

## 4.9 POPULATION AND HOUSING

This section analyzes the impacts of the proposed project on population and housing in the City of Merced and the region and the compatibility of the proposed project with the population and housing goals of the City of Merced's (City) *Merced Vision 2015 General Plan*.

### 4.9.1 ENVIRONMENTAL SETTING

#### CITY AND COUNTY POPULATION

The project is located at the east end of the City and borders unincorporated Merced County. Both the City and County are located in the fast-growing San Joaquin Valley in central California and both are experiencing significant rates of population growth. Table 4.9-1 shows that the City has experienced a higher percentage growth in the first 6 years of this decade (2000–2006) than it did in the previous full decade (1990–2000). Similarly, the County experienced a growth rate almost as high (and greater growth in numbers) during the first 6 years of this decade as it did during the previous full decade.

Area	Population			Growth Percentage	
	1990	2000	2006	1990–2000	2000–2006
City of Merced	56,216	63,893	76,225	13.7	19.3
Merced County	178,403	210,554	246,751	18.0	17.2

Source: 1990 and 2000 U.S. Census, California Department of Finance

The Specific Urban Development Plan (SUDP) is the area including and immediately surrounding the City for which the *Merced Vision 2015 General Plan* (City General Plan) serves. The City General Plan, adopted in 1997, estimates that there will be approximately 145,000 people in the SUDP by 2015 and approximately 240,000 people in the SUDP by 2035 (City of Merced 1997a). The City of Merced accounts for just over 30% of the County's population (Table 4.9-2) and is the largest City in Merced County. It is also the largest City in the section of the San Joaquin Valley between Modesto (approximately 40 miles to the northwest) and Fresno (approximately 60 miles to the southeast).

	2000 <sup>2</sup>	2005	2010
City of Merced	63,893	81,263	92,014
Merced County	210,554	242,846	273,923

<sup>1</sup> Population projections apply to Merced's SUDP, not the city limits  
<sup>2</sup> 2000 U.S. Census  
Source: MCAG, Regional Housing Needs Plan, January 1, 2001–June 30, 2008

#### Planned Population Density

Development in accordance with the *Merced Vision 2015 General Plan* would result in a population density that is expected to be distributed in a relatively even manner throughout the City's planning area. In-fill activities within the built-up areas of the City and "Village" areas, which promote higher densities around transit nodes, will increase overall population densities. In terms of services and infrastructure, the City General Plan specifies buildout areas to accommodate the level of future anticipated growth (Table 4.9-3).

Study Area	Total Land Area (acres) <sup>1</sup>	1990 Population	Potential New Population <sup>2</sup>	Total Potential Population	Population Growth Factor <sup>3</sup>
Northern Merced	7,948	6,710	58,300	65,010	9.69
North Central Merced	2,952	18,910	12,720	31,630	1.67
West Central Merced	1,047	7,320	1,060	8,380	1.14
East Central Merced	948	8,540	2,121	10,660	1.25
Southwestern Merced	2,200	9,150	7,420	16,570	1.81
South Merced	2,753	6,710	15,900	22,610	3.37
Southeastern Merced	2,692	3,660	8,480	12,140	3.32
Total	20,540	61,000	106,000	167,000	Average 2.74

Notes:  
<sup>1</sup> From the geographic information system files of Merced County Association of Governments for the expanded Specific Urban Development Plan area.  
<sup>2</sup> Figures based on planned land use capacity and less existing populated area with 5% housing unit vacancy potential.  
<sup>3</sup> Growth factor can be used to multiply existing population to determine future population.  
Source: City of Merced 1997b

## Age Distribution

Age-group changes in the local population provide indicators to future housing needs. The primary age group for purchasing homes is the 30–45-year-old age group, which overall has decreased slightly since 1990 (Table 4.9-4). However, the demand for both renter- and owner-occupied housing is expected to increase throughout the planning period as the new University of California, Merced campus attracts students, faculty, and staff.

