

## 6 OTHER CEQA-MANDATED SECTIONS

### 6.1 GROWTH INDUCEMENT

California Environmental Quality Act (CEQA) Section 21100(b)(5) specifies that the growth-inducing impacts of a project must be addressed in an environmental impact report (EIR). Section 15126.2(d) of the State CEQA Guidelines provides the following guidance for assessing growth-inducing impacts of a project:

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 which would remove obstacles to population growth (a major expansion of a wastewater treatment plant might, for example, allow for more construction in service areas). Increases in the population may tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects. Also, discuss the characteristics of some projects which may encourage and 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.

A project can induce growth directly, indirectly, or both. Direct growth inducement would result if a project involved construction of new housing. Indirect growth inducement would result, for instance, if implementing a project resulted in any of the following:

- ▲ substantial new permanent employment opportunities (e.g., commercial, industrial, or governmental enterprises);
- ▲ substantial short-term employment opportunities (e.g., construction employment) that indirectly stimulates the need for additional housing and services to support the new temporary employment demand; and/or
- ▲ removal of an obstacle to additional growth and development, such as removing a constraint on a required public utility or service (e.g., construction of a major sewer line with excess capacity through an undeveloped area).

Growth inducement itself is not an environmental effect but may foreseeably lead to environmental effects. If substantial growth inducement occurs, it can result in secondary environmental effects, such as increased demand for housing, demand for other community and public services and infrastructure capacity, increased traffic and noise, degradation of air or water quality, degradation or loss of plant or animal habitats, conversion of agricultural and open-space land to urban uses, and other effects.

#### 6.1.1 Summary of Capitol Area Plan EIR Analysis of Growth-Inducing Impacts

The EIR prepared for the 1997 Capitol Area Plan (CAP) previously addressed growth-inducing impacts associated with development of State facilities within the Capitol Area as envisioned in the plan. The boundary of the Capitol Area encompasses the 1215 O Street Office Building Project Site, which is occupied by the vacant State-owned California Department of Food and Agriculture Annex (CDFA Annex) Building. Redevelopment of the CDFA Annex was not specifically proposed in the CAP (DGS 1997a), although it suggests examination of underutilized State properties, including the project site.

The analysis of growth inducement in the CAP EIR (DGS 1997b) concludes that implementing the plan would have the following growth-inducing effects:

- ▲ *Elimination of Obstacles to Growth.* Plan implementation would provide a policy for the State to consolidate its future office development within the Capitol Area instead of spreading the office development throughout the region. This would result in more office development in the downtown Sacramento area, possibly inducing localized growth.
- ▲ *Increased Demand on Secondary Markets.* Implementing the CAP would result in a substantial increase in the demand for support businesses and services in the downtown area; therefore, the plan would be a significant economic catalyst for downtown Sacramento.
- ▲ *Land Use Intensification.* Full buildout of State facilities consistent with the CAP may result in increased pressure to intensify land uses/development on many of the privately owned parcels within the Capitol Area.

### 6.1.2 Growth-Inducing Impacts of the Project

As of 2015, 1.8 million GSF of State owned facilities have been constructed in the Capitol Area, leaving the need to construct 1.3 million GSF to meet the CAP goal of 2.8 million GSF in the Capitol Area (DGS 2015). Although the CDFA Annex Building was not identified as an opportunity site for office development in the CAP, the CAP suggests examination of underutilized State properties, including the 1215 O Street site. The most recent 2015 CAP Progress Report described a site study prepared for DGS (DGS 2010) that recommended replacing the existing CDFA Annex with a new, larger office building. In addition, replacement of the CDFA Annex was identified as one of the initial projects in Governor Brown's 2016 Five-Year Infrastructure Plan. The proposed demolition of the CDFA Annex and construction of a new office building would be consistent with the State's CAP designation as "office," consistent with the 2015 CAP Progress Report recommendation, and consistent with the Governor's 2016 Infrastructure Plan (see Impact 4.2-2). The proposed office building would be larger (approximately 300,000 to 350,000 GSF) than the existing CDFA Annex (115,000 GSF), intensifying office space on the underutilized site and allowing for consolidation of State agencies in the Capitol Area, consistent with the principles of the CAP. The surface parking lot on O Street serving California Department of Veteran Affairs (CalVet) employees would remain a surface parking, not "residential" as designated in the CAP and the associated CAP Implementation Plan. However, the proposed addition of solar panels over the surface parking would not alter the existing land use, nor would it preclude future residential development on the surface parking lot; therefore, the proposed addition of solar panels to the site would not conflict with the "residential" designation. Although the project is consistent with the CAP, because replacement of the CDFA Annex was not specifically anticipated in the CAP and associated EIR, and because the EIR for the CAP was prepared in 1997 and substantial changes have occurred in downtown Sacramento since that time, a further analysis of the growth-inducing effects of the proposed 1215 O Street Office Building Project is provided here.

