

## 8.0 GROWTH-INDUCING IMPACTS

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### 8.1 OVERVIEW AND SUMMARY

The California Environmental Quality Act (CEQA) Guidelines require that an EIR “[d]iscuss 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.”<sup>1</sup> This section considers the potential for the proposed East Gateway Project to induce growth.

### 8.2 THRESHOLDS FOR DETERMINING GROWTH-INDUCING IMPACT

A project has the potential to foster economic or population growth in a geographic area if it meets any of the following criteria:

- Removal of an impediment to growth (e.g., the establishment of an essential public service or the provision of new access to an area).
- Urbanization of land in a remote location (e.g., leapfrog development).
- Economic expansion or growth occurring in an area in response to a project (e.g., changes in revenue base, employment expansion, etc.).
- Establishment of a precedent-setting action (e.g., a change in zoning or general plan designation).

An evaluation of this project against these four criteria is provided. The CEQA Guidelines also state that it must not be assumed that growth is necessarily beneficial, detrimental, or of little significance to the environment.

### 8.3 GROWTH INDUCING IMPACT

#### 8.3.1 Removal of an Impediment to Growth

Growth inducing impacts may result from 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 essential public services.

The Santa Paula General Plan Land Use Element promotes visitor and general business access to Santa Paula, by defining and enhancing the entrances to the City.<sup>2</sup> The important local gateways identified in the General Plan include: the eastern entrance at the Telegraph Road/Harvard Blvd intersection, the

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1 CEQA Guidelines § 15126.2(d).

2 Santa Paula General Plan, Land Use Element, p. LU-15.

western entrance at the Telegraph/Peck/West Main Street intersection, the northern entrance at the SR 150/Santa Paula Street intersection, and the southern entrance at 12th Street and the Santa Clara River. Gateways of regional significance include the highway on/off ramps at Peck, Palm, 10<sup>th</sup> Street and Hallock Drive (East Gateway Project area). Special planning studies for land uses, design standards and monumentation are required for these areas as discussed in **Section 5.10, Land Use** of this EIR.

The East Gateway Project is identified as East Area 2 in the Land Use Element<sup>3</sup> and on the General Plan Land Use Map<sup>4</sup> as a “planning area” identified for urbanization and development. Specific Plan(s) are encouraged to provide for comprehensive planning of substantial new development proposals. The General Plan currently permits development of approximately 545,000 square feet of highway oriented commercial uses, 720,000 square feet of light industrial and 340,000 square feet of industrial uses in the East Area 2 Planning Area.

The proposed East Gateway Project would implement the City’s adopted General Plan by annexing unincorporated land within the City’s Sphere of Influence and adopting the East Gateway Specific Plan to comprehensively plan for development of a major retail commercial and business use project within this Specific Plan Area. While there are currently no development plans for any of the remaining portions of the East Gateway Project area, including approximately 2 acres of existing housing (approximately 63.6 acres of annexation areas as shown in **Appendix 2.0**), these areas would be able to accommodate uses as outlined in the General Plan for East Area 2 as Business Park, Retail Commercial, Light Industrial and Industrial Use.

The East Gateway Project area contains both development and undeveloped areas. The developed areas are comprised of existing residential, commercial and light industrial uses and undeveloped areas are containing agricultural uses.

The proposed East Gateway Specific Plan development of would require the extension of certain infrastructure, including water and sewer service, and require improvements to existing roadways. The lack of these urban services is an impediment to growth within the East Gateway Specific Plan area. The water and sewer improvements required to provide service to the East Gateway Specific Plan area are identified in the City’s adopted water and sewer master plans and these improvements have been planned to serve the East Gateway Specific Plan area and the approved East Area 1 Project located immediately to the north of the East Gateway Project.

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3 Santa Paula General Plan, Land Use Element, Figure LU-4.

4 Santa Paula General Plan, General Plan Map Land Use Plan and Expansion Areas.

The East Gateway Project would remove current impediments to growth within the East Gateway Project area by annexing the area to the City of Santa Paula, resulting in zoning the area for urban development, and providing utility and street improvements. This growth is planned for in the Santa Paula General Plan and would not remove impediments to growth in any surrounding areas.

### **8.3.2 Urbanization of Land in a Remote Area**

Development can be considered growth inducing when it is not contiguous to existing urban development and intervening open space areas occur between developments. The proposed project would remove isolated partially developed areas currently surrounded or immediately adjacent to the City from the County's jurisdiction and provide for uniform planning of these areas and provision of public services by a single jurisdiction, the City of Santa Paula

The East Gateway Project area is adjacent to the City of Santa Paula, is located within the Ventura LAFCo Sphere of Influence for the City and the City's voter approved City Urban Restriction Boundary (CURB) and is located outside of the adjacent Santa Paula-Fillmore Greenbelt Area.

