

### 5.1 INTRODUCTION

*CEQA Guidelines* Section 15126.2(d) requires consideration of the potential growth-inducing impacts of proposed projects. As stated, the CEQA section requires that an EIR “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 characteristic of some projects which may encourage and facilities 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.”

This section of the Draft EIR also contained an analysis of Project’s effect on the following threshold of significant contained in Appendix G of the CEQA Guidelines.

*Would the project induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure).*

Note that the remaining population and housing-related thresholds of significant are covered in Section 8.0, *Effects Found Not to Be Significant*.

### SUMMARY

The Project, by definition, is intended to facilitate future development within the Temecula Valley Wine Country in a manner consistent with the Project, based on input from various stakeholders including the Advisory Committee. The Project is designed to encourage a substantial increase in the number of wineries and related commercial-tourist land uses, in addition to allowing a balance of equestrian and residential uses to retain the overall distinct feel of the Wine Country. The County and other stakeholders are or will be working on various infrastructure improvement and implementation plans to provide the necessary infrastructure to allow for this additional development, including roads, wastewater and water supply, thereby removing current obstacles to development. Therefore, by definition, the Project is “growth-inducing”. The significance of Project-related growth is addressed throughout Section 4 of this EIR. Project-related growth will include various secondary growth related to public services, vendors and construction industry jobs on both a short-term and long-term basis. The following discussion focuses on comparing the Project with the existing County General Plan and related zoning designations.

## 5.2 EXISTING CONDITIONS

### ENVIRONMENTAL SETTING

#### Population Growth

Population, housing, and employment data are available on a city, county, regional and sub-regional, and state level. In its January 13, 2010 comment letter on the NOP for this Draft EIR, the Southern California Association of Governments (SCAG) provided region-wide, sub-region (WRCOG), and County growth forecasts derived from the 2008 Regional Transportation Plan (RTP)<sup>1</sup> carried through 2035. The SCAG 2008 RTP Growth Forecasts through 2035 are provided in Table 5.0-1, *SCAG Population, Housing and Employment Forecast*).

Current (2011) population and housing estimates are also derived from the State Department of Finance (DOF), which updates its population and housing numbers on an annual basis from a year 2000 baseline. These are presented in Table 5.0-2, *County of Riverside Population Growth 1980-2011*. In addition, this section references forecasts provided in 2010 to SCAG by WRCOG as part of the preparation process for the 2012 update of the RTP. These are presented in Tables 5.0-3 (*2010 WRCOG Long-range Growth Forecast for 2012 RTP/SCS/RHNA*) and 5.0-4 (*SCAG – Local Input – General Plan Forecasts for 2012 RTP - Unincorporated WRCOG*). Additional growth forecasts for the Western Riverside County subregion and unincorporated Riverside County from 2000 through 2030 are contained in Western Riverside County, a *Collection of Profiles, Indicators and Maps*<sup>2</sup>, published by WRCOG in July 2006.

The DOF prepares annual estimates of population and housing based on an analysis of data from a variety of sources. According to the May 2011 DOF report<sup>3</sup>, unincorporated Riverside County had a population of approximately 457,320 in 2011 (January 1<sup>st</sup>); refer to Table 5.0-2, *County of Riverside Population Growth 1980-2011*. Since the population data provided by the DOF are computed and updated annually, it is considered more reflective of current conditions than the population forecasts contained in the 2008 SCAG RTP Growth Forecasts. For this reason, DOF data will be used in the analysis to provide existing conditions, where it is available.

The 2008 RTP growth forecast reflects a period of accelerated regional growth that subsequently slowed dramatically as the recession of 2008-2009 impacted the subregion. The recession of 2008-2009 resulted in a dramatic slowing of population, housing, and economic growth in the Inland Empire and accounts for some of the differences between the projected population, housing and employment forecasts in the 2008 RTP and subsequent forecasts from SCAG, WRCOG, and DOF. In addition, unincorporated Riverside County's population growth rate began to drop dramatically beginning in 2007. Similarly, the County as a whole began to experience a substantial decrease in its population growth rate beginning in 2006.