### GROWTH-INDUCING EFFECTS OF CONSTRUCTION

During peak construction activity, the project is estimated to generate between 175 and 225 temporary construction jobs. As identified in Table 4.3-3 of this DEIR, in 2000, 32,400 residents in Sacramento County were employed in the construction industry, construction jobs declined to 23,500 in 2010 and have since started to rise again with 30,700 construction jobs in 2015. Based on the 2015 unemployment rate of 6.0 percent for Sacramento County, approximately 1,800 construction employees could be available in Sacramento County. Construction jobs supporting the proposed project would be temporary and it is the nature of construction work that construction contractors bid and work on projects based on their availability and need for work, and in regions that are accessible to their work force. As existing construction projects near completion, contractors may seek out new construction projects to maintain employment for the same workers. Although it is possible that some construction workers could move to the city or the region as a result

of the proposed project and the cumulative projects, the existing labor force is anticipated to be sufficient to meet construction employment needs for these projects. Furthermore, the Sacramento 2035 General Plan anticipates continued growth in jobs and includes policies, such as Policy LU 2.8.6, that promote the designation of sufficient land and development potential for housing and employment opportunities for a range of incomes and household types throughout the city, and encourages a balance between job type, workforce, and housing development. For these reasons, substantial population growth or increases in housing demand in the region as a result of these construction jobs is not anticipated. Therefore, the project would not be expected to directly induce population growth by bringing substantial numbers of construction jobs to the area, or to result in associated increases in demand for housing or goods and services.

## **GROWTH-INDUCING EFFECTS OF OPERATION**

The project site is located within downtown Sacramento, which has an established roadway network and utilities infrastructure. The roadways providing access to and through downtown Sacramento in the project vicinity would not be altered, and no new roadways would be constructed. As with the building to be demolished, the new office building would connect to existing City of Sacramento water supply pipelines and the City's combined sewer system (CSS). As documented in Section 4.5, "Utilities," there is sufficient water supply and conveyance, CSS conveyance, and wastewater treatment capacity to serve the project. The project would not require new water entitlements, nor expanded, upgraded, or new water or wastewater infrastructure beyond the new building's connections. The State's Central Plant would provide heating and cooling; it also has sufficient capacity and conveyance to serve the new office building. The project would therefore not induce growth through extending roadway or utility infrastructure to new areas or from increasing infrastructure capacity.

The 1215 O Street Office Building would have sufficient office space to accommodate up to approximately 1,200 employees. It is anticipated that the new office building would initially be occupied by employees from the California Health and Human Services Agency (CHHS), the Department of State Hospitals (DSH), and the Department of Development Services (DDS). There are approximately 1,000 existing employees that would be transferred from existing State offices in downtown Sacramento, primarily the Bateson Building (see Exhibit 3-2). This transfer would not increase employment in downtown, but rather would shift the location of existing State employees. Additionally, between now and 2021 (the target year for occupancy of new O Street building), there is a projected increase of approximately 150 employees with CHHS, DSH, and DDS; the new O Street Office Building would be sized to accommodate this growth. In addition, the project's food court would generate approximately 12 full-time equivalent employees. With a city population of 485,683 (as of January 1, 2016) (California Department of Finance 2016), and additional residents nearby in Sacramento County, the City of West Sacramento, and Yolo County, it is expected that approximately 200 new jobs could be filled by the existing local pool of employable residents. Therefore, the potential growth in State employees with the CHHS, DSH, and DDS as well as the retail component of the project would not be expected to directly induce population growth by bringing substantial numbers of new jobs to the project vicinity, or to result in associated increases in demand for housing or goods and services.

Because the project would primarily consolidate existing State office workers rather than creating new employment opportunities, it would not directly induce growth. However, because the Bateson Building or other vacated State office space may be renovated and repopulated in the future, it could further concentrate State employees in downtown Sacramento and attract commensurate economic growth to the vicinity to satisfy demand for goods and services such as restaurants and retail. As explained in the Chapter 3, "Project Description," there are no details currently available regarding the timing or nature of renovation or future re-occupation of the Bateson Building and approval is not being sought through this environmental document or process. However, it is considered to be a reasonably foreseeable indirect effect of the project. In this respect, the proposed project would be indirectly growth inducing, which could foster both economic growth and demand for housing. As addressed in Section 4.3, "Population, Employment, and Housing," the ratio of jobs to housing units in the region is relatively balanced and is projected to remain balanced in future planning periods for the city and region. Although the 1215 O Street Office Building Project could, in the long term, indirectly contribute to the generation of approximately 1,000 new jobs in Sacramento

through the future renovation or replacement of the Bateson Building, when viewed in conjunction with current and future housing projects (such as Sacramento Commons and Rail Yards, see Chapter 5, “Cumulative Impacts”), overall housing opportunities in Sacramento should increase over time with the increased housing demand (See Tables 4.3-2 and 4.3-3 of this DEIR). Also, the City’s 2035 General Plan designates the project site, and the site of the existing Bateson Building, “Central Business District,” which contemplates relatively high intensity office uses with a floor area ratio (FAR) of up to 15.0. The level of office development for both the project and the re-use of the Bateson Building would be consistent with General Plan assumptions for employment generation and, subsequently, growth projections. Therefore, although the proposed project could indirectly induce growth by vacating and thus allowing the eventual re-use of the Bateson Building, the level of growth is anticipated in both local and regional plans and would not require development of housing or other facilities that is not identified in these plans.

