

Chapter 8

Growth-Inducing Impacts**8.1 Introduction**

The State of California CEQA Guidelines require an EIR to discuss the ways in which a proposed Project could foster economic or population growth, or the construction of additional housing, 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 services facilities that could cause significant effects (State CEQA Guidelines, Section 15126.2).

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

- removal of obstacles to growth, e.g., through the construction or extension of major infrastructure facilities that do not presently exist in the project area or through changes in existing regulations pertaining to land development;
- expansion requirements for one or more public services to maintain desired levels of service as a result of the proposed Project;
- facilitation of economic effects that could result in other activities that could significantly affect the environment; and/or
- setting a precedent that could encourage and facilitate other activities that could significantly affect the environment.

The analysis presented below focuses on whether the proposed Project would directly or indirectly stimulate growth in the surrounding area. The proposed Project would accommodate economic growth by facilitating the movement of additional goods into the region to serve increased demand. The analysis concludes that the proposed Project would result in no significant growth in the Los Angeles basin. The proposed Project would serve to fulfill an existing and projected need for intermodal demand in the region. Increased demand for intermodal cargo would occur regardless of the proposed Project.

8.2 Summary of Growth-Inducing Impacts**8.2.1 Direct 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 intensify development of an existing industrial area, this would not stimulate significant population growth, remove

1 obstacles to population growth, or necessitate the construction of new community
2 facilities that would lead to additional growth in the surrounding area.

3 A project would directly induce growth if it would directly foster economic or population
4 growth or the construction of new housing in the surrounding environment (e.g., if it
5 would remove an obstacle to growth by expanding existing infrastructure). The proposed
6 Project would not remove barriers to population growth, as it involves no changes to a
7 General Plan, zoning ordinance, or related land use policy. The proposed Project does not
8 include the development of new housing or population-generating uses or infrastructure
9 that would directly encourage such uses. The residential areas in the immediate vicinity
10 of the proposed Project (west Long Beach, Carson, and Wilmington community) are built
11 out. Therefore, the proposed Project would not directly trigger new residential
12 development in the proposed Project area. However, by facilitating the movement of
13 containers through the ports of Los Angeles and Long Beach, the proposed Project would
14 directly accommodate future economic growth.

15 The need for additional rail facilities to support current and expected cargo volumes,
16 particularly intermodal container cargo, was identified in several recent studies (see Section
17 2.1). As discussed in those studies, even after maximizing the capacity of existing and
18 potential on-dock rail yards, the demand for intermodal rail service will exceed rail yard
19 capacity (Parsons, 2006). Those studies specifically identified a need for additional near-dock
20 intermodal capacity to complement and supplement existing, planned, and potential on-dock
21 facilities (Parsons, 2006). Furthermore, the LAHD adopted a Rail Policy (Resolution 6297)
22 to encourage the increased use of rail and provide for on-dock and near-dock rail
23 facilities for movement of both existing and future containerized cargo. In its Goods
24 Movement Report the SCAG Regional Transportation Plan (SCAG, 2008) notes that
25 future near-dock intermodal yard capacity expansions such as the Project may play a key
26 role in addressing the growth of high-density truck traffic. It further states that SCIG is
27 “projected to accommodate increasing trade volumes while also reducing truck traffic on
28 the I-710.”

29 As stated in Section 2.3, the primary objective and fundamental purpose of the proposed
30 Project is to provide an additional near-dock intermodal rail facility serving the San Pedro
31 Bay Port marine terminals that would meet current and anticipated containerized cargo
32 demands, provide shippers with comparable intermodal options, incorporate advanced
33 environmental controls, and help convert existing and future truck transport into rail transport,
34 thereby providing air quality and transportation benefits. Although the proposed Project
35 would provide a needed goods movement facility, it would not induce more cargo through the
36 San Pedro Bay ports. The estimated demand for intermodal cargo capacity in the Los Angeles
37 region can be accommodated by existing UP and BNSF intermodal facilities, especially in
38 view of the planned capacity improvements (e.g., the expansion of Hobart, see sections
39 2.5.3.1, No Project, and 4.2.10.7, Cumulative TRANS-5).