The unincorporated County 2010 population is estimated by DOF at approximately 466,806, which is considerably lower (24 percent) than the 2008 SCAG forecast of 617,241. However, this discrepancy can be partially attributed to the incorporation of the new Cities of Wildomar and Menifee, which have a 2010 population estimate of 31,907 and 68,905, respectively. If Wildomar and Menifee are added to

<sup>1</sup> Southern California Association of Governments, *2008 Regional Transportation Plan (RTP)* (May 2008).

<sup>2</sup> Western Riverside Council of Governments, *A Collection of Profiles, Indicators and Map* (July 2006).

<sup>3</sup> California Department of Finance (DOF), <http://www.dof.ca.gov/>, accessed August 18, 2011.

the DOF 2010 population estimate for unincorporated Riverside County (for ease of comparison), the population figure would increase to 567,618—still 8 percent less than the 2008 SCAG forecast.

SCAG is currently gathering data for the preparation of the 2012 RTP update. Table 5.0-3, *2010 WRCOG Long-range Growth Forecast for 2012 RTP – Unincorporated WRCOG Subregion*, and Table 5.0-4, *SCAG – Local Input – General Plan Forecasts for 2012 RTP - Unincorporated WRCOG Subregion* provide population forecasts reflective of current and anticipated growth rates through 2035. As indicated in Table 5.0-3, by 2020 the unincorporated WRCOG subregion’s General Plan population estimate of 431,592 is fairly consistent with the subregion’s forecast shown in Table 5.0-4, but well below the SCAG 2008 RTP forecast of 664,725 in Table 5.0-1. The 2035 Riverside County General Plan population forecast for the unincorporated WRCOG subregion of 550,296 is also well below the SCAG 2008 RTP forecast of 845,475, but comparable to the 2010 *WRCOG Long-Range Growth Forecast*. Given the differences between the various sources of data and the uneven and unpredictable impact of the post-recession economic recovery regionally and locally, all currently available population forecasts should be regarded only as potential trend indicators.

Table 5.0-1  
SCAG Population, Housing and Employment Forecasts

	2010	2015	2020	2025	2030	2035
<b>Adopted Unincorporated Riverside County Forecasts*</b>						
Population	617,241	710,478	854,662	988,192	1,104,571	1,243,632
Households	195,391	225,127	274,912	318,088	357,579	401,356
Employment	144,184	181,733	220,862	260,399	300,196	337,791
<b>Adopted Unincorporated Western Riverside County Association of Governments (WRCOG) Forecasts *</b>						
Population	526,517	592,744	664,725	728,423	783,621	845,475
Households	166,479	187,853	214,737	234,324	252,975	273,407
Employment	121,804	155,519	189,732	223,967	258,430	288,745
<b>Adopted SCAG Region Forecasts*</b>						
Population	19,418,344	20,465,830	21,468,948	22,395,121	23,255,377	24,057,286
Households	6,086,986	6,474,074	6,840,328	7,156,645	7,449,484	7,710,722
Employment	8,349,453	8,811,406	9,183,029	9,546,773	9,913,376	10,287,125
Source: SCAG 2008 Regional Transportation Plan Growth Forecast						
* The 2008 RTP growth forecast at the regional, subregional, county level was adopted by the Regional Council in May 2008. Totals are the sum of small data and should be used for advisory purposes only.						

Table 5.0-2  
County of Riverside Population Growth 1980 - 2011

Year	1980 <sup>a,1</sup>	1990 <sup>b,2</sup>	2000 <sup>3</sup>	2008 <sup>3</sup>	2009 <sup>3</sup>	2010 <sup>4</sup>	2011 <sup>4</sup>
<b>Unincorporated County Population</b>	N/A	385,384	420,721	552,528	459,193 <sup>c</sup>	501,968	457,320 <sup>d</sup>
<b>County Total Population</b>	669,800	1,170,413	1,545,387	1,524,655	2,109,882	2,179,692	2,217,778

Source:

State of California, Department of Finance, *Revised Race/Ethnic Population Estimates: Components of Change for California Counties, July 1970 — July 1990*. Sacramento, California, September 2007.

State of California, Department of Finance, *E-8 Historical Population and Housing Estimates for Cities, Counties and the State, 1990-2000*. Sacramento, California, August 2007.

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark*. Sacramento, California, May 2010.

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2010-2011, with 2010 Benchmark*. Sacramento, California, May 2011.

