



Town of Windsor General Plan Update

Development Options Report

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Prepared for the
Town of Windsor
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INTRODUCTION

This report presents data and information on Windsor's historic growth trends and options for future growth, and compares that with recent growth projections. It analyzes historic trends estimated and future growth projections compared to remaining development capacity within the Town's urban growth boundary (UGB). This report is intended to provide residents and decision-makers with information about future growth in Windsor in preparation for developing and evaluating land use alternatives as part of the General Plan Update.

Use of Projections in the General Plan Update

Reasonable Assumptions

Because of the inherent uncertainty of the future, growth projections tend to be based on a set of reasonable assumptions that consider past trends, multiple data sources, and likely future changes that effect growth and development (e.g., demographics, economics, politics, and environment). However, it should be noted that there can be substantial variation between the projections and forecasts developed by different organizations, and unanticipated forces and variables (e.g., the Great Recession) impact population, job, and housing growth and can cause the demand for land to change. Projections should be considered resources to help inform discussions about future growth and development, but not be viewed as absolutes.

Desired Outcomes

The desired outcome for the future, or a community's vision, provides the foundation for discussion when considering future trends. The vision is then projected through the policies, programs, and other initiatives that are intended to guide and influence future growth and change within the community. For example, as part of the General Plan Update, the Town Council and Planning Commission have accepted a refined Vision and set of Guiding Principles to express the Town's aspirations for the future, which may differ from the assumptions relied upon for certain projections. In addition, several key issues have been raised by residents and stakeholders during the General Plan Update, including the need for economic development and additional jobs, the affordability of a range of housing types, and the demand for parks and protection of open space lands. How the Town decides to address these issues can influence the assumptions used for projected future growth and development trends.

Together, the reasonableness of projections and the desires of a community are important considerations when thinking about how projections are used in the General Plan Update process to plan future development.

Sources of Information and Data

Population, housing, and employment estimates and projections presented in this report are based on data summarized in the Draft General Plan Update Background Report (April 2015). The primary data sources are the California Department of Finance (DOF), Association of Bay Area Governments (ABAG), Metropolitan Transportation Commission (MTC) *Plan Bay Area*, and ABAG Regional Housing Need Allocation (RHNA). Information is also included from the General Plan Update: Market Analysis (September 8, 2015) prepared by Applied Development Economics (ADE). In some cases, the Town's General Plan Update Consultant generated additional data for comparative purposes.



Report Organization

This report is organized into three main parts. The first summarizes historic growth trends over the past 20 years for population and housing growth. It also discusses several planning-related factors that should be considered when thinking about future growth and development. The second part presents population, housing, and employment projections for 2015 through 2040, the planning horizon for the General Plan Update. Part three presents and compares future growth projections with estimated remaining development capacity within the UGB.



