3. CONDITIONS AND FACTORS FOR GROWTH

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A. INTRODUCTION

This chapter addresses the conditions and factors of growth that influence future conditions in the City of Clearlake. Background research, fieldwork, data analysis, and community input contributed to information on existing strengths and challenges confronting the City. Additionally, this chapter presents projections for population growth, housing, and job targets to inform the growth scenarios proposed in this document.

B. EXISTING STRENGTHS AND CHALLENGES

The community strengths and challenges outlined in this section were considered in the development of the alternative scenario conceptualizations and of the policy document.

Community Strengths

Access to Parks

Currently the City has approximately 42 acres of public park space, equating to 2.36 acres of park per 1,000 people, exceeding the one-acre per 1,000 people standard.

Air Quality

The City is in attainment for all state and federal air quality standards. The Lake County Air Basin is the only basin within the State of California to meet the standards for all criteria pollutants. Clearlake has a regional reputation for clean air.

Clear Lake

The City of Clearlake is located directly adjacent to the largest freshwater lake in California and oldest lake in North America. The proximity to the lake has attracted visitors from all over the state for well-known lake activities such as bass fishing, hiking, scenic views, and water sports. The main commercial corridor in the City runs along the waterfront, and provides scenic views for residents and visitors.

Housing

According to the 2010 Clearlake Housing Element, there are plenty of sites to accommodate State Regional Housing Need Allocation for all affordability types.

Natural Setting

Community members consistently voice their adoration for the surrounding natural habitat including abundant wildlife, fresh air, and ability to see the stars in the night sky. Several Clearlake residents relocated into the City to escape the loud, congested roadways of larger Cities. This makes Clearlake an attractive place for those appreciative of rural lifestyles.

Proximity

Clearlake is located adjacent to the world renown Napa Valley and other distinct wine culture regions within the state. This proximity provides easy access to the overflow of the existing wine industry tourist market, an industry the City can capitalize on for future economic growth.

Transit

Lake County Transit serves a majority of the City with local routes 5 and 6, and a regional bus stop located at the Wal-Mart shopping center.

Vacant Land

The City is not constrained by a shortage of developable land. With more than half of parcels within the City unoccupied, there are opportunities to allocate land to meet employment and housing needs.

Community Challenges

Access to Parks

In spite of sufficient park space, most residents are not within walking distance to a park.

Bicycle and Pedestrian Infrastructure

In 2011, the City of Clearlake only had 1.32 miles of bike lanes. Despite good walking activity in Clearlake, there is a limited presence of sidewalks and proper infrastructure for pedestrians.

Environmental Quality

The City faces many problems regarding environmental quality including an impaired lake due to sedimentation and nutrient loading, federally listed endangered plant and animal species, contamination of groundwater from leaking septic tanks and wastewater overflow, and a Superfund hazardous waste site.

Safety

Fire, flood, and seismic hazards pose problems for the City. The majority of vacant land within City boundaries is located in either a flood or a high-risk fire zone.

Health

A large proportion of Clearlake residents suffer from obesity, aging problems, drug and alcohol abuse, heart disease, and mental health issues. Teen pregnancy is also a rising concern as the youth population is projected to grow.

Healthcare Facilities

Approximately, only 34 percent of the residents of Clearlake reside within walking distance of a healthcare facility.

Housing Quality

Housing conditions in Clearlake can pose problems moving into the future. The housing stock is aging, with approximately 9 percent of the existing housing stock considered to be in poor or bad condition. Additionally, more than two-thirds of all homes are more than 30 years old. This is a large portion of the housing stock that will require retrofits and rehabilitation in order to remain habitable into the future.

Poverty

In 2010, approximately 28 percent of the families in Clearlake lived in poverty with only 17 percent receiving benefits from the Food Stamp or Supplemental Nutrition Assistance Program (SNAP).

Median Income

The median income for Clearlake is considerably lower than County and State averages, at $26,382 compared to $41,182 for Lake County and $60,883 for California.

Minimum wage

Approximately 53 percent of Clearlake residents live off jobs paying only minimum wage. Minimum wage employment places a financial strain on the main income provider for a family household.

Unemployment

In August of 2012, unemployment rate in Clearlake was 20 percent, making it one of the highest rates in the State.

Dependent Population

Nearly 50 percent of the City's population (under the age of 20 and over the age of 65) is transit dependent.

C. GROWTH PROJECTIONS FOR 2040

Much of the General Plan Policy Document's foundation is based on projections for population growth, housing, and job targets as described in this section. The projections in this section were used to inform the three Alternative Growth Scenarios; Business as Usual, Infill and Redevelopment, and Clustered Growth Development, and the final Preferred Growth Scenario.