Merced	1990		2000	
	Population	Percent	Population	Percent
Under 5 Years	6,319	11.2	5,860	9.2
5 to 9	5,984	10.6	6,487	10.2
10 to 14	4,588	8.2	6,187	9.7
15 to 19	4,231	7.5	5,917	9.3
20 to 24	4,706	8.4	4,967	7.8
25 to 34	10,270	18.3	8,845	13.8
35 to 44	7,289	13.0	8,682	13.6
45 to 54	4,286	7.6	6,908	10.8
55 to 59	1,875	3.3	2,241	3.5
60 to 64	1,611	2.9	1,778	2.8
65 to 74	2,944	5.2	3,106	4.9
75 to 84	1,596	2.8	2,117	3.3
85 and over	517	0.9	798	1.2
Total	56,216	100.0	63,893	100.0

Source: 1990 and 2000 U.S. Census

## Median Family and Household Income

Median household income in the City increased 23% from 1990 to 2000 to total \$30,429 (Table 4.9-5). Median household income in 2000 in the City was also lower than the County. The City's median family and median household incomes were significantly lower than California and the nation in both 1990 and 2000.

Area	1990		2000	
	Median Family	Median Household	Median Family	Median Household
City of Merced	25,548	24,727	32,470	30,429
Merced County	28,269	27,388	38,009	35,532
California	40,559	35,798	53,025	47,493
United States	35,225	30,056	50,046	41,994

Source: U.S. Bureau of the Census, 1990 and 2000 Census of Population and Housing

## Families and Individuals below Poverty Level

In 1989, 20.2% of all Merced families lived below the poverty level, compared to 15.4% of the families in the County. For individuals, the percentages living below the poverty level were 25.1% in the City and 19.9% in the County (Table 4.9-6).

By 1999, the percent of families living under the poverty level had increased to 22.4% of City families and 16.9% of County families. Similarly, the percentage of individuals living below the poverty level increased to nearly 28% in the City and 21.7% in the County.

According to the California Food Policy Advocates, Merced County ranks third among the 58 counties in California in poverty.

	Poverty Status in 1989			
	Families	%	Individual	%
City of Merced	2,717	20.2	13,804	25.1
Merced County	6,765	15.4	34,813	19.9
	Poverty Status in 1999			
	Families	%	Individuals	%
City of Merced	3,296	22.4	17,489	27.9
Merced County	8,481	16.9	45,059	21.7

Source: U.S. Bureau of the Census, 1990 and 2000 Census of Population and Housing

## CITY AND COUNTY HOUSING

### Housing Units

The number of housing units in both the City and the County is increasing. Table 4.9-7 shows the growth in housing units in the City and County between 1990 and 2000. The growth rates in housing units are comparable

to the population growth rates for each respective area during this same time period. As is the case with population, Merced accounts for just over 30% of the housing units in the County.

Area	1990 Housing Units	2000 Housing Units	1990–2000 Percent Increase
City of Merced	18,965	21,532	13.5
Merced County	58,410	68,373	17.0

Source: 1990 and 2000 U.S. Census

### Average Household Size

In 1990, the City of Merced’s average household size was 3.03 persons while the County’s average household size was 3.17 persons. Average household size in 2000 was 3.06 persons per household for the City and 3.25 persons per household for the County, showing a slight growth in household size for the general area (Table 4.9-8). A slight increase may occur by the end of the current decade with the expected influx of students attending the University of California (UC), Merced.

Area	Year	Number of Households	Population in Households	Average Household Size
City of Merced	1990	18,154	55,350	3.03
City of Merced	2000	20,435	62,523	3.06
Merced County	1990	55,331	175,172	3.17
Merced County	2000	63,815	207,699	3.25

Source: 1990 and 2000 U.S. Census

### Occupied Housing Units

Table 4.9-9 shows total occupied housing units and owner- and renter-occupied housing units for 1990 and 2000. The U.S. Census reported that owner-occupied housing units increased, and renter-occupied housing units decreased, each by 1.9% between 1990 to 2000. As Table 4.9-9 shows, the County’s percentage of owner-occupied housing units was higher than the City’s in both 1990 and 2000.