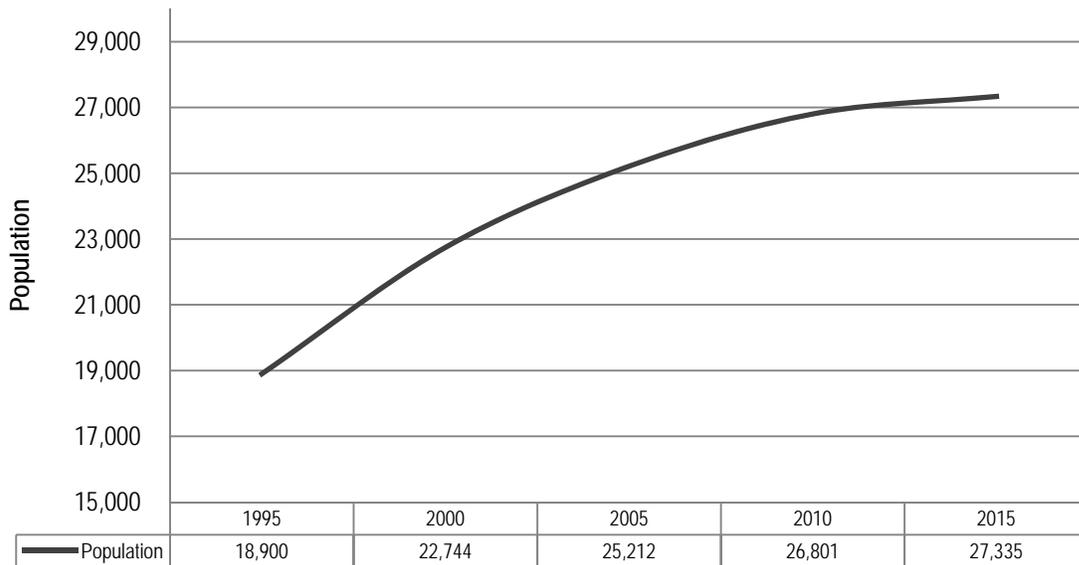
HISTORIC POPULATION AND HOUSING TRENDS

The following section summarizes population, housing, and employment trends over the past 20 years. While historic trends indicate the town has experienced an overall decline in its rate of growth, it is important to consider the effects of the Great Recession, which began in 2008, on overall growth patterns in communities throughout California and the nation.

Population Trends

Windsor’s historic population growth has experienced an overall slowdown over the past 20 years. Since 1995 the town has experienced an average annual growth rate (AAGR) of 1.9 percent. The town experienced its greatest amount of growth between 1995 and 2000 with an AAGR of 3.8 percent; however, subsequent five year increments showed a slowing of average growth from 2.5 percent (2000 -2005), to 1.2 percent (2005-2010), to 0.4 percent (2010 -2015).

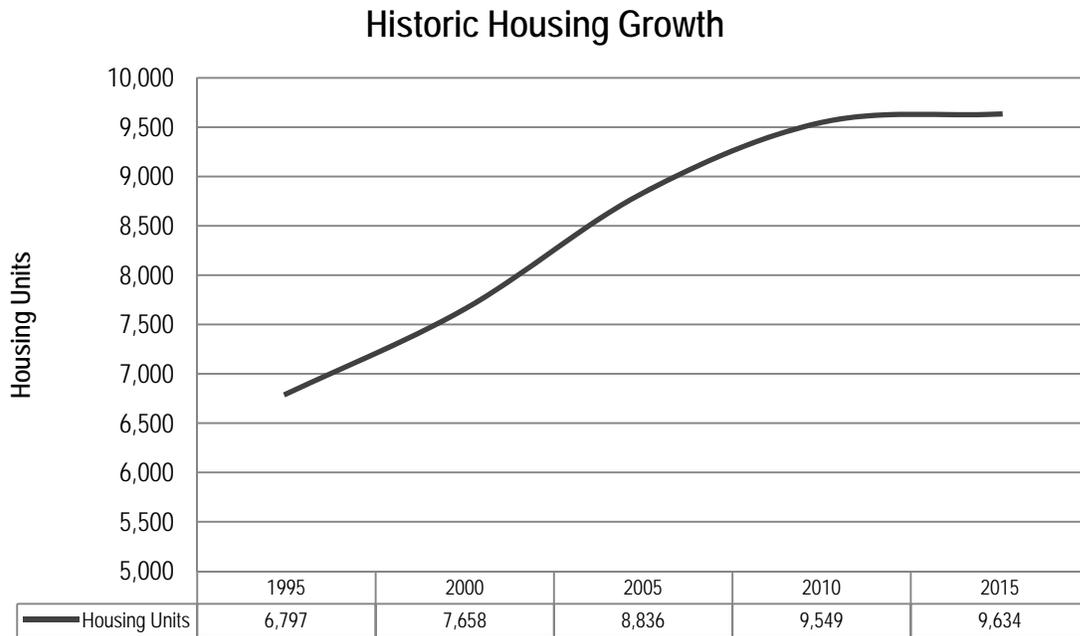
Historic Population Growth





Housing Trends

Windsor’s housing growth has generally kept pace with population growth over the past 20 years. During this time the town added an estimated 2,837 housing units for a 1.8 percent AAGR. Comparatively, the town’s population grew at an AAGR of 1.9 percent. Similar to population growth, more housing was built between 1995 and 2005 compared to 2005 and 2010. Housing growth was greatest between 2000 and 2005 (2.9 percent), but has slowed considerably in the last five years (0.2 percent per year).



Employment Trends

Windsor had an estimated 5,400 jobs in 2002, but employment was on a downward trend due to the recession in the early 2000s. After reaching a low point of about 5,050 jobs in 2003, employment increased and reached a peak of 6,100 jobs in 2008. The Great Recession again caused business conditions to decline and employment levels in the town decreased to about 5,700 jobs by 2011, the last year for which jobs data are available for Windsor from the Longitudinal Employment and Household Data (LEHD) series published by the US Bureau of Labor Statistics and the Census. ABAG and the Economic Development Department estimated that Windsor had about 5,330 jobs in 2012 and between 5,499 and 5,658 jobs in 2015.



