation of the 2045 General Plan would facilitate housing and population growth in the area, the purpose of the 2045 General Plan is to provide a framework to adequately

accommodate this increase. The 2045 General Plan provides the following policies that would ensure growth is managed and occurs in a manner consistent with that envisioned in the 2045 General Plan by promoting infill development, a diverse mix of land uses, and a variety of residential densities:

- **Policy LU-1.2: Infill Development.** The City shall support and promote infill development that is compact, mixed-use, and pedestrian-friendly.
- **Policy LU-1.3: Residential Land Use.** Although most of the city is built out, the City shall designate a full range of residential land uses that provide for a variety of housing types, locations, and densities, including accessory dwelling units.
- **Policy LU-1.4: Commercial Land Use.** The City shall designate a mix of commercial uses, including retail, general, and tourist commercial, to promote both the tourist economy and the needs of residents of Solvang and the Santa Ynez valley.
- **Policy LU-1.6: Mixed-use.** The City shall encourage mixed-use developments with a residential component to further enhance the range of housing opportunities provided to residents.
- **Policy LU-2.3: Neighborhood Infill.** The City shall allow infill development as required by State Law including ADU's, JADU and density bonus.
- **Policy LU-2.4: High-density Residential Development.** The City shall encourage new high-density residential development located in areas close to services and transit with appropriate site planning, and comply with objective design standards, and landscape criteria.
- **Policy LU-5.3: Pedestrian Orientation.** The City shall require new mixed-use development to include amenities that create a comfortable environment for walking, sitting, and socializing.
- **Policy H-1.2: Residential Rehabilitation.** The City shall encourage homeowners and landlords to maintain properties in sound condition through code enforcement efforts and by implementing a residential rehabilitation assistance program.
- **Policy H-2.1: Housing for All Residents.** The City shall encourage the production of housing that meets the needs of all economic segments, including homeless and extremely low, lower, moderate, and above moderate-income households, to achieve a balanced community.
- **Policy H-2.2: Expanding Workforce Housing.** The City shall encourage housing opportunities for the city's workforce, including seasonal and part-time workers in the tourism sector and public service employees. The City will encourage housing opportunities and assistance to address the needs of local workers.
- **Policy H-2.3: Affordable Senior Housing.** The City shall continue to facilitate the provision of affordable housing for the city's growing senior population, including senior housing with supportive services, assisted living facilities, and second units.
- **Policy H-2.4: Support Special Housing Needs.** The City shall support, as feasible, non-profit, and for-profit agencies who provide supportive services and alternative housing options for the homeless and other persons with special housing needs in Solvang.
- **Policy H-2.6: Home Ownership Assistance.** The City shall work with local organizations that identify and pursue State, Federal, and other funding sources to enable home ownership for low- and moderate-income households.
- **Policy H-2.7: Home Ownership Education.** The City shall work with local organizations to encourage first time homebuyers from low- and moderate- income households to participate in home ownership assistance programs available from public agencies and in the private market.

- **Policy H-2.8: Encouraging Accessory Dwelling Units (ADUs)/Junior Accessory Dwelling Units (JADUs).** The City shall allow ADUs and JADUs as a means of providing additional housing opportunities in existing neighborhoods as provided by state law.
- **Policy H-2.9: Rental Assistance.** The City shall continue to support local organizations that provide rental assistance to extremely low and lower-income households and encourage property-owners to list units with the Santa Barbara County Housing Authority.
- **Policy H-2.10: Special Needs Housing.** The City shall support the development and conservation of housing that meets the special needs of large families, families with children, seasonal workers, persons with disabilities, elderly persons, homeless, and agricultural workers.

