

# Growth Inducement



## Chapter 6 | Growth Inducement

### 6.1 INTRODUCTION

State CEQA Guidelines require that an EIR evaluate a proposed project’s “growth-inducing” effects. Specifically, State CEQA Guidelines Section 15126.2(d) requires that an EIR:

*Discuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Included in this are projects which would remove obstacles to population growth (a major expansion of a waste water treatment plant might, for example, allow for more construction in service areas). Increases in the population may tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects. Also discuss the characteristic of some projects which may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively. It must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment.*

This Chapter analyzes the Project’s potential growth-inducing impacts for the criteria outlined below, as suggested in the State CEQA Guidelines. This analysis is based on Section 4.11, *Population and Housing*, and San Diego Association of Governments (SANDAG) estimates and forecasts: SANDAG Demographic and Socioeconomic Profiles; SANDAG Estimates; and SANDAG Board Report - Series 13 Regional Growth Forecast.

### 6.2 SIGNIFICANCE DETERMINATION THRESHOLDS

Generally, the Project would be growth-inducing if it would, directly or indirectly:

- Foster economic growth (e.g., changes in revenue base/employment expansion);
- Foster population growth directly through construction of additional housing or indirectly through construction of employment generating land uses that would create a demand for additional housing; and/or
- Remove obstacles to population growth (e.g., establishment of an essential public service or provision of new access to an area).

The State CEQA Guidelines require an EIR to “discuss the ways” a project could be growth-inducing and to “discuss the characteristics of some projects that may encourage...activities that could significantly affect the environment.” However, the State CEQA Guidelines do not require that an EIR predict (or speculate) specifically where such growth would occur, in what form it would occur, or when it would occur. According to State CEQA Guidelines Section 15145, *Speculation*, the answers to such questions require speculation, which CEQA discourages.

The following analyzes the Project’s potential growth-inducing impacts for the criteria outlined above, in accordance with State CEQA Guidelines Section 15126.2(d).

## 6.3 PROJECT IMPACTS

### 6.3.1 PROJECT SUMMARY

As discussed in detail in Section 3.5, *Project Characteristics*, the Project involves General Plan Amendments/Zone Changes/Specific Plan Amendments to as many as 17 candidate sites and as many as 36 parcels totaling approximately 111 gross acres; see also Appendix B, *Candidate Sites Table*. The candidate sites' maximum realistic yield (MRY), based on the proposed amendments, would be 2,494 dwelling units (DU). No non-residential uses are proposed. As indicated in Table 3-3, *Candidate Sites' Maximum Realistic Yield (MRY)*, the Project's MRY could result in a net increase of as many as 2,487 DU. It is noted that, although the proposed Project would displace the existing on-the-ground land uses (7 DU and 793,757 square feet of non-residential uses), the impact analyses presented in this EA conservatively assume Project buildout (i.e., 2,494 DU) and no credit for the displaced uses.

### 6.3.2 ECONOMIC AND POPULATION GROWTH

#### **6.3 – Issue 1: Economic Growth**

*Would the Project foster economic growth (e.g., changes in revenue base/employment expansion)?*

No non-residential employment generating land uses are proposed. Therefore, the Project would not foster economic growth through job creation. Future development would increase the City's existing population (as of January 2018) by approximately 10.0 percent (approximately 6,250 persons); see Issue 2a and 2b below. The Project's forecast population growth (see Issue 2 below) would increase sales and the City's revenue base. The forecast population growth would foster economic expansion through changes in the City's revenue base resulting from increased population. Therefore, the Project is considered growth inducing concerning economic expansion.

#### **6.3 – Issue 2: Population Growth**

*Would the Project foster population growth directly through construction of additional housing or indirectly through construction of employment generating land uses that would create a demand for additional housing?*

A project can foster population growth directly through construction of additional housing or indirectly through construction of employment generating land uses that would create a demand for additional housing.

## HOUSING CONSTRUCTION

Future development accommodated through Project implementation would involve approximately 2,494 DU. Thus, the Project would induce population growth directly through its provision of new residential land uses. Individual projects would occur incrementally over time (20+ years), based on various factors and planning considerations; see Section 3.7, *Project Phasing*.

### Existing Plus Project Conditions – Candidate Sites

As indicated in Table 6-1, *Existing Plus Project Growth Projections – Candidate Sites*, Project implementation would generate a population growth of approximately 6,250 persons. The Project's growth-inducement, as compared to various conditions on the candidate sites is indicated in Table 6-1 and summarized below:



- +6,232 persons, as compared to existing on-the-ground conditions;
- +5,771 persons, as compared to adopted Encinitas General Plan (EGP); and
- -2,481 persons, as compared to the Modified Mixed-Use Places (MMUP) strategy (i.e., the strategy with the greatest development yield).