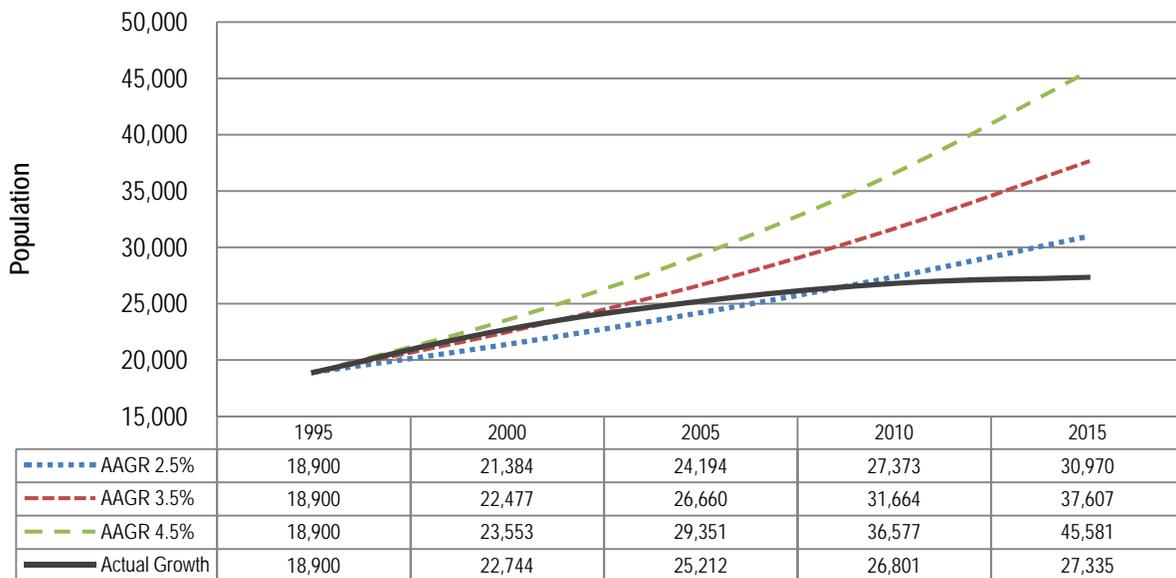
PROJECTED POPULATION, HOUSING, AND EMPLOYMENT

Projections are used in planning to help inform future demand for growth and development. This section compares the Town’s historic projected population growth rates contained in the 1996 General Plan with actual population growth through 2015. Next, it presents population, housing unit, and employment projections for the town through 2040.

Historic Population Projections versus Actual Growth

The existing 1996 General Plan Update used the baseline population in 1995 (18,900) to project future populations of three AAGRs, including: 2.5 percent, 3.5 percent, and 4.5 percent. The Town projected a 2040 population ranging from a low of 30,970 (2.5 percent rate) to a high of 45,581 (4.5 percent rate). The 2.5 percent annual growth rate and the estimated population growth by ABAG (26,787) and DOF (26,751) were close to the actual population recorded in the 2010 U.S. Census (26,801). However, the 2015 population estimated by DOF (27,335) for Windsor was much lower than the lowest projected 2015 population contained in the General Plan (30,970). This was caused by a significant decrease in the actual rate of growth between 2010 and 2015 (0.4 percent per year).

