

Chapter 4

Growth-Inducing Impacts

4.1 Introduction and Background

Pursuant to Section 15126(d) of the CEQA Guidelines, an EIR must address the growth-inducing effects of a project. A project is considered growth inducing if it has the potential to directly or indirectly foster economic or population growth or the construction of new housing. Section 15126.2(d) states:

[An EIR shall] ...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 that would remove obstacles to population growth (a major expansion of wastewater treatment plant, might, for example allow for more construction in service areas). Increases in the population may further 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 or 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 in this chapter evaluates whether the Proposed Project would directly or indirectly induce economic, population, or housing growth within the Proposed Project's surrounding environment, as well as a description of the project's potential to re-distribute regional population growth in a more compact manner (i.e., "smart growth" as defined below in this chapter). Information used to support conclusions in the analysis was derived from ABAG, BART, and the City of Fremont's adopted *General Plan* and *General Plan EIR*.

4.1.1 Growth, Land Use, and Transportation Systems

Growth rates and patterns within an area are influenced by various local, regional, and nationwide forces that reflect ongoing social, economic, and technological changes. Ultimately, the amount and location of population growth and economic development that occurs within a specific area is regulated by city and county governments through zoning, land use plans and policies, and decisions regarding development applications. Local government and other regional, state, and federal agencies also make decisions regarding the provision of infrastructure (e.g., transportation facilities, water facilities, sewage facilities) that may influence growth rates and the location of future development.

Transportation projects can have a wide range of growth-inducing effects. A project may hasten growth in certain areas, retard it in other areas, intensify growth in certain locations, or shift growth from one locality to another. Generally, transportation improvements support growth, whereas land use development generates new travel demand and therefore supports the need for new transportation facility capacity. Transportation infrastructure is one component of the overall infrastructure that may serve to accommodate planned growth. This infrastructure may also serve to accelerate or shift planned growth or encourage and intensify unplanned growth (i.e., growth not specifically identified in an adopted general or specific plan) within an area (San Francisco Bay Area Rapid Transit District 1991).

Extension of urban services or transportation facilities into previously unserved or underserved areas, or removal of obstacles to growth and development, are considered factors that contribute to growth inducement. However, existing ABAG projections include substantial future population and employment growth in the Fremont area over the next 20 years, as detailed in Section 3.6 (*Population, Economics, and Housing*). The Proposed Project is planned to serve the existing corridor's transit needs as well as accommodate this planned future development.

Generally, extension of rail transit systems, such as BART, into communities has the effect of concentrating growth into infill areas and producing positive economic benefits to a community. More compact development is made possible by the high-volume service of BART-type rail transit systems, creating less urban sprawl than would be the case if all development were auto-oriented. This more compact style of development is a key principle of "smart growth." *Smart growth* is a movement to foster responsible land use development patterns and growth that benefits the economy, community, and the environment. Some of the characteristics of smart growth include mixed land uses, compact building designs, a range of types of housing choices, walkable neighborhoods, preservation of open space and farmland, and a range of transportation choices. Transit-oriented development is a key component of smart growth. (Sedway Group 1999.)

4.1.2 Regional Growth and BART Ridership

This section provides a discussion of regional growth and regional BART ridership trends. Because BART is a multijurisdictional provider of mass public transit services in the Bay Area's complex transportation system, the effects of the Proposed Project on growth inducement must first be discussed in the context of regional population and ridership trends.

Based on ABAG's 2002 projections, the population in the nine Bay Area counties will increase by 1.4 million from 2002 to 2025, which is comparable to the rate of growth estimated from 1980 to 2000. Although recent downturns in the local economy indicate that short-term job growth in the Bay Area is limited, the long-term forecast for additional jobs is far more substantial: an additional 1,180,000 jobs are expected to be added through 2025 (Association of Bay Area Governments 2001). Housing costs and overall affordable-housing shortage trends are expected to continue during this timeframe, leading to a higher likelihood of infill development and longer commutes, which in turn leads to demands for improved roadway capacity and mass transportation systems. Growth is anticipated in the Bay Area regardless of whether the Proposed Project and other transit projects are constructed. However, the environmentally superior type of growth associated with smart growth is less likely to occur if the Proposed Project and other transit projects are not constructed. The

location, intensity, and forms of growth can shift to take advantage of the regional access afforded by transit improvements, resulting in more potential for smart growth development.

BART rail ridership has increased incrementally since the inception of service in 1972 and has increased at a faster rate than projected over the last 8 years. This was attributable to an expanding economy in the late 1990s, a high level of employment, substantially increased roadway congestion, higher gasoline prices, and the opening of five new BART stations since 1995. This trend in increasing demand for BART is expected to continue as the region grows in the future (San Francisco Bay Area Rapid Transit District 2001). The Proposed Project is expected to contribute to these ridership trends given projected long-term growth within southern Alameda and northern Santa Clara counties.