40 As discussed in Section 3.11, Utilities and Public Services, implementation of the
41 proposed Project would not increase the demand for water supply or wastewater and solid
42 waste disposal capacity, but it would increase the demand for electricity, requiring a new
43 supply and distribution system on the proposed Project site. Adequate water supply and
44 wastewater treatment facilities exist in the region, so that the Project would not induce
45 growth of those systems. Solid waste disposal facilities in the region are nearing capacity,
46 and even though the Project’s solid waste generation would be substantially less than the
47 baseline rate, any generation of solid waste represents a significant impact. However,
48 mitigation measure **MM PS-3** would ensure that the Project’s contribution to the solid
49 waste stream would not represent a significant impact on landfill capacity.

1 As described in Section 3.11, the proposed Project's electricity demands would increase
2 over baseline conditions but could be accommodated by existing utility (LADWP and
3 SCE) capacity outside of the proposed Project site. Accordingly, the proposed Project
4 would not induce growth of the region's electric utility system.

5 **8.2.2 Indirect Growth-Inducing Impacts**

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

10 As discussed in Chapter 7, Socioeconomics, construction of the proposed Project would
11 lead to approximately 1,500 jobs annually, both direct and secondary, that could be added
12 to the regional economy. BNSF has offered the following commitments as part of the
13 proposed Project (see Section 2.4):

- 14 • BNSF's operating contractor will be required to give qualified local residents priority
15 for all new job offers at SCIG; and
- 16 • BNSF will fund a workforce training program in partnership with local institutions to
17 assist area residents in obtaining these jobs.

18 The majority of total jobs are attributable to the construction sector of the economy (54.8
19 percent). Due to the size of the construction industry in the metropolitan area
20 (approximately 105,000 employees in 2010 in Los Angeles County alone [BLS, 2011]),
21 BNSF's local hire commitment, and the temporary and mobile nature of construction jobs,
22 construction workers are expected to come from within the metropolitan area.

23 Operation of the proposed Project could result in an increase in employment of between
24 660 jobs in 2016 to 1,096 jobs in 2046 (see Table 7-14). The majority of jobs are
25 attributable to direct employment, although secondary jobs (indirect and induced) would
26 make a sizeable contribution. In conjunction with the creation of the proposed SCIG
27 facility, BNSF would undertake a workforce development strategy focused on preparing
28 local unemployed and underemployed residents and youth for employment opportunities
29 associated with the proposed SCIG facility. It is anticipated that approximately one-third
30 of the new jobs created by the proposed SCIG facility would be local hires, supporting
31 approximately 166 residents. Given the highly integrated nature of the Southern
32 California economy and the prevalence of cross-county and intercommunity commuting
33 by workers between their places of work and places of residence, it is unlikely that a
34 substantial number of workers would change their places of residence in response to the
35 new employment opportunities. Such potential residential relocation is especially
36 unlikely given that about half the new jobs created are secondary and, by their nature,
37 distributed throughout the five-county region. Thus, in the absence of changes in places
38 of residence by persons likely to fill the job opportunities, distributional effects to
39 population and, consequently, housing assets are not likely to occur. Accordingly,
40 negligible impacts to population, housing, and community services and infrastructure are
41 anticipated. Because the proposed Project would not involve development of housing and
42 would not result in substantial direct increases in employment in the regional workforce,
43 the proposed Project would not have any significant effects on population growth that
44 would tax existing facilities and require the construction of new facilities, the
45 construction of which could have environmental effects.

1 The proposed Project would indirectly increase earnings to firms and households
2 throughout the region as proposed Project expenditures are spent throughout the region.
3 The short-term indirect effects from construction would incrementally increase activity in
4 nearby retail establishments as a result of construction workers patronizing local
5 establishments. However, the long-term effects in the immediate area from the proposed
6 Project would be small relative to the size of the regional economy. Overall, the proposed
7 Project would not generate significant indirect growth-inducing impacts.