1996 General Plan Growth Projections

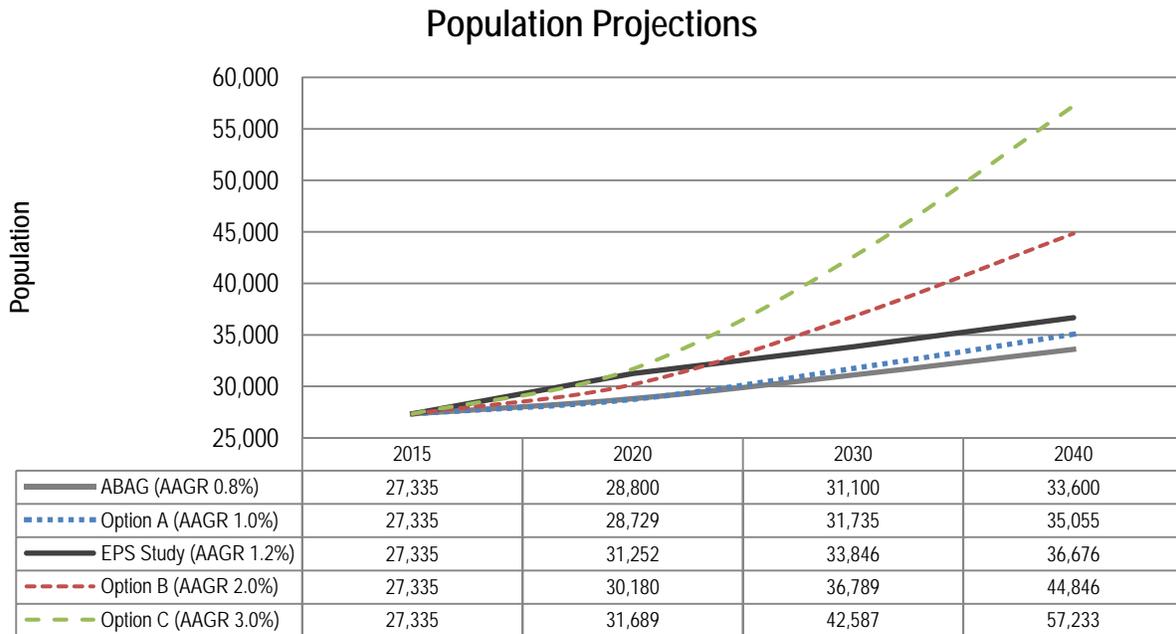




Recent Population Projections

Recent population projections for Windsor are available from ABAG and the Retail Market Analysis and Strategic Positioning Study prepared by Economic Planning Systems (EPS Study). While ABAG projections are available through 2040 (the planning horizon for the Windsor General Plan Update), the EPS Study only projected out to the year 2035. For the purposes of this analysis, we assumed the AAGR for household projections for the EPS Study (1.1 percent) would continue at the through 2040 for comparative purposes. Because the EPS study only provided a projection of household growth, we assumed population per household would be similar to the rates estimated by ABAG, which results in a population AAGR of 1.2 percent. In addition to the ABAG and EPS Study projections, this analysis includes three optional growth rates of 1 percent, 2 percent, and 3 percent, for comparative purposes. These additional growth rates are similar to, but lower than, those contained in the 1996 General Plan.

According to ABAG, Windsor’s population is expected to grow by over 6,200 over the next 25 years (0.8 percent AAGR), while the EPS Study projected the town’s population would increase by over 9,000 for the same time period (1.1 percent AAGR). Assuming that growth occurs at a higher rate, between 1 percent and 3 percent, the town could grow by an additional 7,700 to 30,000 people.