Population Projections

The population in Clearlake is growing steadily. This trend is expected to remain and the population is projected to increase an additional 22 percent by 2040. Based on current birth, death, and immigration rates, the population in Clearlake will approach an estimated 18,702 residents by 2040 as illustrated in Table 3.1.

Table 3.1 Population Projections

Year	Population
2010	15,250
2015	15,893
2020	16,513
2025	17,124
2030	17,702
2035	18,214
2040	18,702

Cal Poly Planning Team (2013)

Population pyramids were structured based on the 2040 population projections. As illustrated in Figures 3.1 and 3.2, as the population ages, the pyramid begins to stabilize with less disparity between the age groups. The middle-aged cohorts, ages 40 to 49, remain relatively stable, while the cohort ages 50 to 69 shows a projected decrease in overall population compared to 2010. This decrease, however, is met with a high percent increase in the cohorts ages 85 and above. The elderly population will more than double by the year 2040. The large percent of children under the age of 15 may lead to further population growth as these cohorts reach reproductive age.

Figure 3.1 Population Pyramid Clearlake 2010

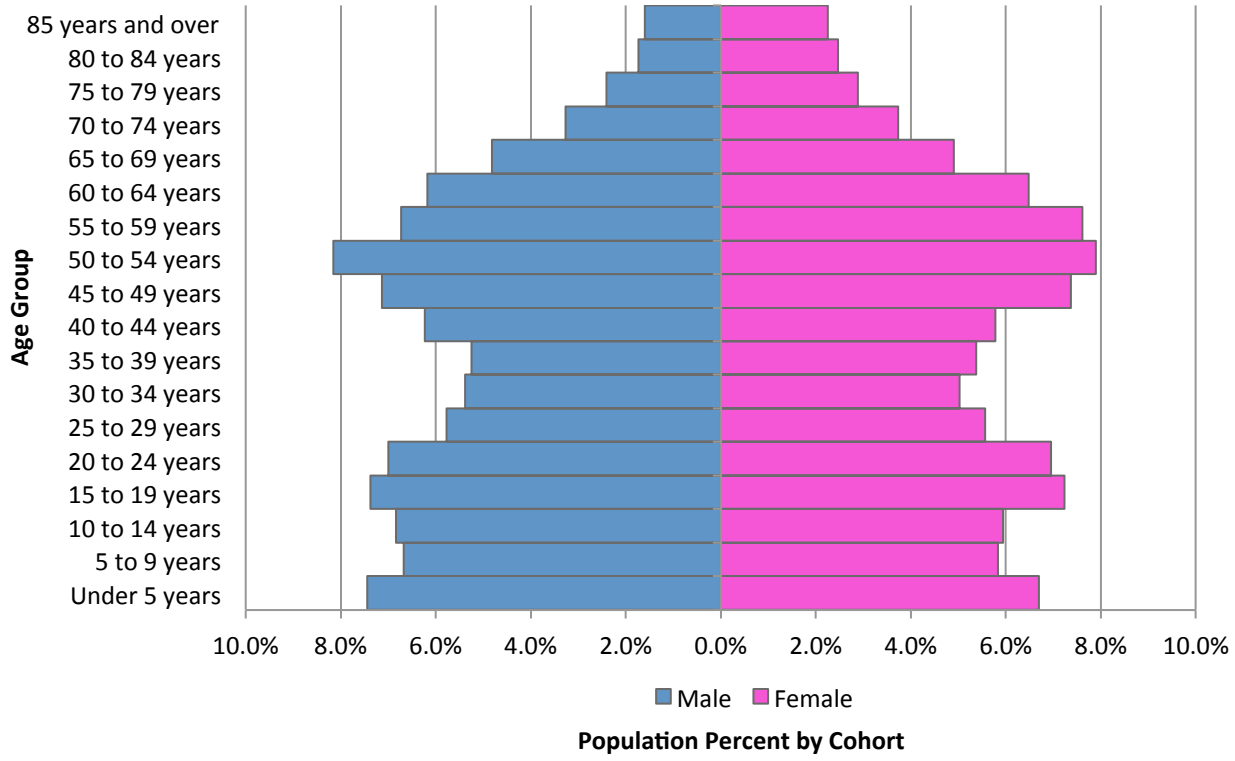

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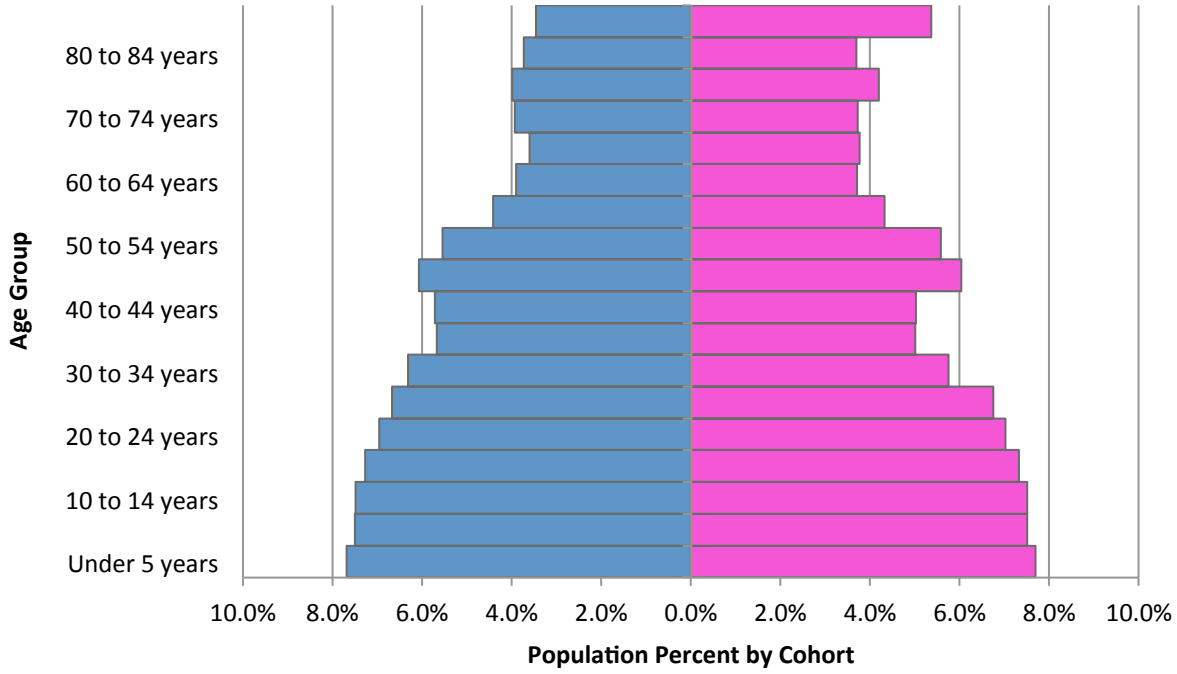
Figure 3.2 Population Pyramid Clearlake 2040



Cal Poly Planning Team (2013)

Housing Projections

An additional 1,025 housing units will be needed by 2040 to accommodate Clearlake's estimated population growth. This value was calculated using the headship method, which first calculates the percentage of people who own a household within each age and sex group. Then these percentages of householders (HH) for each cohort are multiplied by the projected population in each respective cohort. As Table 3.2 indicates, the total number of households is the combination of owner and renter occupied households. For example, 483 people between the ages of 75-84 owned or rented a house in 2010. This group is projected to grow to 1,460 by 2040. Assuming the household headship rate for each age cohort remains the same over the next 30 years, there will be 974 householders in 2040 between ages 75-84. Each householder represents one household. Based on the headship method, there will be 6,996 householders by 2040, which translates to 6,996 housing units or an increase of 1,025 housing units from 2010.