Growth in Solvang would occur regardless of implementation of the 2045 General Plan. While the growth anticipated by the 2045 General Plan would be substantial, the growth would not be unplanned since it is contemplated by the 2045 General Plan. As described in the 2045 General Plan, the proposed project's vision for Solvang was developed with extensive community input and in recognition of the State's planning priorities. The 2045 General Plan identifies major strategies and physical improvements for Solvang through 2045, including, but not limited to, use of mixed-use areas, strengthening locally-owned business and community-supported tourism, enhancing existing neighborhoods, and maintaining adequate public facilities and services for anticipated growth. These strategies would support existing and future employees, businesses, and residents, the potential environmental impacts of which are analyzed throughout this EIR. Although projected housing and population growth in Solvang in 2045 exceeds SBCAG's 2045 forecasts, SBCAG would update their growth projections to be consistent with the 2045 General Plan during the next planning cycle. Therefore, because the 2045 General Plan is designed for planned and orderly growth, as mandated by the State, impacts would be less than significant.

Mitigation Measures

No mitigation measures are required because this impact would be less than significant.

Threshold 2: Would the project displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?
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Impact POP-2 IMPLEMENTATION OF THE 2045 GENERAL PLAN WOULD NOT DISPLACE SUBSTANTIAL NUMBERS OF EXISTING HOUSING OR PEOPLE, NECESSITATING THE CONSTRUCTION OF REPLACEMENT HOUSING ELSEWHERE. IMPACTS WOULD BE LESS THAN SIGNIFICANT.

Implementation of the 2045 General Plan would not involve any land use changes or rezoning of properties from residential use to another non-residential land use type. However, displacement would occur in one instance as a result of implementation of the 2045 General Plan. One area of potential growth considered by the 2045 General Plan is the Old Lumberyard site, located at 1783 and 1793 Mission Drive and 533 Pine Street and comprised of Assessor's Parcel Numbers (APNs) 139-150-012, 139-150-017, and 139-150-027. There are two single-family residences on-site: one at 533 Pine Street and one at 1793 Mission Drive. The project would demolish most existing on-site uses, including the single-family residence located at 533 Pine Street. The existing single-family residence at 1793 Mission Drive would not be demolished but would be relocated. As shown in Table 4.12-3, above, the average household size in Solvang remained at 2.39 pph between 2010 and 2020. As such, although the number of persons currently living in the residence at 533 Pine Street is unknown, demolition of the residence would result in an estimated reduction of population by three

people (conservatively rounded up from 2.39 pph). These two units would be replaced with a proposed mixed-use project consisting of a proposed hotel and 51 micro apartment units.

As stated in Table 2-1 of Section 2, *Project Description*, 2045 General Plan buildout would enable development in the Planning Area through the year 2045 that could result in an increase of 497 residential units. The maximum possible number of residential units is determined by the maximum densities allowed for each land use designation and the amount of land area within that designation. However, the maximum number of units is unlikely to be reached because every residential parcel in Solvang would need to be developed to its maximum potential to reach the maximum number of units. Although implementation of the 2045 General Plan would result in the loss of one housing unit, it is anticipated there would be sufficient available replacement housing available for the residents at 533 Pine Street because 2045 General Plan buildout could result in an increase of 497 residential units. Additionally, as of August 2023, there are 32 housing units listed for sale and 10 housing units listed for rent in Solvang (Zillow 2023). As such, there is sufficient housing available in the existing condition to accommodate the loss of one housing unit. Therefore, implementation of the 2045 General Plan would not displace substantial numbers of existing people that would necessitate construction of housing elsewhere.

The 2045 General Plan includes policies which focus on providing housing options for residents at different stages of life and abilities. The 2045 General Plan would preserve and expand affordable housing and diversify housing types within the Planning Area. The 2045 General Plan includes the following policies intended to ensure housing is available in Solvang:

