

## 9.0 GROWTH-INDUCING IMPACTS

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### EXECUTIVE SUMMARY

Sections 15126 (d) and 15126.2 (d) of the *California Environmental Quality Act (CEQA)* requires that an environmental impact report (EIR) include a discussion of the ways in which a project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Such a discussion should also identify any way in which a proposed project would remove obstacles to population growth, and discuss the characteristics of a project that may encourage and/or facilitate other activities that, either individually or cumulatively, could significantly affect the environment. CEQA emphasizes that growth in an area should not be considered beneficial, detrimental, or of little significance. The purpose of this discussion is to evaluate the growth-inducing potential of the City's proposed General Plan. The proposed General Plan provides the framework by which public officials will be guided on making decisions relative to development. The proposed General Plan is consistent with regional and subregional planning policies and the Southern California Association of Governments (SCAG).

### GROWTH-INDUCING POTENTIAL

In general terms, a project may foster population growth in a geographic area if it meets any of the criteria identified below:

- The project removes an impediment to growth, such as through the establishment of an essential public service, or the provision of new access to an area that will facilitate additional growth.
- The project results in the urbanization of land in a remote location that will induce the growth of the undeveloped areas between the project and existing developed areas, commonly referred to as "leap-frog development."
- Economic expansion or growth occurs in an area in response to the project, such as a substantial change in revenue base or expansion of employment.
- The project establishes a precedent setting action, such as approval of a general plan amendment or change in zoning that will serve as a precedent for other similar projects.

Should a project meet any one of these criteria, it may be considered growth inducing. An evaluation of the proposed General Plan in relation to these criteria is provided in this section.

## Removal of an Impediment to Growth

Growth in an area may occur as a direct result of the removal of physical impediments or restrictions to growth. In this context, physical growth impediments may include nonexistent or inadequate access to an area or the lack of sufficient essential public services, such as sewer and water service. The following discussion evaluates the effects of the proposed project with respect to this criterion.

Development pressures are a result of economic investment in a particular locality. These pressures help to structure the local politics of growth and the local jurisdiction's posture on growth management and land use policy. The land use policies established by the City's General Plan will regulate growth in the City's Planning Area.

A project could indirectly induce growth by removing barriers to growth, by creating a condition that attracts additional population or new economic activity, or by providing a catalyst for future unrelated growth in the area. While a project may have a potential to induce growth, it does not automatically result in growth. Growth can only happen through capital investment in new economic opportunities by the public or private sectors.

Implementation of the General Plan is intended to guide future growth of the City's Planning Area, and particularly economic growth and the expansion of employment opportunities. The proposed General Plan would allow the development of approximately 1,884 acres of commercial, 1,506.5 acres public/institutional, and 3,663.6 acres industrial land uses. Based on the buildout acreages of the General Plan land uses and the SCAG employment numbers, there would be approximately 25,247 jobs in the City's Planning Area between 2010 and 2035.

Development permitted by the proposed land use policies would create more housing for all income levels. The proposed General Plan allows for approximately 34,800 acres of residential land use and approximately 561 acres of mixed use. The allowable growth would account for an increase in the population of the City from 167,185 residents in the year 2005 to 239,923 residents in the year 2035, or 72,738 residents in population. New residents would locate in the City's Planning Area because of expanded employment and housing opportunities. The majority of new housing developments are anticipated to occur on a project specific basis. The City's Planning Area would be built out and encouraged by General Plan land use policies that would support additional population growth.

The OVOV General Plan for City and County reduces the overall number of residential units at buildout of the Santa Clarita Valley when compared to the projected buildout of the existing general planning documents. While some residential densities are increasing in the City, a greater number of units is

decreasing in the more environmentally sensitive areas adjacent to the City. In an effort to meet the requirements of Senate Bill 375 (SB 375) and the City's Regional Housing Needs Assessment (RHNA) obligations, the City must provide the General Plan and Zoning necessary to accommodate a minimum of 9,598 units. Consequently, the OVOV planning effort has designated specific areas in the City to receive increased residential density. This is done in the form of (a) creating a Mixed Use category along transit hubs, transit corridors, and at outdated strip commercial centers; and (b) the designation for suitable sites that could accommodate a range of income levels.