Table 3.2 Clearlake Estimated Housing Units Needed, 2040											
	2010					2040					
		Owner		Renter			Owner		Renter		
Cohort	Pop Total	Total HH	Percent of Owner HH	Total HH	Percent of Renter HH	Pop Total	Total HH	Percent of Owner HH	Total HH	Percent of Renter HH	Households Total
15 to 24	2,178	58	2%	313	11%	2,674	68	2%	367	11%	**455**
25 to 34	1,658	228	7%	523	19%	2,385	267	7%	613	19%	**1,080**
35 to 44	1,726	389	12%	464	17%	2,003	456	12%	544	17%	**990**
45 to 54	2,330	668	21%	597	21%	2,173	783	21%	699	21%	**1,180**
55 to 64	2,059	785	25%	457	16%	1,531	920	25%	535	16%	**924**
65 to 74	1,275	573	18%	265	10%	1,406	671	18%	310	10%	**924**
75 to 84	724	358	11%	125	4%	1,460	419	11%	146	4%	**974**
> 85	294	131	4%	36	1%	825	153	4%	42	1%	**469**
Total	12,244					14,457					
Group Qtrs	11,784	3,190	100%	2,780	100%	13,893	3,737	100%	3,257	100%	
Total Households		5,971									**6,996**

Vacancy Rate and Housing Condition

The headship method relates the total number of needed housing units in 2040 to the number of occupied households in 2010. However, the total number of housing units in Clearlake in 2010 was 8,035 due to housing unit vacancies. The housing projection assumes 5 percent of all housing units remain vacant in order to accommodate unforeseen population growth through 2040. The housing condition in Clearlake is unique because the large number of seasonal home occupancy in the City contributes to an unusually high vacancy rate of 25.7 percent (US Census, 2010). In 2010, 2,065 of the total 8,035 housing units were vacant. Excluding the approximately 909 seasonal homes, Clearlake's housing vacancy rate is 14.4 percent, still considerably higher than the ideal 5 percent vacancy rate used to estimate the number of housing units needed in 2040 which still can accommodate additional population growth.

