Chapter 7
Growth-Inducing Impacts

7.1 Introduction

The State California Environmental Quality Act (CEQA) Guidelines require an Environmental Impact Report (EIR) to discuss the ways in which a 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 population growth or trigger the construction of new community service facilities that could cause significant effects. CEQA Guidelines §15126.2(e) states:

> *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.*

The analysis presented below is focused on whether the Proposed Project would directly or indirectly stimulate growth in the surrounding area. Given its nature, the Proposed Project is expected to accommodate economic growth by ensuring continued reliability and availability of fuel supplies.

7.2 Summary of Growth-Inducing Impacts

As discussed below, the Proposed Project would not directly foster economic or population growth or the construction of new housing in the Port's region of influence (Los Angeles County, Orange County, Riverside County, San Bernardino County, and Ventura County). Although the Proposed Project would modernize an existing marine oil terminal (MOT), this change would not in itself stimulate significant population growth. Further, it would not remove obstacles to population growth, nor would it necessitate construction of new community facilities that would lead to additional growth in the surrounding area.

7.2.1 Direct Growth-Inducing Impacts

A project would directly induce growth if it would foster economic or 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). The Proposed Project is located in an area of the Port that is currently developed for industrial (i.e., cargo-handling) uses. The Proposed Project would enable an existing MOT to continue to handle petroleum products. In this way, the Proposed Project would directly accommodate future economic growth. The Proposed Project does not include the development of new housing or population-generating uses or infrastructure that would directly encourage such uses. The residential areas in the immediate vicinity of the Proposed Project (San Pedro and Wilmington communities) are largely built out. Any future development on vacant and underdeveloped parcels in those communities cannot be attributed to the Proposed Project. The Proposed Project includes consideration of up to 40 years of continued operation as a MOT at Berths 148-151, currently proposed via a new 20-year entitlement with two optional 10-year extensions.

As discussed in the Notice of Preparation (see Appendix A: Notice of Preparation/Initial Study), implementation of the Proposed Project would generate minimal increases in water and consumption and wastewater and solid waste generation. These changes are not considered growth inducing because they would neither accommodate nor require a significant increase in water and natural gas supply or wastewater treatment and landfill capacity.

As discussed in Section 3.3 Energy, operation of the Proposed Project would not result in a substantial increase in demand for electricity and natural gas, adequate supplies of which are available in the region. Any changes in the electrical and natural gas infrastructure of the region or the state are not considered growth inducing because they would not be implemented specifically to meet the needs of the Proposed Project but rather as part of the public utility's overall increases in capacity, and they would not induce new population growth or the construction of new housing.

7.2.2 Indirect Growth-Inducing Impacts

A project would indirectly induce growth if it would foster economic or population-expanding activities, which would lead to further development that taxes existing facilities and eventually requires construction of new facilities (e.g., an increase in population as a result of development authorized by approval of a general plan).

As discussed in Chapter 2, Project Description, the Proposed Project would not employ more workers during operation than under baseline conditions. Given the projected number of 9.9 million jobs in the five-county area of influence by 2045 (SCAG 2020), the Proposed Project's contribution would be a negligible percentage of regional employment levels. In addition, the small scale of construction means that the construction work force would be correspondingly small. Accordingly, there would be no substantial in-migration of workers to the region. In the absence of changes in places of residence by persons likely to fill new jobs, distributional effects on population and housing assets are very unlikely, and the Proposed Project would not have any significant effects on population growth that would tax existing facilities or require the construction of new facilities.

Given its small size relative to the region's overall construction industry, the Proposed Project would not cause a substantial indirect increase earnings to firms and households

throughout the region. The short-term indirect effects from construction would have a small incremental increase in activity in nearby retail establishments. However, the long-term effects in the immediate area from the Proposed Project would be small relative to the size of the regional economy. Overall, the Proposed Project would not generate significant indirect growth-inducing impacts.

Reference

SCAG (Southern California Association of Governments). 2020. Demographics and Growth Forecast. Technical Report for the Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy. 2020. Demographics and Growth Forecast.