1990	Total Occupied Housing Units	Owner Occupied Housing Units	Owner Occupied Housing Units (%)	Renter Occupied Housing Units	Renter Occupied Housing Units (%)
City of Merced	18,282	8,159	44.6	10,123	55.4
Merced County	55,331	30,082	54.4	25,249	45.6
2000					
City of Merced	20,435	9,508	46.5	10,927	53.5
Merced County	63,815	37,483	58.7	26,332	41.3

Source: 1990 and 2000 U.S. Census

## Housing Units by Type and Tenure

The majority of the housing in both the City and the County consists of single-family housing. Approximately 37.8% of housing in the City and 26.1% of housing in the County consists of multifamily housing (two units or more). Of the multifamily housing in the County, 45.6% is within the City of Merced (U.S. Census 2000).

As shown in Table 4.9-10, the vast majority of units built between 1990 and 2000 were single-family residences.

<b>Table 4.9-10 Housing Inventory Trends by Unit Type (City of Merced 1990–2000)</b>				
Unit Type	1990		2000	
	Units	Percent of Total	Units	Percent of Total
1-unit, detached	10,570	55.7	12,465	57.9
1-unit, attached	982	5.2	942	4.4
2	1,014	5.3	921	4.3
3 or 4	1,790	9.4	1,797	8.3
5 to 9	1,624	8.6	1,671	7.8
10 to 19	1,091	5.8	775	3.6
20 or more units	1,227	6.5	2,265	10.5
Mobile home or trailer	565	3.0	700	3.2
Other	102	0.5	8	0.0
<b>Total Housing Units</b>	<b>18,965</b>	<b>100</b>	<b>21,544</b>	<b>100</b>

Source: 1990 and 2000 U.S. Census

## CITY AND COUNTY EMPLOYMENT

The project is expected to employ approximately 1,200 people at full buildout. Merced County, for the past several years, has had a higher unemployment rate than the state as a whole. Table 4.9-11 shows the unemployment rates for Merced County and the state since 2000. Out of the 58 counties in the state, Merced County had between the third and seventh highest unemployment level in the state during each time period listed in the table.

<b>Table 4.9-11 County and State Unemployment Rates (Not Seasonally Adjusted)</b>			
Period	State Rate (%)	Merced County Rate (%)	Merced County Rank in State ("1" Meaning Highest Unemployment)
2008 September	7.5	10.9	4
2007 Annual Average	5.4	10.1	4
2006 Annual Average	4.9	9.5	3
2005 Annual Average	5.4	10.1	4
2004 Annual Average	6.2	11.0	6
2003 Annual Average	6.8	11.5	6
2002 Annual Average	6.7	11.0	7
2001 Annual Average	5.4	10.1	6
2000 Annual Average	4.9	9.6	7

Source: California Employment Development Department 2008

Merced County's May 2006 unemployment rate was 8.9%, or an estimated 21,961 people, according to the Department of Finance 2006 population estimate for the County. This rate suggests there is an ample local and available labor pool to serve the project.

One of the factors that can contribute to an increase in demand for housing is expansion of the employment base. The 2000 census classified 22,567 civilian and noncivilian persons in the Merced labor force (Table 4.9-12). The three industries in Merced that employ the greatest number of people, in order of largest to smallest, are educational, health and social services; retail trade; and manufacturing. By comparison, the County's largest industries are educational, health and social services; manufacturing; and agriculture, forestry, fishing and hunting, and mining. The County's employment by industry is similar to that of the City's with the exception of the agricultural, forestry, fishing and hunting and mining industry, of which the County has 12.5% compared to the City's 5.3% of total employed persons 16 years and over. Additionally, the UC Merced campus has created a large amount of jobs locally with the future buildout capacity to serve 6,000 jobs directly and the creation of an equal amount of new jobs induced indirectly into the regional economy.