Additionally, the 2012 land use inventory identified 255 units to be in such bad condition they were considered uninhabitable (Cal Poly Team, 2012). Therefore, of the 5,971 occupied housing units, approximately 4 percent may be unsuitable for continued habitation. To account for

housing conditions, the housing projection removes these uninhabitable 255 units from the current occupied housing stock, leaving 5,716 habitable occupied housing units in 2010. This reduction in suitable housing increases the total housing need in 2040 from 1,025 to 1,280 units.

Growth Assumptions

The City should target a reduced vacancy rate. As the City hopes to retain the tourist atmosphere and increase residency, it is more realistic to target a reduction in non-seasonal vacancy rates while maintaining existing vacancies for seasonal use. In order to achieve this target, the City needs to fill 754 of the homes vacant in 2010 as well as redevelop the 255 bad quality homes. Redevelopment of these homes may result in minimal resident displacement, which the City will need to account for prior to redevelopment to ensure residents are not unfairly or unlawfully displaced from their homes. The ultimate objective of redeveloping bad quality housing units is to relocate these residents to better quality homes. By utilizing the existing housing stock, either through filling in vacancies or redeveloping poor quality homes, the City will only need to construct an additional 271 housing units by 2040. Table 3.3 shows the calculations performed to reach these values.

Table 3.3 Housing Projection Assumption Calculation Clearlake, CA

Housing Statistic	Value/Calculation
Total Housing Units 2010	8,035
Total Occupied Units 2010 (25.7% vacant)	5,971
Bad Quality Units (remove from housing stock)	255
Total Habitable Units 2010	5,716
Total Vacant Units 2010	2,065
Vacant Units (Seasonal)	909
Vacant Units (Non-Seasonal)	1,156
Overall Vacancy Rate (2010)	25.7%
Non Seasonal Vacancy Rate (2010)	14.4%
Total Occupied Housing Units by 2040	6,996
Total Vacant Units 2040	1,310
Seasonal	909
Non-Seasonal (5% vacancy rate)	401
New Housing needed 2040	1,280
Occupy 2010 Vacant Units	754
Redevelop Bad Quality Units	255
New Construction	271
Total Housing Units 2040	8,306

Economic Projections

Using the average trend in employment growth from years 2002 to 2010, approximately 253 additional jobs will be needed to accommodate job growth into year 2040 (Table 3.4). This particular trend is based on business as usual employment growth, assuming that the City maintains current employment patterns and job to workforce ratios. The 2040 job projected growth is based on the total number of job and industry shares from the most recent economic data from the Longitudinal Employer-Household Dynamics (LEHD).

The following are descriptions of the industries (as described by the U.S. Census) which are within each sector:

Industrial – Mining, Quarrying, and Oil and Gas Extraction; Construction; Manufacturing

Retail – Wholesale Trade; Retail Trade

Office – Information; Finance and Insurance; Real Estate and Rental and Leasing; Professional, Scientific, and Technical Services; Management of Companies and Enterprises; Public Administration

Service – Administration & Support, Waste Management and Remediation; Educational Services; Health Care and Social Assistance; Arts, Entertainment, and Recreation; Accommodation and Food Services; Other Services (excluding Public Administration)

Other – Agriculture, Forestry, Fishing and Hunting; Utilities; Transportation and Warehouse

Table 3.4 Historic Job Growth and 2040 Projections

Sector	2010	2002-2010 Annual Growth Rate	2040	Percent Change 2010 to 2040	% of Total Job Share
Service	1,794	4.20%	1,816	1.23%	62%
Retail	566	-0.24%	731	29.15%	25%
Office	211	3.58%	237	12.32%	8%
Industrial	37	4.02%	68	83.78%	2%
Other	67	0.19%	76	13.43%	3%
Total jobs	**2,675**		**2,928**	**9.46%**	**100%**

Longitudinal Employer-Household Dynamics (LEHD) On The Map (2002-2010)

Job Targets for Growth Scenarios

The job targets for the three growth scenarios were based on the average jobs-to-labor force ratio for the City of Clearlake between the years of 2009 and 2010. The City's labor force is made up of all residents of working age, and therefore excludes residents younger than 16 (assumed too young to work) or those 65 and above (assumed retired). These two years are the only two years of data available from the U.S. Census with information on the City's population. Table 3.5 shows the labor force population and available jobs within the City and the associated job to labor force ratio. The average job to labor force ratio in Clearlake is compared with the neighboring City of Lakeport, the County seat, Lake County, and the State of California in Table 3.6.