4.2 Growth-Inducing Impacts of the 2003 Proposed Project

The analysis in the following sections (4.2.1–4.2.4) concludes that the Proposed Project would result in the following.

- No effect on growth overall in the Bay Area region (Section 4.2.1).
- No direct fostering of population or housing growth (Section 4.2.2).
- No direct fostering of economic growth (Section 4.2.2).
- Potential for indirect adverse growth-related impacts in the local project area (Section 4.2.3).
- Potential for indirect positive contribution to smart growth patterns in the local project area (Section 4.2.4).

4.2.1 Regional Growth Inducement

BART's original vision was to shape regional economic growth on a large-scale, area-wide basis. An explicit goal was to encourage and support large economic and redevelopment plans in the downtown areas of San Francisco and Oakland and in suburban centers along major corridors—effectively becoming “an integrated transit system that the Bay Area needed” (Sedway Group 1999). Thirty years later, the original economic focus of Bay Area rail investments has largely succeeded; San Francisco and Oakland's central business districts added millions of square feet of office uses during the 1970s and 1980s. However, many expectations of growth in outlying areas did not occur, even in planning policy, until quite recently.

As mixed-use centers became accepted by the development community in the mid-1980s, commercial and employment-oriented development occurred more frequently around several suburban centers, notably Concord, Hayward and Walnut Creek. As the Bay Area's chronic housing shortage worsened, and given that many BART stations exist in redevelopment areas, more multi-family housing, especially affordable housing, began to be included near BART stations (Cervero et al. 1995).

A large number of general plan updates and redevelopment plan amendments occurred in cities around the Bay Area during the mid to late 1990s, some of which had not been substantially revised for decades. With the refinement of smart growth principles in urban design and planning, the focus shifted to transit-oriented development with higher employment and housing densities within walking distance of rail stations. The late 1990s economic boom led to the creation of many transit-oriented development plans, which ultimately were adopted into updated general plans (BART Planning Department 2002).

The Proposed Project is designed to serve the current and planned growth in population, housing, and employment in the next 15 to 20 years in the regional South Bay Area (southern Alameda and Santa Clara Counties). The Proposed Project would provide a key segment in the Bay Area's regional rail transportation network between San Francisco, the East Bay, and the South Bay by providing a link as part of the plans for an integrated system between BART, AC Transit District, and VTA. If approved, an additional 16.2-miles of BART service would be extended from the proposed Warm Springs Station terminus to 28th/Santa Clara Streets in San Jose on the UP alignment. The proposed extension alignment would then proceed below grade in a subway under downtown San Jose and terminate at the Caltrain commuter rail station in Santa Clara. Known as the Silicon Valley Rapid Transit Corridor Project (SVRTC), the proposed extension would include seven planned and one optional new BART stations in Santa Clara County along the UP railroad alignment. The new stations would be located at Montague/Capitol Expressways, Berryessa Road, Alum Rock Avenue; in downtown San Jose at Civic Plaza/San Jose State University, Market Street, Diridon/Arena; and in Santa Clara, near the existing light rail and Caltrain stations. This proposed BART service extension would also include an optional station near Calaveras Boulevard.

On a regional level, MTC has determined that the region-wide transportation improvements in the Bay Area (specifically those included in MTC's 2001 Regional Transportation Plan, such as the Proposed Project, SVRTC project, etc.), would not have a significant growth-inducement effect in the Bay Area because the proposed transportation systems lag behind the growth that has already occurred in the Bay Area. MTC has determined that these transportation improvements are consistent with projected and planned growth in the region overall and would not adversely alter land designated for future development in existing local plans (Dyett & Bhatia 2001). MTC, in conjunction with ABAG and other regional agencies, has since created a smart growth approach to planning regional transportation improvements that support updated general plans, redevelopment plans, and concept plans with a transit-oriented development focus (Metropolitan Transportation Commission 2002, Association of Bay Area Governments 2002).

4.2.2 Direct Growth Inducement in the Local Project Area

The Proposed Project would extend the BART system 5.4 miles south from the current terminus at the Fremont Station. The new terminus would include the proposed Warm Springs Station, with the optional Irvington Station approximately 1.5 miles north of the Warm Springs terminus. The Proposed Project is an improvement to the existing transportation system because it would extend rail transit from the northern, predominantly residential portion of the city to the southern, predominantly industrial and commercial portions of the city. The Proposed Project would not directly induce substantial population, housing or economic growth. New residential development with associated demands for public services is not currently planned for the Warm Springs area

surrounding the station site, and current land use designations are for commercial and industrial uses. At the optional Irvington Station, the existing redevelopment plan guides land use designations, directing small-scale infill development.