- **Policy LU-2.4: High-density Residential Development.** The City shall encourage new high-density residential development located in areas close to services and transit with appropriate site planning, and comply with objective design standards, and landscape criteria.
- **Policy H-1.2: Residential Rehabilitation.** The City shall encourage homeowners and landlords to maintain properties in sound condition through code enforcement efforts and by implementing a residential rehabilitation assistance program.
- **Policy H-2.1: Housing for All Residents.** The City shall encourage the production of housing that meets the needs of all economic segments, including homeless and extremely low, lower, moderate, and above moderate-income households, to achieve a balanced community.
- **Policy H-2.2: Expanding Workforce Housing.** The City shall encourage housing opportunities for the city's workforce, including seasonal and part-time workers in the tourism sector and public service employees. The City will encourage housing opportunities and assistance to address the needs of local workers.
- **Policy H-2.3: Affordable Senior Housing.** The City shall continue to facilitate the provision of affordable housing for the city's growing senior population, including senior housing with supportive services, assisted living facilities, and second units.
- **Policy H-2.4: Support Special Housing Needs.** The City shall support, as feasible, non-profit, and for-profit agencies who provide supportive services and alternative housing options for the homeless and other persons with special housing needs in Solvang.
- **H-2.6: Home Ownership Assistance.** The City shall work with local organizations that identify and pursue State, Federal, and other funding sources to enable home ownership for low- and moderate-income households.
- **Policy H-2.7: Home Ownership Education.** The City shall work with local organizations to encourage first time homebuyers from low- and moderate- income households to participate in home ownership assistance programs available from public agencies and in the private market.

- **Policy H-2.9: Rental Assistance.** The City shall continue to support local organizations that provide rental assistance to extremely low and lower-income households and encourage property-owners to list units with the Santa Barbara County Housing Authority.
- **Policy H-2.10: Special Needs Housing.** The City shall support the development and conservation of housing that meets the special needs of large families, families with children, seasonal workers, persons with disabilities, elderly persons, homeless, and agricultural workers.

With incorporation of these goals and policies, the 2045 General Plan would result in a net increase in housing availability in Solvang and would provide housing to accommodate future growth. The adopted Housing Element serves as a tool to identify and provide for the housing needs of the community. It identifies recent demographic and employment trends that may affect existing and future housing demand and supply. California law requires the Housing Element to establish policies and programs that support the provision of an adequate housing supply for citizens of all income levels. The adopted Housing Element addresses the City's ability to meet the regional housing needs as determined by the State of California. Any development facilitated by the 2045 General Plan would be required to be consistent with applicable policies in the adopted Housing Element.

It is not known when or where displacement or construction of housing from redevelopment in the City would occur. Therefore, it cannot be determined what project-specific environmental impacts would result from the construction and operation of replacement housing. As potential residential development or redevelopment projects are identified, additional project-specific environmental analysis, as needed, would be completed to evaluate project-specific impacts to displacement of existing residences. Because the 2045 General Plan include goals and policies to increase overall housing in the Planning Area, and there are no current plans for displacement of substantial numbers of housing, impacts related to displacement of existing residences from the 2045 General Plan would be less than significant.

Mitigation Measures

No mitigation measures are required because this impact would be less than significant.

4.12.4 Cumulative Impacts

Regional cumulative impacts consider the City-wide impacts together with similar impacts of reasonably anticipated regional projects/programs. The general approach to cumulative impact analysis used in this EIR, as well as the determination of the cumulative impact analysis area, is discussed in Section 3, *Environmental Setting*, Subsection 3.3, *Baseline and Cumulative Project Setting*.

Cumulative development surrounding Solvang in combination with development facilitated by the 2045 General Plan could result in an increase of population, jobs, and housing. Growth facilitated by the 2045 General Plan would occur within the bounds of the Planning Area. Although projected housing and population growth in Solvang in 2045 exceeds SBCAG's 2045 forecasts, SBCAG would update their growth projections to be consistent with the 2045 General Plan during the next planning cycle. In addition, the 2045 General Plan would result in an overall increase of housing. Therefore, the 2045 General Plan would not contribute to cumulative impacts related to displacement of substantial numbers of people or housing in the cumulative impact analysis area (Santa Barbara County) and would not result in significant cumulative population growth impacts beyond the Planning Area. The incremental population impacts of the proposed 2045 General Plan would not be cumulatively considerable.

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