## 6.2 SIGNIFICANT AND UNAVOIDABLE ADVERSE IMPACTS

The State CEQA Guidelines Section 15126.2(b) requires EIRs to include a discussion of the significant environmental effects that cannot be avoided if the proposed project is implemented. As documented throughout Chapter 4 (project level impacts) and Chapter 5 (cumulative impacts) of this DEIR, after implementation of the recommended mitigation measures, most of the impacts associated with the proposed 1215 O Street Office Building Project would be reduced to a less-than-significant level. The following impacts are considered significant and unavoidable; that is, no feasible mitigation is available to reduce the project’s impacts to a less-than-significant level.

### 6.2.1 Noise

#### Impact 4.8-1: Short-term construction-generated noise levels

Proposed construction areas would be in close proximity to existing noise-sensitive receptors. Most noise-generating construction activity would be performed during daytime hours, when construction noise is exempt from noise standards by the City of Sacramento Noise Control Ordinance. However, it is possible that construction activity may be required during the non-exempt evening and nighttime hours (6 p.m. to 7 a.m., Monday through Saturday, and between 6 p.m. and 9 a.m. on Sunday) for activities such as large continuous concrete pours. Thus, potential nighttime construction activities could expose nearby noise-sensitive receptors to noise levels that exceed City of Sacramento Noise Control Ordinance nighttime noise standards.

Implementation of Mitigation Measures 4.8-1a, Implement construction-noise reduction measures, and 4.8-1b, Implement additional measures to reduce exposure to construction noise reduction during noise-sensitive time periods, would provide substantial reductions in levels of construction noise exposure at noise-sensitive receptors by ensuring proper equipment use; locating noise-generating equipment away from sensitive land uses; requiring a temporary solid barrier around the project site and staging area; and requiring the use of enclosures, shields, and noise curtains (noise curtains typically can reduce noise by up to 10 dBA [EPA 1971]). Although, noise reduction would be achieved with implementation of these measures, reductions of up to 17 dBA would be required during more intensive nighttime construction (if necessary), to comply with the City of Sacramento’s nighttime interior standard of 45  $L_{eq}$ . Reductions of this magnitude are not expected to be achieved under all circumstances with implementation of Mitigation Measures 4.8-1a and 4.8-1b. Because it cannot be assured that nighttime construction will not be needed, and if needed that applicable noise standards can be met, this impact would not be reduced to a less-than-significant level.

Chapter 7, “Alternatives,” includes a discussion of alternatives to the project. Various alternatives considered in Chapter 7 would reduce or eliminate construction-generated noise, including alternatives related to renovating the existing building, the No Project Alternative, and implementing the project in another location. However, as described in Chapter 7, these alternatives may be infeasible, may not meet the basic project objectives, or may result in other environmental consequences.

Consequently, mitigation is available to only partially mitigate the impacts of the project on related to construction-generated noise. Therefore, this impact would be **significant and unavoidable** after application of all feasible mitigation measures.

## 6.2.2 Cultural and Tribal Cultural Resources

### Impact 4.12-4: Potential for Impacts on Historic Architectural Resources

Although the proposed project would not result in a substantial adverse effect to the five structures listed above, the demolition of the CDFA Annex Building would cause a substantial adverse change in the significance of this building and its contribution to the California State Government Building Complex. Therefore, the project would cause a significant impact on the environment as described in State CEQA Guideline 15064.5(b)(1), as discussed below.

- ▲ **CDFA Annex Building – 1215 O Street.** The CDFA Annex Building is proposed to be demolished and replaced by an 11-story office building. The building was identified as eligible for the NRHP as a contributor to the California State Government Building Complex historic district in the 1997 Capitol Area Plan Final EIR and is therefore considered a historical resource under CEQA Guidelines 15064.5(a)(3). The demolition of this historical resource would result in a substantial adverse change per CEQA Guideline 15064.5(b)(2)(C) which states that a resource is materially impaired when project work demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance and that justify its eligibility for inclusion in the CRHR as determined by a lead agency for purposes of CEQA.
- ▲ **California State Government Building Complex.** The demolition of the CDFA Annex Building (1215 O Street) would result in the loss of the building, a contributing resource to the NRHP-eligible California State Government Building Complex historic district and the introduction of a new state office building within the district boundary. The California State Government Building Complex historic district was identified as eligible for inclusion in the NRHP in the 1997 Capitol Area Plan Final EIR and is therefore considered a historical resource under CEQA Guidelines 15064.5(a)(3). Contributing features, such as the CDFA Annex Building, convey the significance of a historic district. The demolition of this contributing feature of the historic district would result in a substantial adverse change per CEQA Guideline 15064.5(b)(2)(C) which states that a resource is materially impaired when project work demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance and that justify its eligibility for inclusion in the CRHR as determined by a lead agency for purposes of CEQA.

