GROWTH-INDUCING IMPACTS

8.1 Introduction

An EIR is required to discuss the ways in which a proposed project could foster economic or population growth, either directly or indirectly, in the surrounding environment. This includes ways in which the proposed project would remove obstacles to growth, or trigger the construction of new community services facilities that could cause significant environmental effects (CEQA Guidelines Section 15126.2).

To address this issue, potential growth-inducing effects are examined through the following considerations:

- Removal of obstacles to growth, such as through the construction or extension of major infrastructure facilities that do not presently exist in the PMPU area or through changes in existing regulations pertaining to land development;
- Facilitation of economic effects that could result in other activities that would significantly affect the environment;
- Setting a precedent that could encourage and facilitate other activities that could significantly affect the environment; and/or,
- Expansion requirements for one or more public utilities to maintain desired levels of service as a result of the proposed Program.

According to the L.A. CEOA Thresholds Guide (City of Los Angeles 2006), "The potential to induce substantial growth may be indicated by the introduction of a project in an undeveloped area or the extension of major infrastructure." Major infrastructure systems include: major roads, highways, or bridges; major utility or service lines; major drainage improvements; or grading which would make accessible a previously inaccessible area. In addition, a project would directly induce growth if it would directly foster population growth or the construction of new housing in the surrounding environment (e.g., if it would remove an obstacle to growth by expanding existing infrastructure).

It should be noted that growth-inducing effects should not be construed as necessarily beneficial, detrimental, or of little significance to the environment. This issue is

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presented to provide additional information on ways in which the proposed Program could contribute to significant changes in the environment, beyond the direct 2 3 consequences of land use changes and developing the proposed appealable/fill projects examined in the preceding sections of this Draft PEIR. The analysis below 4 focuses on whether the proposed Program would directly or indirectly stimulate 5 6 growth in the surrounding area.

8.2 **Growth-Inducing Impact Analysis**

8.2.1 Removal of Obstacles to Growth

The PMPU will include appealable/fill projects and other projects that have been approved in a certified CEQA document and/or are currently undefined (i.e., in the conceptual design stage). However, this PEIR focuses on land use changes that would result in changes and/or intensification of activities with the potential for impacting the physical environment, as well as the proposed appealable/fill projects, as defined under CCA Section 30715. As discussed in Chapter 2.0, Program Description, the PMPU would serve as a long-range plan to establish policies and guidelines for future use of Port lands within the coastal zone, as required under the CCA. In general, the PMPU would consolidate areas characterized by predominant land use patterns, thereby reducing the number of planning areas, and would allocate a single allowable land use to most sites

The Port is an area of mixed uses that support various maritime-related activities. Port operations are predominantly centered on cargo shipping activities, including: containerized cargo; break bulk; dry bulk; liquid bulk; auto; and, intermodal rail shipping. However, the Port also accommodates boat repair yards and berthing for recreational vessels, commercial fishing boats, and charter vessels, retail shops and restaurants, as well as recreation, community, and educational facilities.

The proposed reduction in the number of planning areas is intended to consolidate general areas with predominant land use patterns within the Port. These changes are largely administrative and would cause no impacts to the physical environment or remove obstacles to growth. The proposed Program would not construct or extend major infrastructure, although the proposed appealable/fill projects and land use changes identified in the PMPU could include infrastructure components. Further, the proposed Program would not include the development of new housing or populationgenerating uses which would directly induce population growth. Instead, the changes in land uses are intended to:

- Develop the Port in a manner that is consistent with federal, state, county, and city laws, including the CCA and Charter of the City of Los Angeles;
- Integrate economic, engineering, environmental, and safety considerations into the Port development process for measuring the long-term impact of varying development options on the Port's natural and economic environment;
- Promote the orderly, long-term development, and growth of the Port by establishing functional areas for Port facilities and operations; and,