State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2010 and 2011*. Sacramento, California, May 2011.

Notes:

a. Estimate date: July, 1880; all other estimate year dates (excluding 1990): January 1.

b. Estimate date: April 1, 1990; all other estimate year dates (excluding 1980): January 1.

c. The new Cities of Menifee and Wildomar incorporated in 2008 in Riverside County. Their respective populations were subtracted from the unincorporated Riverside County population estimate for year 2009.

d. The new City of Eastvale incorporated in October 2010 in Riverside County with an estimated current population of 54,303. This figure was subtracted from the unincorporated Riverside County population estimate for year 2011.

Table 5.0-3  
2010 WRCOG Long-Range Growth Forecast for 2012 RTP/SCS/RHNA  
Unincorporated WRCOG Subregion

	2010	2015	2020	2025	2030	2035
Population	386,560	404,751	452,492	512,987	566,639	585,833
Households	133,340	141,126	158,769	177,403	194,010	209,679
Employment			124,463			213,778

Source: WRCOG Long-range Growth Forecast Updated as of 4/8/10 by Riverside Center for Demographic Research.

<http://www.wrcog.cog.ca.us/content/library.asp?id=60>

RTP – Regional Transportation Plan

SCS – Sustainable Communities Strategies

RHNA – Regional Housing Needs Assessment

Table 5.0-4  
SCAG – Local Input – General Plan Forecasts for 2012 RTP  
Unincorporated WRCOG Subregion

	2008	2020	2035
Population	357,901	431,592	550,296
Households	111,514	136,958	174,767
Employment	86,483	131,134	232,679

Source: SCAG 2012 Local Input/General Plan Growth Forecast for 2012 RTP

<http://www.scag.ca.gov/forecast/index.htm>



**Housing**

A household is defined by the DOF and the U.S. Census as a group of people who occupy a housing unit. The number of households in a give area differs from the number of dwelling units because the number of dwelling units counted includes both occupied and vacant units. According to 2010 DOF estimates, there were approximately 425,288 housing units in unincorporated Riverside County in 2010. Table 5.0-5 (*Riverside County Housing Characteristics, 2000-2010*) is taken from DOF *Table E-5 City/County Population and Housing Estimates, 2001-2010, with 2000 Benchmark* and details housing currently available in the unincorporated County areas.

The number of future households in unincorporated Riverside County varies by forecast: both the 2008 SCAG RTP and 2010 *WRCOG Long-range Growth Forecast* foresee a need for 209,679 housing units by 2035, while the County General Plan provided to SCAG in 2010 anticipates a somewhat lower 174,767.

Table 5.0-5  
Riverside County Housing Characteristics, 2000-2010

Unincorporated Riverside County						
	2000		2005		2010	
Housing type	Number of Units	Percent Total	Number of Units	Percent Total	Number of Units	Percent Total
Single Detached	256,760	60.4%	320,717	63.6%	404,789	66.1%
Single Attached	38,107	9.0%	38,486	7.6%	41,670	6.8%
Multi-Family 2-4 Units	26,722	6.3%	27,913	5.5%	30,230	4.9%
Multi-Family 5+ Units	67,520	15.9%	77,485	15.4%	89,542	14.6%
Mobile Homes	36,179	8.5%	39,761	7.9%	46,271	7.6%
Total	425,288		504,362		612,502	
Riverside County						
	2000		2005		2010	
Housing Type	Number of Units	Percent Total	Number of Units	Percent Total	Number of Units	Percent Total
Single Detached	356,451	61.0%	448,632	65.0%	524,172	66.8%
Single Attached	42,301	7.2%	42,659	6.2%	44,844	5.7%
Multi-Family 2-4 Units	30,192	5.2%	31,332	4.5%	33,243	4.2%
Multi-Family 5+ Units	72,842	12.5%	83,714	12.1%	96,377	12.2%
Mobile Homes	82,888	14.2%	83,529	12.1%	85,721	11.0%
Total	584,674		689,866		784,357	

Source: State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark*. Sacramento, California, May 2010.

