

## SECTION 7.0: GROWTH-INDUCING IMPACTS

CEQA Guidelines Section 15126.2(d) requires that an EIR include a discussion of 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. Projects that remove obstacles to population growth or tax existing community service facilities, requiring the construction of new facilities that could cause significant environmental effects, are also considered to have growth-inducing impacts. CEQA requires that “...it must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment”. Induced growth is considered a significant impact only if it can be demonstrated that the potential for growth, in some other way, results in significantly adverse effects to the environment.

Generally, growth-inducing impacts refer to impacts from development projects that possess such characteristics as being located in isolated, undeveloped or under developed areas, necessitating the extension of major infrastructure (e.g., roadways, sewer and water lines and facilities, etc.) or other services or infrastructure that encourage “premature” or unplanned growth (i.e., “leap frog” development). In addition, projects that induce new development in nearby areas due to the provision of major infrastructure, employment centers, or residential communities may be considered to have growth-inducing impacts.

The proposed Wal-Mart Supercenter will lead to the redevelopment of a site that is currently developed with commercial uses and is planned for commercial land uses. The site is surrounded by urban development and is not located in an undeveloped or underdeveloped area and thus, the project would not be considered a leap-frog development. The site is not located in an isolated or underdeveloped area. The proposed Wal-Mart Supercenter is not expected to encourage premature or unplanned growth in parcels surrounding the site, since it is largely surrounded by developed parcels. Also, the proposed project would not include the development of housing units or a residential community that may lead to a major increase in the City’s or the project area’s resident population.

The proposed Wal-Mart Supercenter would bring in the same types of commercial retail uses as the former commercial uses operating on the site (grocery store, general merchandise store, toy store, and outdoor garden center) and would have slightly less floor area than these former uses. Thus, no increase in development intensity would occur with the project, which may induce the redevelopment of adjacent parcels and land uses to higher intensities or densities.

### **New Development on Vacant Lands**

New developments are influenced by a wide range of factors, including property owner preference, economic conditions, demand for commercial or industrial floor area, demand for housing, financing availability, cost of development, regulatory controls, and other market forces. Nonetheless, it cannot be discounted that the project is likely to provide an additional inducement for nearby vacant lots to develop or underutilized lots to redevelop.

As discussed in Section 2.0, *Environmental Setting*, the project area is largely developed. Vacant land in the area is limited to infill lots, such as two parcels northeast of the site and on the southwest corner of Mountain Avenue and Sixth Street. The two parcels (APN 1008-431-21 and 1008-431-22) were previously developed with commercial structures (retail and restaurant uses) but were recently demolished and the sites cleared. Redevelopment of these parcels is anticipated by the Ontario Redevelopment Agency but no specific development project or developer has been identified at this time. The vacant lot at the southwest corner of Mountain Avenue and Sixth Street has been planned for the development of a 7,000-square-foot retail store, as proposed by Mountain Sixth Associates. Another vacant parcel is located east

of the Gateway at Mountain Village development, at the northwest corner of Palmetto Avenue and Sixth Street, is proposed for a commercial retail building (Ontario Development Activity Report, 4th Quarter 2006).

The development of vacant parcels near the site is likely to be influenced by the Wal-Mart Supercenter, through an easier search for interested developers and investors. The proposed Wal-Mart Supercenter would improve the visual characteristics of the site and adjacent areas, as well as improve traffic flow, upgrade water lines, and alleviate street flooding on Mountain Avenue. These improvements could be a factor in the redevelopment of the vacant parcels along Mountain Avenue at an earlier date than later. Thus, they can be attributed to having been induced by the project.

The Redevelopment Agency relocated the former commercial uses on the vacant parcels northeast of the site (formerly occupied by Leslie's Swimming Pool Supplies and Mary's Mexican Food), but no developer or specific development has been proposed for these parcels. Developer and investor interest may be greater on these vacant parcels with the Wal-Mart project in place, than if the site remained with vacant commercial buildings. Since these nearby vacant parcels were formerly developed with commercial uses, as late as November 2006, and will be redeveloped with future commercial uses, the growth-inducing impact of the project on these parcels is expected to revert them back into commercial land uses at an earlier date.

These parcels could accommodate approximately 14,932 square feet of commercial development, based on the maximum floor area ratio of 0.40 allowed under the General Commercial designation (Ontario General Plan, 1992 p. 7-24). The future development of these parcels would lead to an increase in the employment base of the City (estimated at a maximum of approximately 30 employees assuming one employee per 500 square feet of commercial floor area) and would provide goods and services for the surrounding area. Due to the size of the parcels, their potential for commercial uses, and their recent development with commercial structures, the reversion of vacant lots to developed parcels is not expected to represent significant adverse impacts.