Mitigation Measure 4.12-4, Preparation of a salvage report and documenting the historical resource, would minimize the impact caused by the demolition of the CDFA Annex Building on the subject building and on the California State Government Building Complex historic district, but would not reduce it to a level less than significant. The CDFA Annex building would still be removed and an adverse change to the California State Government Building Complex historic district would still occur. Therefore, this impact would not be reduced to a less-than-significant level.

Chapter 7, “Alternatives,” includes a discussion of alternatives to the project. Various alternatives considered in Chapter 7 would likely result in the retention of the existing CDFA Annex Building, including alternatives related to renovating the existing building, the No Project Alternative, and implementing the project in another location. However, as described in Chapter 7, these alternatives may be infeasible, may not meet the basic project objectives, or may result in other environmental consequences.

Consequently, mitigation is available to only partially mitigate the impacts of the project on this historic building and historic district. Therefore, this impact would be **significant and unavoidable** after application of all feasible mitigation measures.

## 6.3 SIGNIFICANT AND IRREVERSIBLE ENVIRONMENTAL CHANGES

The State CEQA Guidelines requires a discussion of any significant irreversible environmental changes that would be caused by the project. Specifically, the State CEQA Guidelines section 15126.2(c) states:

Uses of nonrenewable resources during the initial and continued phases of the project may be irreversible, since a large commitment of such resources makes removal or nonuse thereafter unlikely. Primary impacts and, particularly, secondary impacts (such as highway improvement which provides access to a previously inaccessible area) generally commit future generation to similar uses. Also, irreversible damage can result from environmental accidents associated with the project. Irretrievable commitments of resources should be evaluated to assure that such current consumption is justified.

The project would result in the irreversible and irretrievable commitment of energy and material resources during construction and operation, including the following:

- ▲ construction materials, including such resources as soil, rocks, wood, concrete, glass, and steel;
- ▲ water supply for project construction and operation; and
- ▲ energy expended in the form of electricity, natural gas, diesel fuel, gasoline, and oil for equipment and transportation vehicles that would be needed for project construction and operation.

These nonrenewable resources would represent only a modest portion of the resources available in the region and would not affect the availability of these resources for other needs within the region.

Demolition and construction activities would not result in inefficient use of energy or natural resources. During demolition of the CDFR Annex, materials such as concrete and steel would be separated, sorted, and recycled. During construction, contractors would use best available engineering techniques, construction and design practices, and equipment operating procedures.

Project operation would not result in substantial long-term consumption of energy and natural resources. The project's goal is to achieve Zero Net Energy, that is, the total amount of energy used by the building on an annual basis would be approximately equal to the amount of renewable energy created on the site. The project would exceed the 2016 Building Energy Efficiency Standards and would meet or exceed Leadership in Energy and Environmental Design (LEED) version 4 (v4) Silver certification (see Section 4.5, "Utilities and Infrastructure," Impact 4.5-7). Energy Star office equipment, energy efficient computer monitors, and LED (light-emitting diode) lighting would be used throughout the building. Electrical metering and control systems would be installed to control systems and monitor electrical loads on a per system basis (e.g., lighting, mechanical) and on a per floor basis. The project would include approximately 70,000 square feet of solar photovoltaic (PV) panels mounted on the roof, south building face, and over the CalVet parking lot to provide energy to building. The solar power system would be connected to the SMUD system and any additional energy from SMUD to serve the building (e.g., at night) would be from 100 percent renewable resources. In addition, the office building would include water conservation and reuse measures that exceed 2016 Title 24 water efficiency requirements. All plumbing fixtures in the building would be low-flow/high-efficiency fixtures, and greywater from the building (non-food-service sinks, drinking fountain drains, shower drains, air conditioning condensate, and rainwater) would be collected, treated, stored, and reused in the building for flushing toilets and urinals. Public transit would be available for use by employees because project site is located within 500 feet of Sacramento Regional Transit's Archives Plaza light rail station and there are several different bus routes and transit providers (e.g., Sacramento Regional Transit, El Dorado Transit) within four blocks of the site. Finally, employee bicycle parking and showers and lockers would be provided in the office building.