<b>TABLE 6-1: EXISTING PLUS PROJECT GROWTH PROJECTIONS – CANDIDATE SITES</b>			
<b>Condition</b>	<b>Dwelling Units</b>	<b>Persons Per Household</b>	<b>Forecast Population</b>
<b>CANDIDATE SITES (PROJECT)<sup>1</sup></b>	<b>2,494</b>	2.51 <sup>2</sup>	<b>6,250</b>
Existing On-the-Ground (OTG)	7		18
<i>Change over Existing OTG</i>	<i>+2,487</i>		<i>+6,232</i>
Encinitas General Plan (EGP) <sup>3</sup>	191	2.51	479
<i>Change over EGP</i>	<i>+2,303</i>		<i>+5,771</i>
Housing Strategy 3 (MMUP) <sup>4</sup>	3,261	2.68 <sup>4</sup>	8,731
<i>Change over MMUP</i>	<i>-767</i>		<i>-2,481</i>
Notes:			
1. Refer also to Appendix B, <i>Candidate Sites Table</i> .			
2. Based on average over last five years (2014-2018). (State of California, <i>Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State</i> — January 1, 2011-2018. Sacramento, California, May 2018).			
3. City of Encinitas, <i>Land Use Policy Map</i> , September 2017.			
4. RECON, <i>Final Environmental Assessment/Program Environmental Impact Report for At Home in Encinitas, the City of Encinitas Housing Element Update</i> , Page 4.11-10, May 12, 2016.			

### Existing Plus Project Conditions – City

Table 6-2, *Existing Plus Project Growth Projections - City*, compares the Project’s forecast housing and population growth to existing 2018 conditions in the City. The City’s existing housing stock and population, as of January 2018, are 26,409 DU and 63,158 persons, respectively. As indicated in Table 6-2, future development in accordance with the proposed HEU would increase the City’s existing housing stock by approximately 9.0 percent (2,494 DU). Similarly, future development would increase the City’s existing population by approximately 10 percent (approximately 6,250 persons). With implementation of the proposed Project, the City’s housing stock and population would grow to approximately 28,903 DU and 69,408 persons, respectively.

<b>TABLE 6-2: EXISTING 2018 PLUS PROJECT GROWTH PROJECTIONS – CITY</b>		
<b>Condition</b>	<b>Dwelling Units</b>	<b>Forecast Population</b>
<b>CANDIDATE SITES (PROJECT)<sup>1</sup></b>	<b>2,494</b>	<b>6,250</b>
Existing 2018 <sup>2</sup>	26,409	63,158
<i>Project + Existing 2018</i>	<i>28,903</i>	<i>69,408</i>
<i>Project + Existing 2018 % Change</i>	<i>+9.4%</i>	<i>+9.9%</i>
Notes:		
1. Refer also to Appendix B, <i>Candidate Sites Table</i> .		
2. State of California, <i>Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State</i> — January 1, 2011-2018. Sacramento, California, May 2018).		

### Encinitas General Plan Buildout Plus Project Conditions

Table 6-3, *Encinitas General Plan Buildout Plus Project Growth Projections*, compares the Project’s forecast housing and population growth to EGP buildout conditions. The EGP forecasts the City’s buildout housing stock and population would total 26,356 DU and 66,417 persons, respectively. As indicated in Table 6-3, future development in accordance with the proposed HEU would increase the City’s buildout housing

stock by approximately 9.5 percent (2,494 DU). Similarly, future development would increase the City's buildout population by approximately 9.4 percent (approximately 6,250 persons). With implementation of the proposed Project, the City's buildout housing stock and population would total approximately 28,850 DU and 72,667 persons, respectively.

Condition	Dwelling Units	Forecast Population
<b>CANDIDATE SITES (PROJECT)<sup>1</sup></b>	<b>2,494</b>	<b>6,250</b>
Encinitas General Plan (EGP) <sup>2</sup>	26,356	66,417
<i>Project + EGP</i>	<i>28,850</i>	<i>72,667</i>
<i>Project + EGP % Change</i>	<i>+9.5%</i>	<i>+9.4%</i>
Notes:		
1. Refer also to Appendix B, <i>Candidate Sites Table</i> .		
2. City of Encinitas, <i>City of Encinitas General Plan Land Use Element Table 3, Land Use Distribution and Sphere</i> .		

## San Diego Association of Governments 2035 Growth Forecasts Plus Project Conditions

Table 6-4, *SANDAG 2035 Growth Forecast Plus Project*, compares the Project's forecast housing and population growth to SANDAG 2035 growth forecasts. SANDAG forecasts the City's housing stock and population would total 26,633 DU and 64,718 persons by 2035, respectively. As indicated in Table 6-4, future development in accordance with the proposed HEU would increase SANDAG's 2035 housing forecast by approximately 9.4 percent (2,494 DU). Similarly, future development would increase SANDAG's population forecast by approximately 9.7 percent (approximately 6,250 persons). With implementation of the proposed Project, SANDAG's forecast 2035 housing stock and population would total approximately 29,127 DU and 70,968 persons, respectively.