Allow the Port to adapt to changing technology, cargo trends, regulations, and 1 competition from other U.S. and foreign ports. 2 3 One of the objectives of the Port of Los Angeles Strategic Plan 2012-2017 (Strategic Plan) (Port 2012) is to optimize land uses in a way that preserves and expands cargo 4 handling activities focused on Terminal Island and maximizes the utilization of all 5 6 Port lands by putting long vacant land into productive, revenue generating use. Another objective of the Strategic Plan is to enhance public access and recreational 7 uses of the San Pedro Waterfront and portions of the Wilmington Waterfront. The 8 Strategic Plan contains several initiatives to achieve these objectives: 9 Update the PMP; 10 Optimize job creation diversity by expanding visitor-serving maritime 11 commercial and academic uses within the San Pedro Waterfront; 12 Ensure that uses of Port property are revenue efficient and enhanced by 13 maximizing agreements that reflect current land values and market-based 14 compensation by cargo sector; 15 Create development plans for full utilization of contaminated facilities, low-16 performing assets, and for the removal of unused assets; and, 17 Eliminate non-water dependent use facilities from Port cargo-designated 18 waterfront properties. 19 The Strategic Plan objectives are consistent with the changes to existing land use 20 designations addressed by the proposed Program that would allow for the addition or 21 expansion of terminals, with more intensive development relative to baseline 22 conditions for cargo shipping activities, to achieve build out of the Port. The 23 proposed appealable/fill projects and land use changes also are consistent with the 24 objectives to promote public access and visitor serving activities. 25 Thus, while a reduction in planning areas and changes in land use boundaries would 26 not remove obstacles to growth, the proposed appealable/fill projects and future 27 projects built out consistent with the proposed land use changes would increase 28 productivity of cargo shipping operations, as well as expand visitor services. This 29 increased productivity could result in additional jobs, as well as environmental 30 consequences (e.g., impacts to traffic, noise, and air quality) in adjacent communities. 31 Infrastructure and transportation improvements associated with the proposed 32 appealable/fill projects identified in the PMPU also have the potential for growth-33 inducing impacts. Project-specific analyses would be undertaken in environmental 34 documents prepared when the proposed appealable/fill projects are initiated and 35 carried forward for environmental review. 36 The Port has an ongoing Sustainability Program that consists of policies and 37 initiatives focused on the following areas: 38 Improving air quality; 39 Ensuring clean water; 40

Mitigating and adapting to climate change;

Protecting biological resources;

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- Advancing green technology;
 - Sustainably managing operations, construction and design; and,
 - Fostering community and economic development.

From a programmatic standpoint, these initiatives are intended to facilitate economic growth while mitigating the impacts of Port operations on the physical and social environment. The progress achieved by these sustainability initiatives are evaluated annually. A more comprehensive approach to sustainability planning and assessment is currently underway at the Port.

8.2.2 Facilitation of Economic Effects or Setting Precedent Resulting in Environmental Impacts

The PMPU would not directly facilitate economic development in the surrounding area. However, as discussed in Section 8.2.1, Removal of Obstacles to Growth, the proposed appealable/fill projects and land use changes combined with planned expansion of cargo handling capabilities would accommodate local employment and business opportunities. As discussed in Chapter 7.0, Socioeconomics and Environmental Quality, the proposed appealable/fill projects and land use changes associated with the PMPU would generate direct construction jobs due to construction expenditures. Direct construction jobs would also result in secondary jobs related to purchases from materials supply firms and their suppliers and household-related expenditures by workers.

The proposed appealable/fill projects and land use changes are expected to be beneficial to local businesses that serve Port employees and support or rely on Port operations. The proposed appealable/fill projects and land use changes would lead to increased tax revenues for the Port and the City of Los Angeles by expanding the tax base of the area. While it is difficult to quantify the economic benefit that the new facilities would bring until final lease negotiations or construction plans are in place, there would be an overall beneficial impact on local business revenue. While the proposed Program is expected to provide employment benefits, it would not be associated with substantial population growth and would not result in population displacement.

The proposed Program is expected to facilitate investment and interest into the Port as a place of business and leisure. Proposed appealable/fill projects and land use changes under the PMPU would result in some secondary economic improvements for businesses in the local community that may serve these patrons. The introduction of new public open spaces in the form of plazas, parks, and landscape and hardscape areas would make the adjacent communities more attractive to visitors. However, some of this secondary growth that may occur in the area as a result of the proposed Program has already been accounted for as part of the review and assessment of past, present, and foreseeable future projects.

8.2.3 Expansion of Public Utilities

As discussed in Section 3.13, Utilities, the proposed appealable/fill projects and land use changes identified in the PMPU could require upgrades or new construction of utilities. These improvements would be evaluated at project-specific review stages. In general, supplies of water, natural gas, and electricity, and capacities for waste disposal are considered adequate to meet demands of the proposed appealable/fill projects and future development related to the proposed land use changes.

8.3 Summary of Growth-inducing Impacts

The proposed Program is expected to foster economic growth, consistent with the Port's Strategic Plan, but would not directly induce population growth or the construction of new housing in the Port's region of influence (Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties). The proposed appealable/fill projects under the PMPU would include new supporting infrastructure and recreational uses that would improve local economic conditions and public accessibility. Increased commercial activities and enhanced visitor-serving and recreational facilities are expected to stimulate growth in the Port area, and this growth could have environmental consequences. However, as part of the Port's Strategic Plan, the Port is expanding its Sustainability Program with a focus on mitigating environmental impacts while promoting economic growth. These sustainability initiatives are expected to offset to some extent the indirect effects associated with the proposed Program.

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