Table 3.5 City of Clearlake Jobs-to-Labor Force, 2009 - 2010

Year	Labor Force	Total Jobs	Ratio (Jobs/Labor Force)
2009	9,958	2,739	0.275
2010	9,951	2,675	0.269
Average Ratio			0.272

LEHD (2009-2010); U.S. Census, 2009 & 2010, Table DP-05

The Preferred Growth Scenario uses an aggressive job to labor force ratio for the City of Clearlake. The Scenario targets approximately 85 percent of the State job to labor force ratio. The intention is to plan for vocational and head of household jobs which pay stable wages. Community feedback indicated strong preference for more stable and industrial jobs. The job target requires the City to allocate enough commercial and industrial acreage to accommodate approximately 3,110 jobs by 2040.

Table 3.6 Comparative Job to Labor Force Ratios and Job Targets for Clearlake

Geographic Area	Average Job to Labor Force Ratio	Jobs Needed in 2040	82% of Jobs Needed in 2040	Comments
City of Clearlake	0.272	253	-	Business as Usual
City of Lakeport	1.103	9,199	-	Too high; small community serving as Lake County seat of Government not comparable to Clearlake
Lake County	0.320	766	-	Modest
State of California	0.588	3,660	**3,110**	**Target**

LEHD (2002-2010); U.S. Census, 2002 - 2010, Table DP-05

D. DEVELOPMENT OPPORTUNITIES AND CONSTRAINTS

Boundaries and Limits

Figure 3.3 shows that the City of Clearlake is abutted by Clear Lake to the west, the census designated Clearlake Oaks to the north, mountains to the east, and census designated Lower Lake to the south. There is a vast amount of vacant land within City borders, reducing the need to annex land from the County. Figure 3.4 shows the City's Sphere of Influence, which includes approximately 8,000 acres to the north of the City, mainly hillside properties.

Opportunities

Vacant Land

Within the City, 57 percent of the acreage is vacant. The bulk of the contiguous vacant land is located in the southeast, northeast, and northwestern corners of the City, bordering unincorporated County land. However, many vacant parcels are also scattered throughout the City amongst already developed land as shown in Figure 3.5.

City Property

The City owns 30 parcels within City boundaries providing opportunities for development, including a larger waterfront parcel adjacent to Austin Park. Vacant and City-owned land contains an opportunity for future development, given the ability to provide adequate sewer, water, and power service.

Waterfront Parcels

Waterfront property totaling 1,208 acres serves as an opportunity for development, as it is valuable land for tourism, recreation, and dining.