Condition	Dwelling Units	Forecast Population
<b>CANDIDATE SITES (PROJECT)<sup>1</sup></b>	<b>2,494</b>	<b>6,250</b>
SANDAG 2035 <sup>2</sup>	26,633	64,718
<i>Project + SANDAG 2035</i>	<i>29,127</i>	<i>70,968</i>
<i>Project + SANDAG 2035 % Change</i>	<i>9.4%</i>	<i>9.7%</i>
Notes:		
1. Refer also to Appendix B, <i>Candidate Sites Table</i> .		
2. San Diego Association of Governments, <i>SANDAG Board Report - Series 13 Regional Growth Forecast</i> .		

SANDAG growth forecasts are based on General Plan buildout and the Project proposes General Plan Amendments to accommodate the future housing necessary to meet the City's RHNA allocation, thus, the additional housing and population generated by the proposed Project were not accounted for in the current SANDAG 2035 growth forecasts. Future development would involve construction of additional housing, thus, inducing direct population growth, beyond SANDAG's 2035 growth forecasts for the City, which is considered a potentially significant impact. Mitigation Measure AQ-1 is recommended to ensure Project-related population growth (and VMT) are provided to SANDAG for incorporation into the future forecasts. This update would likely occur following Project approval.

## Conclusion

As discussed above and summarized in Tables 6-1 through 6-4, the Project would foster population growth directly through construction of additional housing. Moreover, future development would involve

construction of additional housing, thus, inducing direct population growth beyond SANDAG's 2035 growth forecasts for the City. Thus, the Project is considered growth-inducing in this regard. However, the HEU does not propose residential development; rather, it provides capacity for future development consistent with State law. Individual projects would occur incrementally over time (20+ years), based on various factors and planning considerations. Further, State law requires that the City accommodate their RHNA "fair share" of the region's housing needs, which cannot be met without the Project's proposed General Plan/Zoning Amendments and the future development it would accommodate. Therefore, Project implementation would result in a less than significant impact concerning population growth.

## CONSTRUCTION OF EMPLOYMENT-GENERATING LAND USES

As previously noted, a project can foster population growth indirectly through construction of employment generating land uses that would create a demand for additional housing. No non-residential employment generating land uses are proposed. Therefore, the Project would not indirectly foster population growth through job creation. No impact would occur in this regard.

### **6.3 – Issue 3: Removal of Obstacles**

*Would the Project remove obstacles to population growth (e.g., establishment of an essential public service or provision of new access to an area)?*

A project could foster economic or population growth indirectly by removing obstacles to growth. Examples of obstacles include infrastructure limitations, lack of an essential public service or utility, and lack of roadways to gain access to a new area, among others. These conditions prohibit development in such areas since it cannot feasibly occur where such infrastructure/services are absent.

Future development in accordance with the HEU would occur on both vacant and developed lands. However, none of the future development accommodated by the Project would require a new essential public service or utility/service system; see Section 4.12, *Public Services and Recreation*, and Section 4.14, *Utilities and Service Systems*. The City's communities are already served by essential public services (i.e., fire and police protection, parks and recreational facilities, schools, and solid waste disposal), an extensive network of utility/service systems (i.e., water, wastewater, electricity, and natural gas), and other infrastructure necessary to accommodate/allow the existing conditions and planned growth. The existing public services and utility/service systems can be readily upgraded and/or extended onto the future development sites. Each individual development would be reviewed a project-by-project basis to determine the public services and utility/service systems necessary to support the proposed land uses. The increased demands for public services and utility/service systems would not reduce or impair any existing or future levels of services, within the respective service areas; see Sections 4.12 and 4.14. Project implementation would not require substantial development of unplanned/unforeseen public services or utility/service systems. Therefore, Project implementation would not induce economic or population growth by removing an obstacle to growth.

Regional access to the Project area is generally provided via Coast Highway 101 and Interstate 5 (I-5), and local access is provided via existing roadways. Although Project implementation would require transportation improvements in the study area to accommodate the future development (see Section 5.13, *Transportation and Traffic*), these improvements would not provide new access to an area. Therefore, Project implementation would not induce economic or population growth by providing new access to an area.

## 6.4 CONCLUSION

Overall, the proposed HEU would not be growth-inducing concerning fostering economic growth or removing an obstacle to growth. However, the Project would foster population growth directly through construction of additional housing, inducing direct population growth beyond the EGP buildout forecasts and SANDAG's 2035 growth forecasts for the City. However, Mitigation Measure AQ-1 is recommended to ensure Project-related population growth (and VMT) are provided to SANDAG for incorporation into the future forecasts. This update would likely occur following Project approval. Also, the HEU does not propose residential development; rather, it provides capacity for future development consistent with State law. Individual projects would occur incrementally over time (20+ years), based on various factors and planning considerations. Further, State law requires that the City accommodate their RHNA "fair share" of the region's housing needs, which cannot be met without the Project's proposed General Plan/ Zoning Amendments and the future development it would accommodate.