**Table 4.9-12  
Employment by Industry (City of Merced and Merced County, 2000)**

Industry	City of Merced		Merced County	
	Number	Percent	Number	Percent
Employed Persons 16 Years and Over	22,267	100.0	75,321	100.0
Agriculture, Forestry, Fishing and Hunting, and Mining	1,173	5.3	9,378	12.5
Construction	1,272	5.7	5,081	6.7
Manufacturing	2,387	10.7	9,781	13.0
Wholesale Trade	691	3.1	3,383	4.5
Retail Trade	2,466	11.1	8,071	10.7
Transportation and Warehousing, and Utilities Information	923	4.1	3,620	4.8
Finance, Insurance, Real Estate, and Rental and Leasing	954	4.3	2,533	3.4
Professional, Scientific, Management, Administrative, and Waste Management Services	1,859	8.3	4,547	6.0
Educational, Health and Social Services	5,624	25.3	15,296	20.3
Arts, Entertainment, Recreation, Accommodation, and Food Services	1,695	7.6	5,158	6.8
Other Services (Except Public Administration)	989	4.4	3,241	4.3
Public Administration	1,323	5.9	3,198	4.2

Source: 2000 U.S. Census

## 4.9.2 REGULATORY SETTING

### FEDERAL PLANS, POLICIES, REGULATIONS, AND LAWS

There are no federal plans, policies, regulations, or laws related to population and housing that are applicable to the proposed project.

## STATE PLANS, POLICIES, REGULATIONS, AND LAWS

There are no state plans, policies, regulations, or laws related to population and housing that are applicable to the proposed project.

## LOCAL PLANS, POLICIES, REGULATIONS, AND ORDINANCES

### Merced Vision 2015 General Plan

The City's *Merced Vision 2015 General Plan* contains several specific goals and policies that address identified potential adverse impacts associated with population concentration or displacement, housing quality and availability, and jobs/housing balance. Specifically, City General Plan goals and policies do the following.

#### Population Concentration or Displacement:

- ▶ Promote a “Compact Urban Form” as a means of concentrating population growth on nonprime agricultural soils and to provide efficient and cost effective urban service delivery (Chapter 2-Urban Expansion, Policies UE-1.2, 1.4, and 1.6; Chapter 3-Land Use, Policy L-3.2; Chapter 5-Public Facilities, Policy P-1.2).
- ▶ Promote “Compact Urban Village Design for New Growth Areas” to facilitate the use of alternative transportation services and facilities (Chapter 3-Land Use, Policies L-1.1, 3.1, and 3.3; Chapter 6-Urban Design, Policies UD-1.1, 3.1, and 3.3; Chapter 6-Urban Design, Policies UD-1.1, 1.2, and 1.3).
- ▶ Promote “Efficient Urban Expansion” to assure that adequate land is available to support anticipated population growth and facilitate the cost effective extension of infrastructure into undeveloped areas (Chapter 2, Urban Expansion, Policies UE-1.1, 1.3, 1.5, and 1.6; Chapter 5-Public Facilities, Policies P-1.2 and 1.3).

#### Jobs/Housing Balance:

- ▶ Accommodate a wide array of employment opportunities for the citizens of Merced, and a diversified and balanced economy, while preserving the City's economic base and providing ready access to commercial services throughout the City (Chapter 3-Land Use, Policies L 2.1, 2.6, and 2.8).
- ▶ Provide housing opportunities in relationship to jobs created in the Merced Urban Area (Chapter 3-Land Use, Policy L-1.1).

The City General Plan specifies “the number of people and dwelling units per net acre of land for each property planned for residences, and the building intensity for all other proposed development” (City of Merced 1997c). The land use diagram and text in the City General Plan together work to assign land use designations and to delineate what is and is not acceptable within each land use designation. This helps to ensure coordinated and balanced planning, including in relation to the City's jobs/housing balance.

The purposes of land use designations are to accommodate population growth in a planned and coordinated manner, promote compatibility of adjacent urban development, allow long-range planning for infrastructure and service provision, and allow for economic development. The project site is designated Industrial by the City General Plan Land Use Diagram. This designation “provides for the full range of industrial activities, including but not limited to manufacturing, food processing, trucking, packing, and recycling, as well as related office and production facilities” (City of Merced 1997d).

#### Housing Element:

The City's Housing Element was adopted by the Merced City Council on December 15, 2003. It was revised on June 21, 2004. As noted elsewhere, the project site is designated for industrial use. Therefore, development of the

proposed distribution center would not result in the loss of land designated for residential development. The Housing Element contains a number of goals and policies aimed at addressing housing needs for all segments of the community. Goals and policies that are most relevant to industrial development are those that address housing affordability for the City's workforce. Goal H-3 contains several policies and actions programs that address housing affordability.