The OVOV General Plan proposes to increase the amount of residential units by 1,930 units over the buildout of the City and Sphere of Influence when compared to the City's existing General Plan. This increase in residential density is abated by the reduction of units and sprawl in rural areas surrounding the City. Many of these units are accommodated in the Mixed Use category and are located along urbanized transit corridors, in transit hub areas and in the higher density commercial core of the City. These units and specifically, the Mixed Use units are not located on the City's periphery in the form of large single family homes that would create impacts to more sensitive environmental habitats and on vacant pristine lands and hillsides. Rather, the increase in residential units, in the more dense environs of the City, helps the City to meet the objectives of SB 375 and to become a model city for SCAG by creating a community that is more walkable, more transit oriented, and with creative opportunities for people to live, work and play in a variety of village environments throughout the planning area. It is also a mechanism for the revitalization of strip malls to better utilize disturbed urbanized lands with immediate access to infrastructure.

Furthermore, by locating higher density in transit hub areas and along transit corridors, fewer vehicle trips are made. The Mixed Use concept encourages more walkability to services and commercial opportunities. The Mixed Use placement along transit corridors also encourages the use of both Metrolink and bus service. The OVOV General Plan proposes a dispersion of employment opportunities and hubs throughout the community, resulting in less Vehicle Miles Traveled (VMT) and shorter trips to and from employment centers and a corresponding reduction in Greenhouse Gas (GHG) emissions.

Without the designation of the suitable sites and the provision of the Mixed Use designation in core commercial areas, transit corridors and hubs resulting in dispersed employment centers in the Valley, the following is likely to occur:

- The length of vehicle trips would be longer.
- The number of vehicle trips would increase.

- Air quality would worsen.
- Impacts to sensitive habitats would be greater.
- GHG emissions would increase.
- The City would not meet its RHNA goals nor the objectives of SB 375.

## Economic Growth

Development of the City's Planning Area as proposed would provide short-term construction jobs and create long-term commercial and industrial employment that would support both the local and regional population. Because future development in the City's Planning Area is anticipated to proceed incrementally over many years, the total increased labor force needed to help support development, for short-term construction as well as long-term employment, would not be significant. The increase in labor force is expected to come from both the City's and the County's Planning Area.

Long-term growth would primarily be in the form of an economic response to the increased employment opportunities that would occur within the City's Planning Area. The total number of jobs in the Santa Clarita Valley in 2005 was 124,200, of which 74,889 jobs (approximately 60 percent) were located within the City limits. Currently, over half of employed Santa Clarita Valley residents, including residents of the City of Santa Clarita, must travel out of the Valley to work. In 2000, the Valley had a jobs/housing ratio of 0.88, compared to the County-wide ratio of 1.43 jobs per household. However, due to the recent increase in the number of employment opportunities within the Valley, the jobs/housing ratio was estimated to range from 1.3 to 1.5 jobs per household in 2008.<sup>1</sup> According to SCAG's Growth Forecast, the number of jobs in the City is expected to increase from 54,201 employees in the year 2005 to 87,474 employees in the year 2035, an approximately 61 percent increase.

The Santa Clarita Valley had an unemployment rate of 7 percent for March 2009, one of the lowest in the Los Angeles area, and below the State's 11.5 percent. However, the current unemployment rate is still double the area's historic average of about three percent. Employment in the Santa Clarita Valley is forecast to decline by 1.1 percent in 2009. Job growth will accelerate in 2010 as the state and national economies expand. Between 2010 and 2013, job growth is projected to average 2.6 percent per year in the Santa Clarita Valley. The employment forecast calls for a loss of 950 jobs in 2009, followed by the annual average creation of 2,300 new wage and salary jobs in the Santa Clarita Valley between 2010 and 2013.

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<sup>1</sup> City of Santa Clarita Draft Land Use Element (December 2008), L-23.