**Future Housing Needs**

The Regional Housing Needs Assessment (RHNA) is the process SCAG utilizes to track the housing opportunities within its jurisdiction. The RHNA determines the development capacity each local government must identify and zone for during the housing element planning period; provides a policy-based projection of household growth, with vacancy and replacement housing allowances; and addresses the housing needs of all income groups resulting from population and employment growth

and change (e.g., a “fair share” plan). Based on projected population growth and availability of land uses, SCAG assigns each jurisdiction its “fair share” target for how much housing is expected to be added during a specified time period. Each jurisdiction is expected to make a good-faith effort to meet its assigned housing target, or face the possibility of becoming ineligible for various federal and state revenues.

The affordability distribution of new units is derived from the household income distribution of households in Riverside County, plus a fair share adjustment determined by SCAG. For the Riverside County unincorporated area the 2006-2014 SCAG RHNA established an affordable housing (i.e., units affordable to low- and very low-income households) percentage goal of 40.1 percent of the 56,368 housing units projected for the County during this timeframe.<sup>4</sup> Table 5.0-6, *RHNA Allocation of Housing Units for Unincorporated Riverside County from the Final RHNA Plan- Planning Period of January 1, 2006 to June 30, 2014*, quantifies the County’s RHNA housing allocation by income group.

Table 5.0-6  
RHNA Allocation of Housing Units for Unincorporated Riverside County from the Final RHNA Plan-  
Planning Period of January 1, 2006 to June 30, 2014

Household Income Category	HUD Income Threshold for 4-Person Household Issued 4/2010	RHNA Goal	Percentage
Very Low	\$19,650 (30% of Median) to \$32,750 (very low)	13,343	23.7%
Low	\$32,750 (very low) to \$52,400 (low income)	9,267	16.4%
Moderate	\$52,400 to \$78,600 per year	N/A	N/A
Above Moderate	Greater than \$78,600 per year	N/A	N/A
<b>Total</b>		<b>56,368</b>	

Source:

1. HUD Income Limits 2011 (California). <http://www.huduser.org/portal/datasets/il/il11/ca.pdf>, accessed 7/14/2011.
2. SCAG RHNA Final Allocation Plan. July 12, 2007. [http://www.scag.ca.gov/housing/pdfs/rhna/RHNA\\_FinalAllocationPlan071207.pdf](http://www.scag.ca.gov/housing/pdfs/rhna/RHNA_FinalAllocationPlan071207.pdf), accessed 7/14/2011.

Very low = less than 50% of adjusted area median income (AMI); low income = 50 – 80% of AMI; moderate income = 80-120% of AMI; above moderate income= over 120% ami.

It should be noted that the median home price in unincorporated Riverside County is only slightly lower than Riverside County as a whole. In 2010, the median home price was \$199,208, or approximately \$792 less than the County’s median home price of \$200,000.<sup>5</sup> Accordingly, housing is slightly more affordable in unincorporated Riverside County than in the County as a whole.

<sup>4</sup> Southern California Association of Governments, *Final Regional Housing Need Allocation Plan – Planning Period (January 1, 2006 – June 30, 2014) for Jurisdictions within the Six-County SCAG Region (approved by the SCAG Regional Council on July 12, 2007)*, [http://www.scag.ca.gov/housing/pdfs/rhna/RHNA\\_FinalAllocationPlan071207.pdf](http://www.scag.ca.gov/housing/pdfs/rhna/RHNA_FinalAllocationPlan071207.pdf), accessed June 14, 2011.

<sup>5</sup> Southern California Association of Governments, *Profile of the Unincorporated Area of Riverside County, May 2011*, <http://www.scag.ca.gov/resources/pdfs/2011LP/UnIncRiversideCounty.pdf>, accessed June 14, 2011.

The affordability of housing in the Inland Empire relative to adjacent coastal markets has been the engine driving regional growth for decades. Housing in unincorporated Riverside County is affordable relative to other nearby Inland Empire markets that are prime locations for employment-generating warehousing, logistics, and trucking and shipping enterprises.

### **Economic Expansion and Employment**

In April 2011 the civilian labor force in Riverside County totaled approximately 894,600 persons, of whom 773,600 were employed. The unemployment rate was 13.5 percent.<sup>6</sup> According to the May 2011 *Profile of the Unincorporated Area of Riverside County* published by SCAG, in 2010 total jobs in the unincorporated area reached 88,721, about 16 percent lower than its 2007 level. During that same timeframe, manufacturing jobs decreased by 31.1 percent, construction jobs decreased 48.5 percent below 2007 levels, retail jobs decreased by a net of 10.9 percent, while professional and management jobs decreased by 17.9 percent.

