

6.0 GROWTH INDUCING IMPACTS

The purpose of this section of an EIR is to disclose whether or not the construction of a project is likely to foster additional growth, either directly or indirectly. This information can be an important factor in a decision to approve a project because such approval can, in turn, lead to additional projects that may have environmental consequences. The discussion of the projects' short and long-term economic impacts is based upon an economic impact analysis prepared in August 2008 by *Applied Development Economics*, a copy of which is attached as Appendix K of this EIR.

A project could be considered to have growth-inducing effects if it: 1) either directly or indirectly fosters economic or population growth or the construction of additional housing in the surrounding area; 2) removes obstacles to population growth; 3) requires the construction of new community facilities that could cause significant environmental effects; or 4) encourages and facilitates other activities that could significantly affect the environment, either individually or cumulatively. Growth-related impacts are those that occur later in time or are farther removed in distance, but which are still reasonably foreseeable.

A project's potential to induce growth does not automatically mean that it will result in growth. This potential growth-inducing effect is regulated by local governments in California through the development, adoption, and implementation of land use plans and policies intended to avoid or minimize the growth inducing potential or pressure created by projects, both individually or cumulatively. Growth occurs through capital investment in new economic opportunities from both public and private entities. Development occurs as a result of economic investment in a particular region. New economic (i.e., employment) opportunities will naturally create the need for infrastructure to support an increased population.

Growth typically is the result of numerous factors that affect the location, size, direction, timing, type, and rate of population increase and does not necessarily result from a single project or factor. Such factors include local government planning, availability of public services; natural resources, the economic climate, and political and environmental concerns. Local planning agencies adopt and administer general and specific plans, zoning maps and ordinances, and other planning documents that contain policies and maps to identify the intensity and type of development allowed in specific locations.

Although local governments play a major role in growth management, the location and timing of growth also depends on economic factors such as the availability and cost of developable land, regional and national economic cycles, and mortgage interest rates and the demand for new housing. Political factors that affect growth include state and local laws that mandate businesses to comply with certain rules and regulations, permitting requirements that address environmental and community concerns, and tax incentives designed to attract businesses.

Quality of life issues are also important factors influencing the timing and location of population growth. These include: the incidence of crime; air quality; traffic congestion; and the availability, cost, and quality of community services such as schools, transportation facilities, recreational facilities, and fire and law enforcement services.

Growth Inducing Impacts

Economic growth in a community that is caused by a project can induce secondary development or growth. *Applied Development Economics* completed an economic impact study for the project that analyzed the number of jobs created, as well as sales, property, and other taxes and fees generated during the construction and operational phases. The report also quantified secondary economic impacts resulting from possible buyer-supplier relations between the project and businesses in the surrounding community, as well as the economic impacts that occur when project students, employees, and residents spend money in the local area outside the project. The economic (dollar) costs and revenues of the proposed project are described in the report and are not the subject of this CEQA section. The following discussion focuses on the potential for the economic growth to result in physical changes in the environment, from development of new housing, employment, or infrastructure.

It is estimated that the joint residential and college campus project will create an estimated 2,143 jobs during the construction phase. These are short-term jobs directly tied to the construction phase of the project. In addition to the direct construction jobs, there will be an indirect increase of another 1,024 workers with businesses with whom the project is engaged in a buyer-seller relationship, primary in retail and services. Thus, the total number of jobs created during the construction phases of the project is an estimated 3,167 jobs. It is expected that some of these jobs will be filled by local residents, employees, and suppliers already in the San Benito County area, and some of the jobs may be filled will people who temporarily transfer to the area during the construction phase. Given that these are temporary jobs, it would be speculative to assume that these jobs would induce substantial new housing or commercial development.

When construction is complete and the proposed campus if fully operational, the campus will employ an estimated 311 full-time workers: 200 faculty, 15 administrators, and 81 support and maintenance workers, as well as 50 part-time workers that are assumed to be students. The campus will accommodate 3,500 full-time equivalent students. Business-to-business transactions between the campus and outside businesses, as well as the spending by the 350 campus employees will indirectly create another 268 permanent jobs. Spending by the full-time students will indirectly create another 145 permanent jobs. In total, when the campus is fully operational, it will directly create 351 jobs and indirectly another 413 jobs, for a total creation of 764 permanent jobs. It is likely that some of the indirect jobs would be within new businesses that are developed within the urbanized Hollister area.