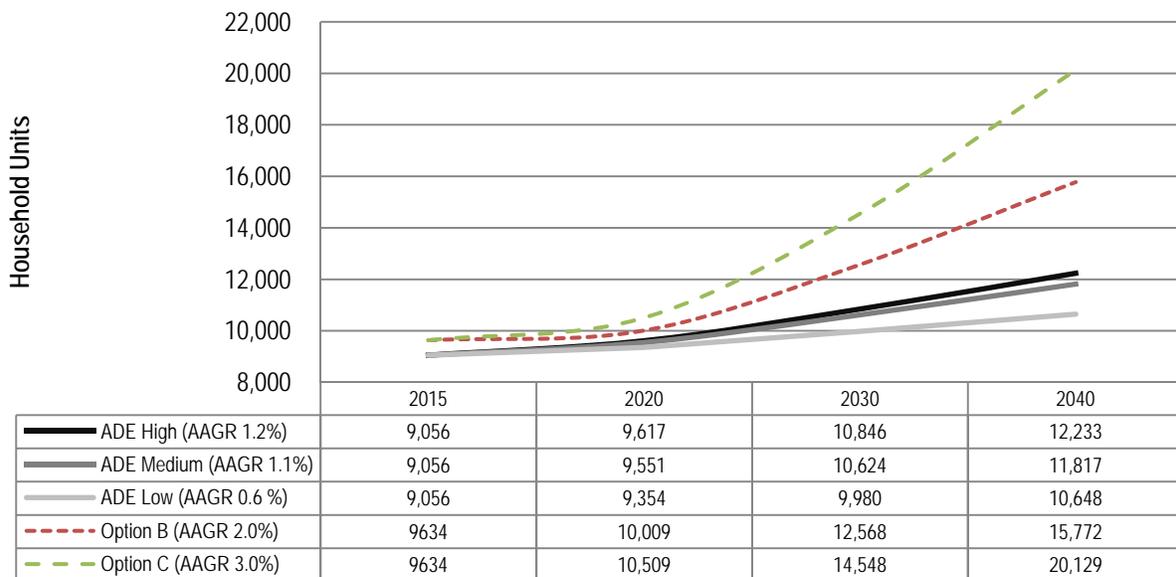


Recent Housing Unit Projections

Recent housing unit projections were included in the Windsor General Plan: Market Analysis (September 8, 2015) (ADE Market Analysis) prepared by Applied Development Economics (ADE). ADE based its housing unit projection prepared by ABAG, projections in the EPS Report, and DOF data. Similar to the population projections, this analysis includes alternative growth rates of 2 percent and 3 percent for comparative purposes. ABAG calculated the alternative growth rates were calculated by applying the persons per household assumptions in the ABAG projections to the population projections for each option.

The ADE Market Analysis projected a housing growth of between 1,592 units and 3,177 units over the 25 year planning period. This represents an AAGR between 0.6 percent and 1.2 percent. Accommodating a higher rate of population growth would result in greater housing unit demand. Assuming that population growth occurs between 2 percent and 3 percent, the town could have a demand for an additional 6,700 to 11,000 housing units.

Household Unit Projections



Employment Projections

According to the ADE Market Analysis, Windsor is expected to add between 1,789 and 2,297 jobs by 2040, but the job growth indicates a slightly slower pace compared to the past. ABAG projects the town’s future jobs growth for the 2010-2014 period to be 1.09 percent compared to an historic rate of 1.75 percent.



REMAINING DEVELOPMENT CAPACITY VERSUS PROJECTED DEMAND

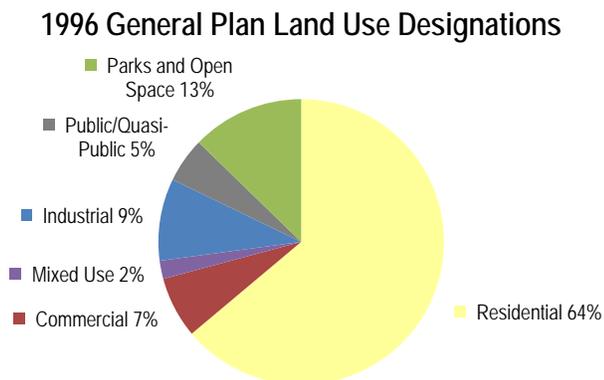
This section summarizes the potential amount of residential, commercial, and industrial development that could occur within the Windsor Urban Growth Boundary (UGB) under the current 1996 Windsor General Plan. It then compares the estimated capacity to the projected market demand for residential and non-residential development presented in the ADE Market Analysis.

Urban Growth Boundary

The Windsor Urban Growth Boundary defines the limits of town urbanization and encourages a compact, cohesive pattern of development with a definite and identifiable boundary. The existing 1996 General Plan established the UGB to manage urban development and to ensure future growth is coordinated with the County. The Windsor UGB encompasses 7.5 square miles and includes both the incorporated areas of the town and surrounding unincorporated areas that may be affected by the future growth of the town.

1996 General Plan Land Use

The General Plan designates all lands within the Town Limits and the UGB, as well as isolated areas outside the UGB for which the Town provides services (e.g., recycled water for agricultural use). Most of the areas within the UGB are planned for residential development (64 percent). Employment generating uses, including industrial, commercial, and mixed-use areas, make up about 18 percent of the UGB. Finally, public/quasi-public areas and parks and open space areas make up the remaining 21 percent of the UGB.



1996 General Plan Capacity

The Draft General Plan Update Background Report included an estimate of remaining development capacity within the UGB based on the existing 1996 General Plan and available vacant land. The estimated development capacity presented was based on known physical and regulatory constraints and historical development practice. Based on allowed densities and typical Floor Area Ratios (FARs), anticipated planned infrastructure, and vacant land, Windsor has capacity for an additional 3,654 housing units and 2,880,622 square feet of non-residential development. In addition, the town has several planned and approved projects that will accommodate some future growth. It is estimated that residential projects will provide an additional 1,335 dwelling units and 315,881 square feet of non-residential uses.

Based on the construction of the planned and approved projects and development of available vacant land, we estimate that Windsor could accommodate an additional population of about 14,919 and an additional 7,596 employees within the UGB.