Figure 3.3 City of Clearlake Boundary Map

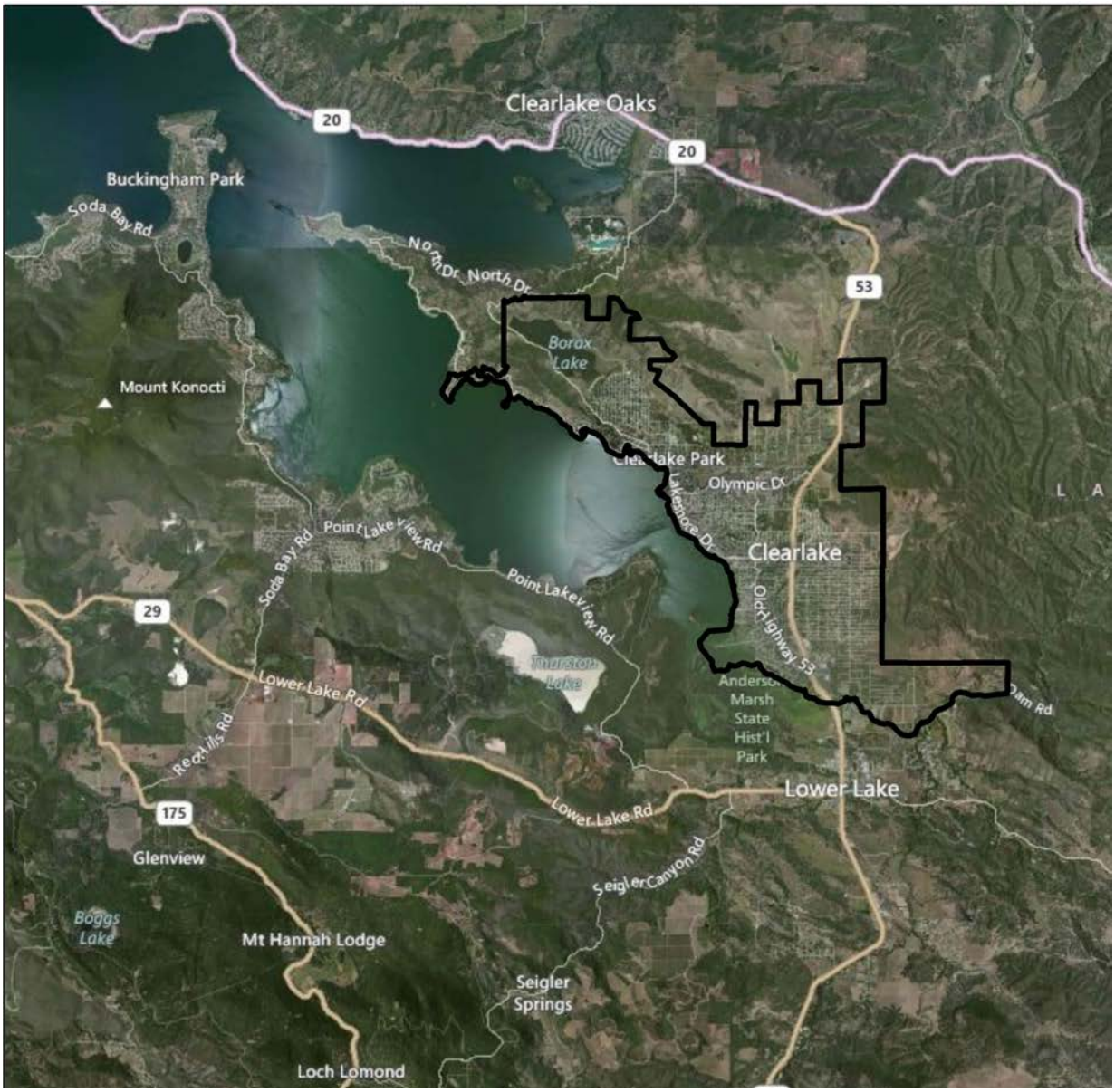


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Figure 3.4 City of Clearlake Sphere of Influence