With an expanding population over the next five years, a larger skill set will characterize the Santa Clarita Valley workforce, continuing to make the area more attractive to potential employers.

The City of Santa Clarita is targeting four main industry clusters: entertainment, aerospace, biomedical, and technology.<sup>2</sup> Additionally, the City has several development programs and initiatives including the Santa Clarita Enterprise Zone, Santa Clarita Worksource Center, Think Santa Clarita Valley Campaign, and the Small Business Development Center. With the goal of developing two jobs for every household, the City endeavors to attract 20,000 new jobs to the area in the next five years to meet projected growth estimates. In April 2009, the City of Santa Clarita City Council approved a 21-Point Plan for Progress business stimulus plan. The comprehensive plan directed City staff to implement new programs and aggressively pursue and use federal stimulus dollars in the local community, resulting in an overall investment of more than \$18 million in new programs and incentives aimed at boosting the Santa Clarita Valley economy.

There are few impediments that would inhibit healthy job growth over the next several years. One of those potential impediments has been the slowdown of housing production. As the housing market improves after 2009, it is expected that population growth will accelerate along with job growth. Median home prices for single-family units dropped from \$480,000 in April 2008 to \$410,000 in April 2009. Sales of single-family homes were rebounding by April 2009 while condominium sales declined, increasing 20 percent, and decreasing 12 percent from 2008, respectively. Between 2006 and 2014, the City of Santa Clarita is required by the State of California to provide land use designations that could accommodate 10,000 new homes, or approximately 30,000 new residents. The City must also continue to liaise with the County of Los Angeles to monitor the approval of housing developments outside the City limits in unincorporated. These developments play a critical role in the balance of jobs in the Santa Clarita Valley.

### **Precedent Setting Action**

The proposed General Plan incorporates goals, objectives and policies that will ensure that buildout of the City and the adopted sphere of influence (SOI) do not physically divide an existing community. The SCAG is the regional planning authority for the Southern California Region. The proposed General Plan and Land Use Map would be consistent with SCAG's Regional Transportation Plan Policies and Compass/Growth Visioning Principles. The proposed General Plan and Land Use Map would ensure that habitat conservation plans and natural community conservation plans are not impacted within the City's Planning Area. The proposed General Plan's goals, objectives, and policies protect and designate areas of

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<sup>2</sup> City of Santa Clarita Draft Economic Development Element (August 2009)

natural environmental importance such as the Santa Clara River floodplain, local SEAs, rivers, streams, and associated tributaries throughout the City's Planning Area as Open Space or Non-Urban Land Use designations. The City's proposed General Plan would be a precedent-setting action requiring changes in zoning to reflect the proposed Land Use Policy Map.

### **Development of an Isolated Area**

Development can be considered growth inducing when it is not contiguous to existing urban development and "leaps" over open space areas. The proposed General Plan designates land uses that include residential, non-residential, and open space. The City's Planning Area consists of National Forest lands, unincorporated County lands, and developed residential, commercial, and light industrial land uses which includes the adjacent Santa Clara River. The proposed General Plan incorporates goals, objectives and policies that will ensure that buildout of the City and the adopted SOI do not physically divide an existing community. The proposed General Plan will encourage the development of Transit Oriented Development (TOD) thereby promoting compact, walkable communities centered around high quality train and transit systems, thereby reducing residents' dependence on the automobile. Therefore, buildout of the proposed General Plan would not result in the development of isolated areas.

### **CONCLUSION**

The existing and proposed General Plans would result in growth. Based on the definition of growth inducement, a general plan is inherently growth inducing. The existing and proposed General Plans provide the framework by which public officials will be guided on making decisions relative to development within the City's Planning Area. However, it is the implementation of land use policies that will incrementally increase demands for public services, utilities, and infrastructure, and the need for medical, educational, and recreation facilities. As described in **Section 6.0, Alternatives**, both the existing and proposed General Plans are consistent with regional and subregional planning policies of the SCAG. Although the proposed General Plan supports continued growth of the City's Planning Area, it does not induce growth over amounts already established by the existing General Plan and the regional and subregional planning policies.