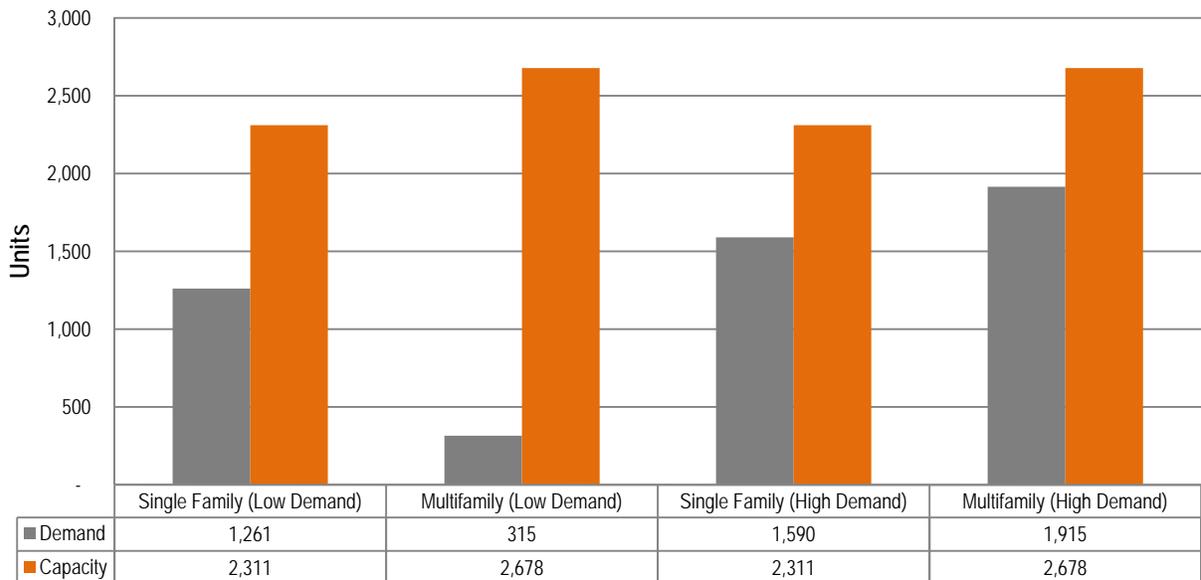
Growth Projections and Market Demand versus Existing Capacity

As discussed in earlier sections of this report, the ADE Market Analysis projects Windsor to grow by an additional 4,500 to 6,300 people, 1,600 to 3,200 housing units, and 2,150 jobs. Based on existing capacity within the UGB, the current General Plan can accommodate anticipated growth. However, if the town were to experience a higher rate of population growth (e.g., 2 percent to 3 percent), there would be demand for up to an additional 6,700 to 11,000 housing units. There would likely not be sufficient land designated for residential development within the UGB to accommodate this higher growth rate, unless the town redesignated sufficient land at higher densities.

Residential Demand versus Capacity

While the town has sufficient capacity to meet overall projected population, housing, and employment projections, it is important that the appropriate types of land are available for development. As presented above, the ADE Market Analysis included low, medium, and high projections for dwelling unit demands. The ADE Market Analysis split the housing unit demand into single family and multifamily categories. Windsor is expected to have a demand for 1,261 to 1,590 units (210-265 acres) of single family development and 315 to 1,915 units (32-192 acres) of multifamily development. Based on the vacant land designated for residential development in the 1996 General Plan and pending and approved projects, the Town has available capacity to accommodate about 2,311 single family units and 2,678 multifamily units. The town has sufficient land currently designated to accommodate residential demand within the UGB under the current 1996 General Plan.

Residential Demand versus Capacity





Non-residential Demand versus Capacity

The ADE Market Analysis also included acreage demands for non-residential development, including 10 acres of office uses, 20 acres of industrial uses, 25 acres of visitor serving uses, and 24 acres of institutional uses. Based on the vacant land designated for non-residential development in the 1996 General Plan, the Town has available about 128 acres for commercial, service uses¹, 67 acres for industrial or office uses. There is additional land planned or approved for non-residential development. Much of this development is expected to result in commercial or service uses. Based on existing land availability, and assuming demand for institutional uses would be in the form of a new school, it is likely the town has sufficient areas currently designated to accommodate non-residential demand within the UGB under the current 1996 General Plan.

¹ Assuming 25 percent of vacant land designated for mixed-use development occurs as commercial or service uses and 25 percent occurs as office uses.