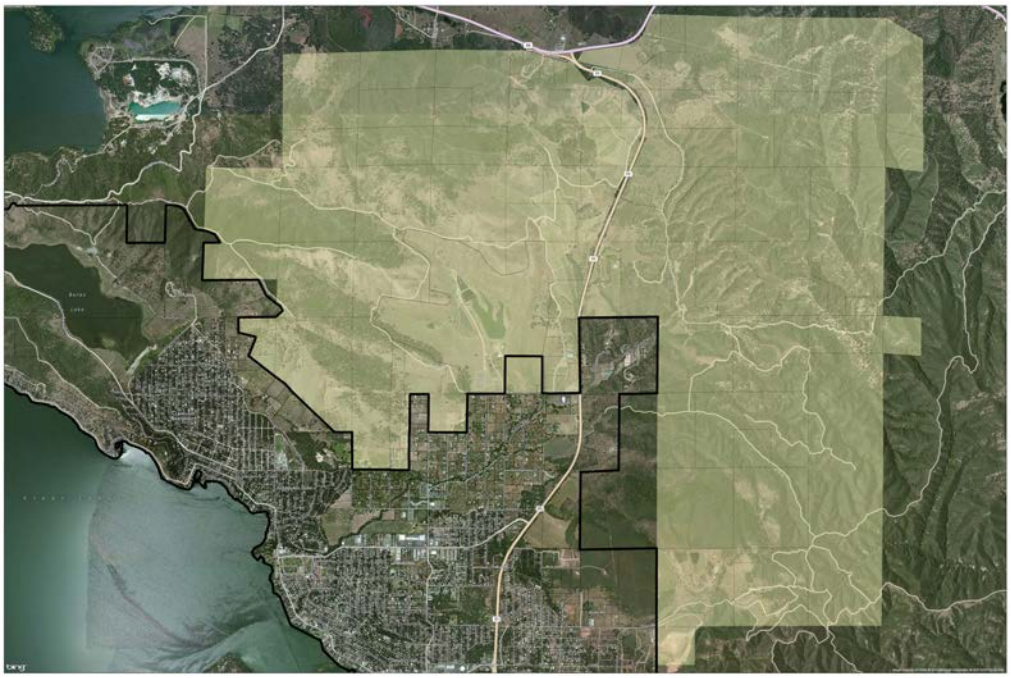

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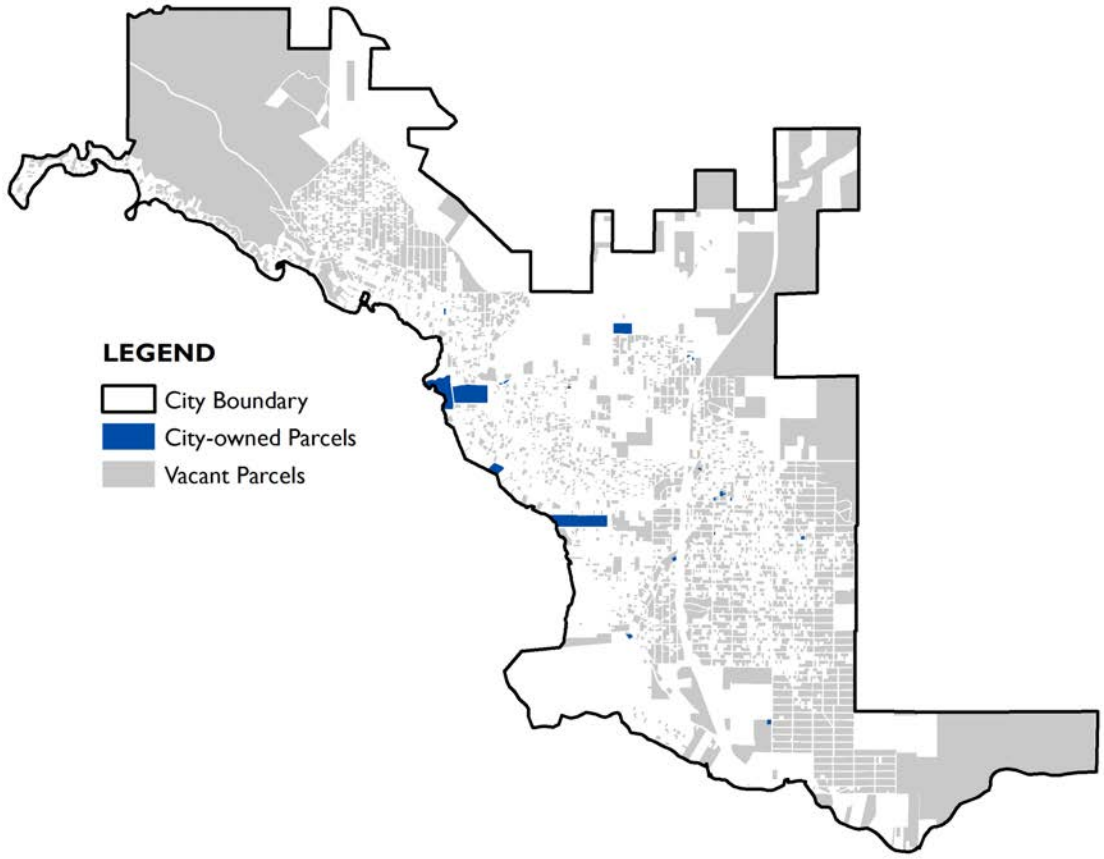
Figure 3.5 Vacant and City-Owned Land