The proposed project is not expected have a direct influence on the development of the parcel at the southwest corner of Sixth Street and Mountain Avenue, since development plans for this parcel have been proposed, even before the Wal-Mart Supercenter is approved and in operation. In addition, the vacant parcel on Palmetto Avenue and Sixth Street has also been proposed for development prior to project approval. Other vacant lots located farther away from the site are not likely to develop primarily due to the proposed project.

As discussed in Section 6.0, *Cumulative Impacts*, a number of new developments are currently under construction, or are planned or proposed in the City of Ontario and the surrounding cities. These developments are located in areas near the site, as well as farther away. Also, these projects have been planned before the Wal-Mart Supercenter is approved and in operation. Thus, they cannot be attributed to having been primarily or significantly induced by the project.

### **Redevelopment of Underutilized Lots**

As indicated earlier, the site is part of the Added Area that was identified by the Ontario Redevelopment Agency for redevelopment in the late 1990's. Several redevelopment projects have occurred along Mountain Avenue and Holt Boulevard, as part of redevelopment activities in the Added Area. The Redevelopment Agency continues to work on the redevelopment of the parcels with blighted conditions in

the Added Area, independently of the proposed project. Thus, redevelopment of the site is not expected to directly lead to the redevelopment of other parcels in the Added Area.

Redevelopment often involves a replacement of former or existing land uses with other uses that are more commercially viable at the time of redevelopment. Redevelopment that may occur near the project would involve parcels currently developed with commercial structures and highly disturbed site conditions. Thus, environmental impacts on natural and sensitive resources on redeveloped parcels are not likely to be substantial and changes in demand-driven impacts are reduced to the net change in impacts due to the difference in the sizes and types of existing and future developments.

The proposed project may contribute to the redevelopment of nearby parcels by providing a more visually appealing project site and streetscape. The new building and site improvements could encourage adjacent land owners to provide similar improvements. The presence of employees and patrons at the project site could also generate additional patrons for adjacent commercial uses, resulting in the filling of vacant offices and shops in commercial buildings located north and northeast of the site.

However, whether the proposed project would have a major influence in the redevelopment of these parcels cannot be ascertained. Additionally, whether these adjacent lots would be redeveloped soon after the project is not known. However, together with other redevelopment projects in the surrounding area, the proposed project would contribute to the revitalization of commercial uses on Mountain Avenue and in the surrounding area. This is consistent with the goals of the Redevelopment Plan for Project No. 2 and the Mountain Village Specific Plan.

### **Roadway and Utility Improvements**

The project would include the construction of an additional southbound lane on Mountain Avenue. A traffic signal is also proposed at the Hawthorne Street and Mountain Avenue intersection, with a traffic island provided on the east leg to prevent east-west through traffic. In addition, a raised roadway median would be constructed from Fifth Street to Sixth Street. The roadway widening has been planned in the City's Circulation Master Plan and in the Mountain Village Specific Plan and would accommodate anticipated growth in the area.

These improvements would increase roadway capacity and would relieve existing congestion and improve traffic flow in the area. Since heavy traffic currently occurs on Mountain Avenue, these roadway improvements would be growth-accommodating and not growth-inducing. The increase in capacity provided by these improvements would relieve traffic congestion in the area but is not expected to provide access to previously inaccessible areas or develop a shorter route to reach major destinations or roadways/freeways.

The project would include the abandonment of existing utility connections and the provision of new utility connections to the proposed building. Power lines on wooden poles along the northern and western boundaries of the site would also be placed underground. Adjacent parcels are developed and already served by these utility lines and would not benefit from the proposed utility improvements. The upgrade to the water line on Fifth Street and the replacement of the aged water line on Mountain Avenue would meet the City's minimum water line size but would not provide new service to parcels not currently served nor allow the redevelopment of adjacent land uses to higher intensities or densities.

The proposed project would also include the construction of a storm drain line on Mountain Avenue from Sixth Street to Fifth Street. This storm drain line would eliminate street flooding on Mountain Avenue but is not

expected to accommodate additional urban development in the area. The storm drain line has been sized to accommodate the runoff volumes from the upstream areas and would not provide additional capacity to handle increased runoff from future developments near the site. Since the NPDES requirements do not allow for increases in stormwater runoff volumes, rates, and duration (unless downstream hydrologic modeling to document changes in downstream erosion, sedimentation or stream habitat is completed), any higher intensity development is unlikely to occur in the area if additional stormwater runoff would be generated. Thus, this storm drain line would not induce growth in the area.