The operation of the Proposed Project, including the Warm Springs Station, would result in the employment of approximately 29 new employees (20 train operators, three systems personnel, three station agents, one supervisor, and two maintenance staff). If the Proposed Project included the Warm Springs Station and the optional Irvington Station, it would result in as many as 34 new employees. As described in Section 3.6 (*Population, Economics, and Housing*), total employment in Fremont is projected to grow from 108,410 in 2000 to 130,190 by 2015, an increase of about 20% (Association of Bay Area Governments 2001). Project-related employment would constitute less than 0.01% of Fremont's employment growth during this period and would be minimal in the context of total employment growth in Fremont. These new employees could generate a demand for housing. If each new employee required separate housing, as many as 34 new housing units would be required for the new employees. This represents about 0.07% of projected household growth by 2015 and would be minimal in the context of total households in Fremont. The Proposed Project would therefore not directly foster substantial economic growth.

In conclusion, the Proposed Project would not directly induce substantial population, housing, or economic growth beyond that currently defined in the *Fremont General Plan*.

4.2.3 Indirect Adverse Growth-Inducing Impacts in the Local Project Area

Although the Proposed Project would not *directly* induce substantial population, housing, or economic growth, it would *indirectly* induce growth in southern Fremont through several means, including alleviating highly congested transportation systems; improving access to existing neighborhoods, civic resources, and employment centers from regional public transit that may grow as a result; and providing incentive for development on vacant and underutilized land in the vicinity (see Section 4.2.4 below). However, this indirect growth effect is not considered adverse under CEQA definitions. Additionally, the new station would provide an access point for residents and employees seeking transit to the BART system.

Therefore, to the extent that improved transit systems encourage development by removing obstacles to mobility or improving access in the region, the Proposed Project could have an indirect growth-inducing effect by accelerating planned growth in a more compact, transit-oriented form, particularly in and around the Warm Springs BART Specific Plan Area. Additionally, changes in land use designations implemented by the City of Fremont since 1992 in the area around the proposed Warm Springs Station and the optional Irvington Station would allow for more mixed-use development and could indirectly encourage growth.

Although the indirect growth caused by the Proposed Project and the optional Irvington Station in the local project area is not considered adverse in itself, it could cause indirect adverse growth-related impacts associated with construction and implementation of new development projects in the local project area (i.e., air and noise impacts from construction of new housing or other development, etc).

Any potential future growth that could result from implementation of the Proposed Project is under the jurisdiction of the City of Fremont. Following established planning procedures, the city will create a specific plan for the Warm Springs Station Area later this year, which will include opportunities for public involvement. The existing *Irvington Redevelopment Plan* most likely will be amended to reflect the outcome of the public planning process, which has been underway for the past 18 months. Both the specific plan and the redevelopment plan amendment must undergo environmental review, and upon certification and formal approval, will be adopted by the City Council and Redevelopment Agency as amendments to the *Fremont General Plan* and *Fremont Redevelopment Plan* respectively. Therefore, impacts associated with development in the local project area will be addressed by the city in its *General Plan* and through the environmental review process.

The city's planning efforts for the areas surrounding the proposed Warm Springs Station and optional Irvington Station are intended to encourage changes to land use designations and zoning to accommodate anticipated growth, including transit-oriented development. These changes reflect the indirect influence of the Proposed Project. The city's planning processes are not complete or are just commencing. Subsequent to formal adoption of a future Warm Springs BART Area specific plan or Irvington redevelopment plan that provides program-level environmental review, any new transit-oriented development proposals would be subject to environmental review on a project-specific basis.

4.2.4 Indirect Positive Contribution to Smart Growth Patterns in the Local Project Area

A major objective of the Proposed Project is to improve regional transit access and transportation services to accommodate planned and future growth in Fremont and adjacent areas of southern Alameda County. As outlined in Chapter 1 (*Introduction*), the goals and objectives of the Proposed Project reflect BART's cooperation with other government entities and serve to advance multi-jurisdictional efforts to plan and implement transit-oriented development (Association of Bay Area Governments 2003).

New development, defined through the creation of specific and redevelopment plans for areas surrounding both the proposed Warm Springs and optional Irvington Stations, is intended to reflect a more pedestrian-oriented, compact, and mixed-use development. BART access plans providing multi-modal access to regional rail emphasize public space and infrastructure improvements that are designed to encourage the private sector developers, who increasingly specialize in transit-oriented projects around BART and other rail stations (San Francisco Bay Area Rapid Transit District 2002).

Proximity to a BART station offers major incentives to attract business, entertainment, commercial/retail, and other employment-generating land uses, along with unique opportunities for meeting the city's growing housing needs. While development may occur without the Proposed Project, it most likely will be auto-oriented and thus will not be smart growth. The Proposed Project thus meets the major policy goals of smart growth being endorsed by state, regional, and county agencies by providing an incentive for transit-oriented planning, which is being led by the city (Association of Bay Area Governments 2003). The environmental benefits of smart growth will be

measured through these separate planning efforts, while this SEIR identifies how the Proposed Project contributes to the probability of such future development patterns.

4.3 References Cited in this Chapter

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