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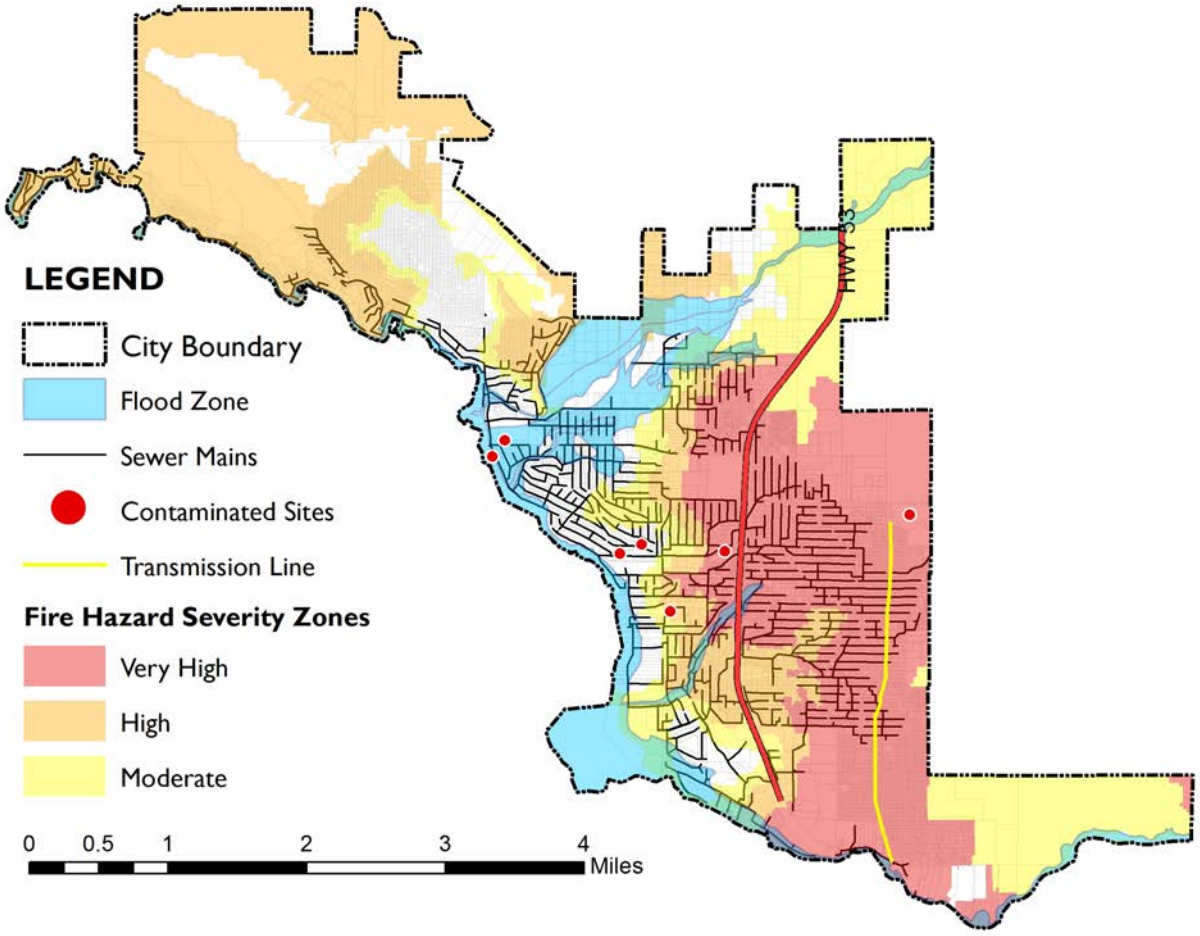
Constraints

Physical realities and political boundaries shape the development of the City. Figure 3.6 shows Clearlake's constraints to development, which include City boundaries, geography, flood zones, fire severity zones, power transmission lines, sewer lines, and contaminated sites. Those constraints are described in the following sections.

Figure 3.6 City of Clearlake Development Constraints Map



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Flood Zone

The flood zone extends along the waterfront of Clear Lake on the western city border as well as into middle of the City in a northeast direction to the county line. Approximately 38,000 square feet, or 38 percent of City land, lies within the flood zone. Property located in FEMA's 100-year flood zone has a 1 percent chance of flooding each year.

Fire Zone

The most developed areas in the central city are not in a fire severity zone as defined by California Department of Forestry and Fire Protection (Cal Fire). There is little land in the moderate severity zone. The high fire severity areas are in the northwest and a small sliver of area running north to south in the east. The southeastern area is in a very high fire severity zone, which is also one of the most underdeveloped areas with abundant vacant land.

Power and Sewer Lines

A PG&E power transmission line runs north to south near the eastern border of the City. Gravity sewer mains run throughout the central part of the City and most of the waterfront, but do not extend out to the northwest, northeast, and southeast corners. Areas without sewer mains use septic tanks. Future development would be constrained by the existence of sewer lines or the ability to connect to existing sewer lines.

Street Paving and Sidewalks

Less than one percent of the City's parcels have sidewalks. 48 percent of the City's public street surfaces are unpaved. Unpaved roads degrade water quality due to storm water runoff, pose a threat for emergency vehicle access, and are a main source of PM10 air emissions. Obtaining funds for capital improvements is typically obtained through developer impact fees and exactions, however; cities frequently lower exactions and impact fees as an incentive to attract new development, both residential and commercial. The City will need to balance incentivizing development and acquiring the needed capital to fund road paving. Shall the City decide to raise impact fees to obtain funds at a faster rate, this may deter developers and have a negative impact on the community.

Contaminated Sites

Six known contaminated sites within the City. The sources of contamination include the Eastlake landfill, a former lumberyard, and a leaking ground tank (California Department of Toxic Substances Control, 2012 EnvirostorDatabase, dtsc.ca.gov).

Vacant and City-Owned Land

The great amount of vacant land poses a constraint of managing that land, especially concerning code enforcement for illegal waste dumping.