

Population and Housing 4



"Artwork in Live Oak"

Population and Housing

Planning for the future requires an understanding of the residents who currently live in the Plan area and expected demographic trends. This chapter describes demographic characteristics of Plan area residents and the housing in which they reside. This information is a summary of a comprehensive demographic and economic report for the Transit Corridors Plan, prepared by BAE Urban Economics.¹

POPULATION TRENDS

Until approximately 1960, the population of Santa Cruz County grew relatively slowly in line with limited housing and commercial development. This changed dramatically in the 30-year period from 1960 to 1990 when the county's population grew more than 172 percent from 84,000 in 1960 to nearly 230,000 in 1990. This growth occurred in various parts of the county, including in the Plan analysis area.

Today, the Plan analysis area's population of 46,654 represents approximately 35 percent of the population of unincorporated Santa Cruz County. Between 2000 and 2012, the area's overall population fell by 0.6 percent (see Table PH-1), although the population loss was not evenly spread across census designated places (CDPs). Among

¹ Demographic, Economic and Real Estate Market Existing Conditions Analysis for the Santa Cruz County Transit Corridors Plan. BAE Urban Economics. October 2012. Available online at www.transitcorridorsplan.org.

Transit Corridors Plan Analysis Area

This chapter presents population and housing data for a demographic and economic "analysis area" that is slightly larger than the Plan area. As shown below, this analysis area consists of six census-designated places (CDPs) within unincorporated Santa Cruz County, including Aptos, Live Oak, Pleasure Point, Seacliff, Soquel, and Twin Lakes.



Using data for this analysis area is necessary due to the way the data is presented by the U.S. Census and the American Community Survey. As the rural areas of Aptos and Soquel contain limited housing and jobs, the six CDPs provide a reasonable approximation for the Plan Area for the purposes of this demographic, economic, and real estate analysis.

the CDPs, population increased in Live Oak, Soquel, Seacliff, and Aptos, while Pleasure Point and Twin Lakes experienced population declines.

The population decline in the past 12 years is consistent with the relatively measured growth observed in Santa Cruz County as a whole where population increased by only three percent between 2000 and 2012. By contrast, California’s population grew by 11 percent during the same period.

Table PH-1: Population Trends, 2000-2012

	2000	2012	Percent Change 2000-2012
Plan Analysis Area	46,925	46,654	-0.6%
Santa Cruz County	255,602	262,804	2.8%
State of California	33,871,648	37,718,293	11.4%

Sources: Census, 2000; Nielsen, 2012; BAE, 2012.

DEMOGRAPHIC CHARACTERISTICS

Table PH-2 presents a summary of key demographic characteristics of residents within the Plan analysis area, based on data drawn from Nielsen (a private data vendor), the US Census, and the 2006-2010 American Community Survey (ACS). These characteristics are compared to Santa Cruz County overall and the State of California. Demographic characteristics that are most relevant to the Transit Corridor Plan include:

- **Age.** Residents in the analysis area are, on average, older than residents in the rest of the county and the state. The percentage of seniors in the area will increase in the future, at a rate that exceeds that in the county and state.
- **Education.** Analysis area residents have relatively high levels of educational attainment with significant variation between communities. Aptos and Pleasure Point have the highest percentage of residents 25+ with a college degree and Live Oak and Twin Lake have the lowest percentage.
- **Household Income.** Median household income in the analysis area is lower than in the county overall. There is significant variation in household income among communities in the area, with Aptos having the highest income and Twin Lakes the lowest.
- **Ethnicity.** The analysis area overall is somewhat less ethnically diverse than the county and much less ethnically diverse than the state. This does vary significantly across the analysis area communities with Live Oak and Twin Lakes both having relatively large Latino populations. Moreover, the number of Latinos as a percentage of the analysis area population has been growing relatively rapidly from 15 percent in 2000 to 21 percent in 2012.
- **Language.** The most common language spoken at home in the analysis area is English (80 percent) followed by Spanish (15 percent). Both Live Oak and Twin Lakes have large communities of Spanish speakers.