### 4.9.3 ENVIRONMENTAL IMPACTS

#### THRESHOLDS OF SIGNIFICANCE

Implementation of the project would result in a significant impact on population and housing if it would:

- ▶ 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);
- ▶ 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.

#### IMPACT ANALYSIS

**IMPACT 4.9-1** Potential for Directly or Indirectly Inducing Substantial Unplanned Population Growth in an Area.  
*Development of the proposed project would not directly or indirectly induce population growth, but is expected to induce retail service development near the site. The potential impact is less than significant.*

As shown in Table 4.9-3, which shows planned population density in Merced, the largest projected future growth area is in the northern Merced area with a population growth factor of 9.69, while southern and southeastern Merced follow with a population growth factor of 3.37 and 3.32 respectively. The northern area's growth projection is mostly related to the new UC Merced campus, while the south and southeastern areas are designated for future industrial growth.

As described in Section 4.12, public water and wastewater infrastructure is in close proximity to the project site. For example, there are 16-inch diameter water lines in Childs Avenue and in Kibby Road, and a 16-inch line exists within the Kibby Road right-of-way that transects the site. With regard to wastewater infrastructure, there is a 12-inch line in Childs, a 36-inch line in Gerard Avenue, and a 30-inch line in Kibby. Like the water line, the wastewater line transects the site within the Kibby Road right-of-way. Other critical utility infrastructure, such as electricity, natural gas, and telecommunication are in place near the site. This existing infrastructure would have the ability to serve other development in the vicinity of the project site; no new major infrastructure is required to serve the project. The extent to which this infrastructure may induce growth in the area is discussed in Chapter 6 under "Growth Inducement."

The proposed project is expected to accommodate up to 644 tractor/trailer trips per day (322 in and 322 out) and would employ up to 1,200 people. The project would directly affect traffic on Campus Parkway, Gerard Avenue, and SR 99, as these would be the project's primary traffic routes through the Merced area. The proposed project may also affect levels of traffic on the roads that connect the project area to SR 99, which are SR 140, Childs Avenue, and Mission Avenue. Other nearby streets may also be affected by project traffic. The project's connection to SR 99 is proposed via Campus Parkway at the new Mission Avenue interchange. The segment of Campus Parkway between the Mission Avenue/SR 99 interchange and Childs Avenue is expected to be operational by July 2009. The Mission Avenue interchange has been completed. Major roadway improvements described above were planned before the Wal-Mart facility was proposed and would be in place before the facility



becomes operational. Importantly, the proposed project is consistent with development expectations in the southeast area of Merced and the Merced General Plan and zoning ordinance.

The proposed project would provide an estimated 1,200 jobs. As noted above, Merced County has experienced persistent, high unemployment rates. The County has a higher unemployment rate than California as a whole, and as indicated in Table 4.9-9, the number of families and individuals below the poverty level is higher in the City than in the County. As indicated in Table 4.9-11, the County currently experiences a 10.9% unemployment rate, which is the fourth highest in California.

The large majority of jobs generated by the proposed project would not require advanced degrees or specialized training; therefore, it is anticipated that the proposed project would likely draw largely from the local employment pool, including the unemployed. As a result, the employment opportunities provided by the project would not result in a large number of employees relocating from areas outside the region and would therefore not be expected to result in significant population growth.

The City General Plan states that economic development and urban expansion is a City goal, and available commercial and industrial uses are currently limited in the City. The project's conformance with the existing land use designation and zoning would ensure that the project has a *less-than-significant* impact on population and housing in Merced. As also discussed in Section 6.2.2 "Growth Inducing Impacts of the Proposed Project", the addition of 1,200 employees, coupled with a large influx of truck drivers making deliveries to and from the distribution center is likely to induce retail service development in the area around the proposed project to serve the 1,200 new employees with goods and services (i.e. restaurants, gas stations, and other small retail), but is not expected to induce population and growth and housing development.

#### Mitigation Measure

No mitigation is required.

**IMPACT**      **Potential to Displace People or Housing, Necessitating Construction Elsewhere.** *The project site is undeveloped. There is no housing or population that would be displaced by the proposed construction. There is no impact.*

#### Mitigation Measure

No mitigation is required.