It is also possible that development of the campus project could stimulate local employment by providing a more educated workforce. If businesses choose to locate in San Benito County because of specific educational programs that Gavilan may offer, this would foster economic growth. It is unknown, at this time, what types of programs and curriculum that Gavilan may offer at the San Benito Campus and, therefore, would be speculative to predict this indirect economic growth from the college campus project.

The proposed ~~220214~~ single family residential development will be “growth.” This growth on the site, however, would not be “induced” by the proposed project – it is the proposed project. The single-family residential project site has been designated as an *Interim Area of Special Study*, an area of greater intensity development, since 1989 in the San Benito County General Plan and the site is also within the City of Hollister’s Service Area

The proposed campus and residential development is in unincorporated jurisdiction and would generate tax revenues for San Benito County. The project will require services that would increase expenditures for County departments or for special districts with service jurisdictions over the site. The project would not require the construction of new community facilities. As discussed in *Section 3.11* of this document, all of the public facilities are adequate to serve the proposed projects. The San Benito County Sheriff's Department indicates that it can serve the project without expanding its current service capacity. Fire protection services to the site will be provided by County Fire administered via a contractual agreement with CAL FIRE for personnel services and operations~~the State California Department of Forestry (CDF) with its current facilities~~. The proposed college campus would include athletic fields and recreational facilities, which will reduce the residential project's demands on local parks and recreation. The campus will also include one or more libraries which would be available for public use, so the residential will not induce a need for new libraries.

The projects will obtain sewer service from the City of Hollister, utilizing capacity from the treatment plant expansion the City has recently undergone. No additional sewer system growth will be induced by the project. The project includes extension of utilities along Fairview Road to the property. The utilities that would be extended are a potable water line, and a sanitary sewer line. One option for the sanitary sewer system includes construction of a new sewer main that would to connect to the existing sewer system within Enterprise Road. This main would contain sufficient capacity to serve the proposed projects, the existing Cielo Vista subdivision, and future development of the 53 acre parcel (at the northeast corner of Airline Highway and Enterprise Road). The proposed extension of a potable water line from Fairview Road across the site could provide a future connection of the 19 residences east of the property (on Harbern Way) to this utility, either directly or through the creation of a loop system. The extension of sewer and water to the projects; therefore, would have a slight potential to induce additional growth. This extension of sewer lines and potable water would not allow growth beyond what is currently allowed in the General Plan; however, it may encourage additional residential development in the area. The General Plan specifies five acre lots for the adjacent property to the east. Any higher density development would require review and approval by the County Board of Supervisors. The extension of this utility would not remove an existing obstacle to development.

While the proposed community college campus is intended to accommodate existing and future population growth, the college campus and single-family residential projects will likely indirectly induce growth in the immediate vicinity of the project site. The college campus facilities and resources, along with the new students, faculty, and residents on the project site could attract additional commercial, support services, and residential development. The City of Hollister Planning Area, specifically the undeveloped parcels between the project site and the city limits could become more desirable for development. Subsequently, the unincorporated area east of the project site may also be considered for future development. Any development that is not consistent or is more intense than currently allowed by the General Plan and zoning ordinance would be subject to individual project review and environmental review processes.

One of CEQA's primary purposes in addressing "growth inducing impacts" is to identify the environmental impacts or consequences of growth that results from implementing a project.

To attempt to predict specifically where growth would occur would be speculative. It is known that this indirect growth could result in transportation, air quality, noise, water quality impacts. These indirect impacts could also include temporary construction impacts related to air quality, noise and water quality. The severity of these impacts will depend on the size and location of the induced

growth. Based upon the possible amount of growth that could occur as a result of the proposed projects, the development of the proposed college campus project and single-family residential project would result in a significant growth inducing impact. **(Significant Impact)**