Table PH-2: Demographic Characteristics

	Analysis Area		Santa Cruz County	California
Population (2012)				
Total Population	46,654	--	262,804	37,718,293
Age (2012)				
Median Age	40.8	--	36.7	34.8
17 Years and Younger	9,556	20.5%	22.5%	25.7%
18 to 64 Years	31,074	66.6%	66.3%	63.1%
65 Years and Older	6,024	12.9%	11.2%	11.2%
Race (2012)				
White	32,658	70.0%	58.6%	39.0%
Black/African American	462	1.0%	0.9%	5.7%
Asian	1,720	3.7%	4.2%	13.2%
Other Race	1,785	3.8%	2.9%	2.8%
Hispanic	10,028	21.5%	32.9%	38.5%
Language Spoken at Home (2012)				
English Only	37,691	80.8%	71.9%	57.1%
Spanish	6,836	14.7%	23.0%	28.5%
Other Language	2,127	4.5%	5.1%	14.4%
Education (2010)				
Population 25+ with College Degree	14,978	46.6%	45.3%	37.7%
Income (2010)				
Median Household Income	\$60,562	--	\$65,253	\$60,883

Source: BAE Urban Economics, 2012, based on data drawn from Nielson, the US Census, and the 2006-2010 American Community Survey (ACS).

HOUSING CHARACTERISTICS

Table PH-3 presents a summary of key characteristics of households and housing units within the Plan analysis area, based on data drawn from Nielsen (a private data vendor), the US Census, and the 2006-2010 American Community Survey (ACS). These characteristics are compared to the Santa Cruz County overall and the State of California. Housing characteristics that are most relevant to the Transit Corridor Plan include:

- **Household Size.** Average household size is smaller in the analysis area than in the county and state, and is projected to decrease further in the future. There are fewer family households in the analysis area compared to the rest of the county and the state. Average household size varies within the Plan area, with the largest average household size found in Live Oak.

Table PH-3: Housing Characteristics

	Analysis Area		Santa Cruz County	California
Household Characteristics (2010)				
Average Households Size	2.40	–	2.66	2.90
Family Households	11,035	57.1%	61.2%	68.7%
Housing Tenure (2010)				
Owners	11,270	58.4%	57.5%	55.9%
Renters	8,041	41.6%	42.5%	44.1%
Housing Unit Type (2010)				
Single-Family Homes (detached & attached)	13,606	66.0%	72.0%	65.2%
Multiple-Family 2-4 Units	2,205	10.7%	9.2%	8.2%
Multiple-Family 5+	2,081	10.1%	12.2%	22.7%
Mobile Homes	2,718	13.2%	6.6%	4.1%
Housing Age				
Median Year Built	1973	–	1971	1973
Cost of Housing (2012)				
Median Housing Price	\$604,404	–	\$648,700	\$458,500

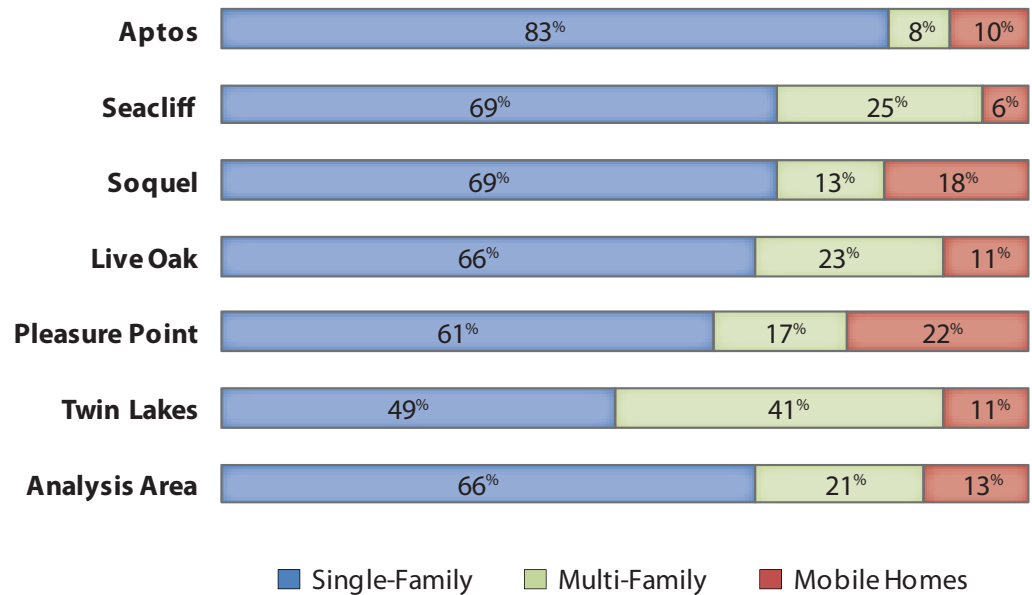
Source: BAE Urban Economics, 2012, based on data drawn from Nielsen, the US Census, and the 2006-2010 American Community Survey (ACS).