The East Gateway Project is consistent with applicable planning policies and does not involve the urbanization of land in a remote area that would induce growth in surrounding areas.

The East Gateway Project area is urbanized to rural in character and is not isolated from the City. Therefore, the proposed East Gateway Project would not result in the urbanization of land in a remote area.

### **8.3.3 Economic Expansion**

The Land Use Element identifies the City's economic health and well-being as a central goal of the General Plan.<sup>5</sup> A major reason the City updated the Santa Paula General Plan in 1998 was to address issues affecting the City's economic health and in order to provide land for development. The General Plan provides for diverse businesses to provide goods and services to residents and other businesses so that retail needs to not have to be met outside the City. The General Plan notes that the land use supply, combined with other strategies, can assist in addressing the lack of vacant/developable land, provision of land use designations of a size and location that can assist in attracting job-generating development and retail uses.<sup>6</sup> New uses would also lead to reassessed property valuations, in providing increased property tax revenue.

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5 Santa Paula General Plan, Land Use Element, p. LU-9.

6 Ibid, p. LU-10.

Recent analysis shows that the retail inventory in the City's trade area is largely limited to a few neighborhood shopping centers anchored by supermarkets and drug stores.<sup>7</sup> Thus, given the lack of a regional-serving shopping center or other large retail stores, the trade area currently experiences a significant amount of retail sales leakage in a number of retail categories. As a result of this existing retail sales leakage, the City could currently support approximately 424,900 square feet of new retail space.<sup>2</sup> In addition, due to continued population growth in the market, the City is projected to be able to support approximately 633,900 to 698,800 square feet of new retail space by 2025. These demand estimates indicate that there would be more than sufficient demand to support the proposed retail commercial development in East Gateway Project area.

Most importantly, given the existing retail sales leakage, a significant portion (approximately 75 percent) of the proposed retail development in the East Gateway Project area is already supportable based on existing demographics.<sup>8</sup> This indicates that most of the demand for the proposed retail space is not dependent on future population growth; rather, the proposed development would recapture a significant amount of the existing resident retail demand that cannot be met within the City.

Temporary short-term construction jobs would be created during the implementation of the proposed East Gateway Specific Plan. Similarly, redevelopment of the annexation under the proposed land use would also generate construction jobs in the future. The number and type of jobs will fluctuate over time depending on the type and size of future development projects under construction.

The proposed East Gateway Specific Plan is expected to result in the generation of approximately 1,576 to 1,660 jobs on-site. Currently, there is a lack of non-agricultural and private commercial jobs in the City. Nearly one-third of the employment workforce work for the City of Santa Paula, and over 7,000 residents commute to jobs located outside of the City. Providing these jobs will create more job opportunities to City of Santa Paula residents and would be anticipated to result in economic expansion.

In addition to the direct on-site jobs generated by the proposed project, new residents and employees in the East Gateway Project would also be expected to generate additional employment due to household and employee expenditures for goods and services in the City and larger region. However, at this time it would be speculative to estimate the number and type of employees that might be supported by this additional spending.

Finally, new spending and employment generated by the East Gateway Project will produce secondary or multiplier effects as businesses benefitting from direct expenditures purchase goods and services in the

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7 The Natelson Dale Group, Retail Market Analysis for the Santa Paul East Gateway Two Annexation, October 27, 2011, p. 6.

8 Ibid, pp. 6 and 7.

City and larger region to support their business activity. Again, at this time it would be speculative to estimate the number and type of employees that might be supported by this additional spending.

Overall, the proposed East Gateway Project would result in economic expansion within the City of Santa Paula that has been planned for in the Santa Paula General Plan and that would be supportive of the City's economic development goals. The economic expansion that would result from this proposed East Gateway Project would not induce unanticipated growth outside of the City of Santa Paula.

#### **8.3.4 Precedent-Setting Action**

As discussed in **Section 2.0, Project Description**, the discretionary actions required for the proposed East Gateway Project to proceed consist of approval of adoption of the proposed East Gateway Specific Plan, associated amendments to the City's General Plan and zoning map, and annexation of unincorporated island areas. Approval of these proposed actions would not be precedent setting as these actions implement the Santa Paula General Plan and are consistent with a variety of existing land use plans and policies adopted by the City of Santa Paula, City of Fillmore, County of Ventura and the Ventura County LAFCo to direct and control urban growth including the LAFCo Sphere of Influence, Santa Paula- Fillmore Greenbelt Agreement and the City of Santa Paula voter approved City Urban Restriction Boundary (CURB). In addition, annexation of the unincorporated island areas was conditioned by LAFCo as part of the conditions for annexation of the East Area 1 Project.