The sewer line upgrade near Hollowell Street would lead to the replacement of the existing 8-inch line with a 12-inch line, to match the size of the sewer lines connected to the north and south of this segment. This upgrade would not provide sewer service to parcels not currently served. It would also not increase capacity of the existing sewer lines. Rather, it would only remove the undersized segment and prevent the potential for sewer overflows. Thus, no growth inducement is expected from this upgrade.

The roadway and storm drain improvements would not decrease the costs of development or redevelopment in the area. Developments would have to pay on a fair share basis for the costs of roadway improvements needed to maintain acceptable LOS on area roadways. A decrease in development costs for adjacent lands is not expected, since the roadways and utility infrastructure already provide access and utility services to adjacent parcels. Thus, proposed roadway and utility improvements would actually not translate to a decrease in development costs for individual projects along these improved segments. Roadway and utility improvements associated with the project are not expected to induce growth in the area.

### **Public Services**

The proposed project would be located at the northwestern section of the City of Ontario, where existing public facilities are available to serve the site. Fire Station #4 is located approximately ½ mile south of the project site. This station would serve the site and no new fire station would be needed. The Mountain Village police storefront is located north of the site on Sixth Street. This storefront will continue to be used to provide police services to the site and the surrounding area. The project would not require construction or improvements to the storefront, although increased use of the storefront may occur with the project.

The project would have no significant adverse impact on school, library, park, and medical services nor would the project require the construction of a new school, library, park, or medical facility. Thus, the proposed project would not require the construction of new public facilities, which may have adverse impacts on the environment. No growth-inducing impacts associated with new public services and facilities would occur with the project.

### **Employees and Patrons**

Patrons of the project are not expected to relocate near the site primarily because of the presence of the Wal-Mart Supercenter. While the presence of commercial areas and support services would be a factor in a household's choice of residence, the project itself is not expected to be a major factor in housing relocation.

The proposed project would bring in approximately 450 new employees to the site. As discussed in Section 4.3, *Population and Housing*, future employees of the project may relocate near the site and a demand for housing in the area would occur. Assuming the project would reflect the Citywide average, 143 employees of the Wal-Mart Supercenter would be living or would relocate to the City. If all 143 future employees are not living in the City now and would have to relocate to the City for employment at the project, a demand

for 143 housing units in the City could occur. As a worst case, all 450 employees may relocate to the City and a demand for 450 housing units would be generated by the project.

The increase in demand for housing could lead to more housing developments in the City and the surrounding area. Approximately 4,596 new housing units are planned or proposed for construction in the City, which are identified as related projects in Section 6.0, *Cumulative Impacts*. These units would meet demand for housing created by employees of the project. At the same time, the City had approximately 1,699 vacant housing units, as of January 2006, which may be occupied by these employees. This would lower the vacancy rate in the City but would not increase housing development. Thus, impacts associated with an increase in demand for housing from Wal-Mart employees is not expected to result in significant adverse impacts.

### **Economic Growth**

Patrons would also come to the site to obtain groceries, retail goods, and services from the proposed Wal-Mart Supercenter. Wal-Mart employees may also obtain groceries, retail goods, and services from the project. In addition, patrons and employees may also visit adjacent commercial shops. Some of the demand created by the project's employees for commercial goods and services could be provided by nearby commercial developments (restaurants, entertainment, professional services, etc.). Wal-Mart patrons may also visit adjacent commercial uses for other needs. Thus, economic growth on the site could result in some spillover of economic growth into adjacent commercial areas. The improvement in businesses at adjacent commercial uses may be a factor in the development of adjacent vacant lands and the redevelopment of underutilized lots, as discussed above.

While the project could influence the development or redevelopment of adjacent land uses, it is not expected to be the driving force for these projects. Future development or redevelopment of the adjacent parcels or housing construction to meet the demand generated by Wal-Mart employees would be subject to review and approval by the City of Ontario. Public utility and service providers would also need to determine if the additional growth associated with individual projects can be accommodated based on the capacities of existing (or planned) infrastructure improvements and public services and the utility agencies' capabilities to provide adequate services. This review and approval of future projects would ensure that adequate services and infrastructure are available to serve individual developments and that no land use conflicts are created. New development and redevelopment would also be subject to the CEQA review process to ensure that significant adverse impacts are reduced or avoided to the extent possible.

The growth-inducing impacts of the project are not expected to result in significant adverse effects to the environment. Impacts would be less than significant.