- **Housing Tenure.** Housing tenure (owners or renters) varies considerably among communities in the analysis area. The majority of households in Aptos and Soquel are owners, while the majority of Live Oak households are renters.
- **Age of Homes.** The median year built of all residential buildings in the analysis area is 1973, comparable to the county (1971) and the state (1973).
- **Housing Type.** Compared to the county and the state, the analysis area has a relatively small percentage of single-family homes and a much larger percentage of attached homes (townhomes) and small apartment buildings. Live Oak, Sea Cliff, and Twin Lakes in particular have a large stock of attached and multifamily structures, while the rest of the analysis area communities have larger percentages of single-family detached homes (See Figure PH-1).

Although the median years of housing built in the analysis area and county were similar, there is a slight difference in the average age of housing stock. Housing in the analysis area was mostly built between the 1960s and 1980s, while Santa Cruz County experienced an earlier housing boom. As shown in Figure PH-2, 63 percent of the analysis area’s housing stock was constructed between the 1960s and 1980s, while only 53 percent of the county’s housing units were constructed in this period.

Housing production has been slow in the last two de-

Figure PH-1: Housing Units by Type of Structure



Sources: ACS 2006-2010; BAE Urban Economics, 2012

acades in both the analysis area and county. Fourteen percent of the analysis area’s housing stock and 15 percent of the county’s housing stock was built between 1990 and 2009. The reduction in housing production in the last two decades coincides with the growth management strategies implemented in the late 1970s and 1980s that limited growth and preserved agricultural and natural resources.

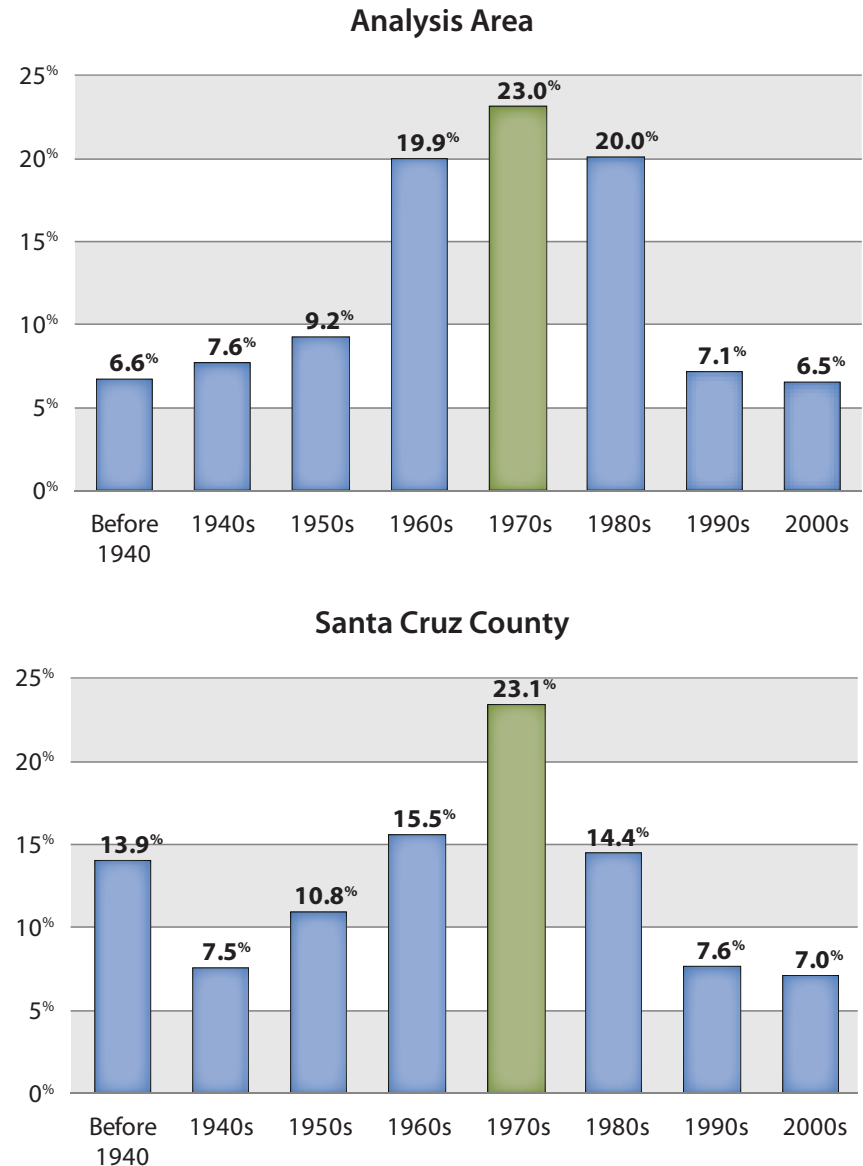
Jobs/Housing Balance

A good balance of jobs and housing is an important component of a sustainable community. With this balance, residents have greater opportunity to find employment close to where they live and are less dependent on commuting long distances to find work. Communities with a good job/housing balance typically have a number of jobs that is close to the number of employed residents in the community.

Recent U.S. Census data shows 17,218 jobs compared to 22,370 working residents within the Plan analysis area. The county is also unbalanced, with 121,706 working residents but only 109,927 jobs in the County. As described in Chapter 6, about 18 percent of these residents commute to jobs over the hill in Santa Clara County, reflecting a relatively significant job/housing imbalance compared to other regions.

Promoting a healthy jobs/housing balance is an important goal for the Transit Corridors Plan, but the focus should be on promoting a healthy balance overall in the county, not just in the Plan area. Plan area residents can easily access jobs in employment centers in the City of Santa Cruz and Watsonville, and vice versa. As one integrated region, a healthy jobs/housing balance in Santa Cruz County will increase transportation alternatives, reduce greenhouse gas emissions, and promote economic development for all communities in the county.

Figure PH-2: Housing Units by Decade Built



Sources: ACS 2006-2010; BAE Urban Economics, 2012.

Housing Affordability

Housing affordability is a function of household incomes and the cost of housing. According to federal standards, housing is considered affordable when households pay 30 percent or less of their gross income for housing costs. Based on an analysis of rental complexes in the 95101 and 95062 zip codes, most four-person households earning less than \$76,650 (80 percent of the county area median income) would find it difficult to afford an average three-bedroom rental in Santa Cruz County. In terms of the for-sale market, most four-person households earning less than \$104,400 (120 percent of the county area median income) would find it difficult to afford an average three-bedroom single family home in the county.

The Santa Cruz-Watsonville area ranks third in the country as an area with one of the biggest gaps between the average wage needed to afford a typical two-bedroom apartment and the estimated hourly wage among renters, based on data from the Bureau of Labor Statistics and the National Low Income Housing Coalition. The hourly wage needed to afford a typical two-bedroom apartment is \$28.92, and the estimated hourly wage among renters in the area is \$12.31.

Data from the National Association of Home Builders (NAHB) also confirms that for-sale housing is out of reach. The Housing Opportunity Index measures the share of homes sold in an area that is affordable to a family earning the local median income, based on mortgage underwriting standards. Of the 226 areas tracked by NAHB, the Santa Cruz-Watsonville area ranks 220th in terms of affordability of for-sale housing to households earning the lo-

cal median income. Among metropolitan areas with less than 500,000 residents, the Santa-Cruz Watsonville area is the second least affordable metro area in the nation.

Key Issues and Questions

In light of this information, the Transit Corridors Plan should explore the following key questions relating to demographics in the Study Area:

- **Changing Demographics.** Over the next 20 years the number of seniors in the Plan area will increase and the average household size will decrease. How can the Transit Corridors Plan best respond to these changing demographic characteristics?
- **Equal Opportunity.** Residents' income and educational status vary considerably across communities in the Plan area. How can the Transit Corridors Plan best promote access to opportunity for all Plan area residents?
- **Housing Types.** Does the Plan area have the right mix of housing types to meet the housing needs of current and future residents? What types of housing should be encouraged in the future?
- **Affordable Housing.** Housing in the Santa Cruz-Watsonville region is among the least affordable in the entire country. How can the Transit Corridors Plan increase the supply of affordable housing available to area residents and workers?
- **Jobs/Housing Balance.** Santa Cruz County currently has more employed residents than jobs, with many residents commuting to Santa Clara County. How can the Transit Corridors Plan promote a better jobs/housing balance in Santa Cruz County?