In 2010, the largest percentage of unincorporated Riverside County's civilian labor force (16.4 percent) was employed in health care and education. The second largest concentration of the labor force (approximately 13.6 percent) was in leisure-hospitality. Based on SCAG's 2010 *WRCOG Long-Range Growth Forecast*, approximately 213,778 jobs would be provided in unincorporated Riverside County by 2035. Other recent data provided by WRCOG and the County through SCAG, contained in Table 5.0-4, forecast approximately 232,679 local jobs by 2035.

## **5.3 DIRECT GROWTH-INDUCTING IMPACTS IN THE SURROUNDING ENVIRONMENT**

A project would directly induce growth if it would remove barriers to population growth such as a change to a jurisdiction's General Plan and Zoning Ordinance which allowed new residential development to occur. The Project would be developed through revisions, updates and additions to the Southwest Area Plan (SWAP) and adoption of revisions to the Riverside County Zoning Ordinance No. 348 which would accommodate future growth and allow for commercial tourism activities that are incidental to viticulture activities, as well as equestrian and residential uses.

### **Population Growth**

The Project, when implemented, is projected to produce a buildout population decrease (in comparison with current General Plan and zoning) in the Project area by allowing the development of 1,119 less dwelling units compared to the amount the current General Plan land use designations would allow. Utilizing an average of 3.16<sup>7</sup> persons per household and a healthy community vacancy rate of 5 percent, the decrease of 1,119 dwelling units could result in a total population reduction of approximately 3,371 persons. However, in comparison to existing conditions, population growth will still occur within the Project area, increasing the number by 5,770 persons under the Project. Under the current General Plan an increase of 9,141 persons is expected. As noted in Section 6, *Alternatives to the Proposed Action*, population growth would occur with or without the Project.

<sup>6</sup> California Economic Development Department, *Monthly Labor Force Data for Cities and Census Designated Places (CDP)*, April 2011, (<http://www.labormarketinfo.edd.ca.gov/?pageid=1006>), accessed on June 14, 2011.

<sup>7</sup> Source: County of Riverside, *Temecula Valley Wine Country Land Use Build-Out Assumptions and Methodology* (refer to Appendix J).

This population growth would occur unevenly over a period of approximately 25 years. The speed and impact of that growth would be determined by market demand and absorption rates that cannot be predicted at this time. Population growth may be attributed to temporary employment generated by construction within the Project area and subsequent permanent employment generated by the Project's winery and equestrian uses, which is estimated to reach 44,004 employees and tourists (compared to the 55,207 employees and tourists projected using the current General Plan land use designations).<sup>8</sup> The new residents will also have an impact on the overall economy of the area and their demand for services.

As noted, it would be speculative to estimate the Project contributions to County population on an annual or even 5-year incremental basis; however, it is important to note that the County's current General Plan and its Housing Element included the projected build out of the current land use designations in estimating population growth in the County, and this was and continues to be carried through in the County, sub-region, and regional forecasts, as illustrated by Tables 5.0-1 through 5.0-5.

Compared with existing conditions, the Project represents a substantial increase in population over existing conditions, although this population increase is less than what is allowed under current General Plan and zoning.

On a General Plan buildout level (comparing the Project to current General Plan and zoning), the estimated Project-generated population would represent in a 36.9 percent decrease compared to the Project area's 2010 population using General Plan land uses as the basis for calculating projections. This drop of 3,371 persons represents approximately one-half percent of the total 2010 population estimate for unincorporated Riverside County and the unincorporated WRCOG subregion, and less than 0.02 percent for the SCAG region. This projected decrease would still allow for a population that is well within the forecasted population increase for unincorporated Riverside County, the unincorporated WRCOG subregion, and the SCAG region by the County's General Plan, the 2008 SCAG RTP growth projections, and the WRCOG 2010 long-term population forecasts through 2035. Accordingly, while the projected population decrease in Riverside County attributable to the Project is large, the impact related to the direct and indirect decrease in population allowed by the project would be considered less than significant because it would not conflict with adopted local and regional plans.

### **Housing**

Compared to existing conditions, the Project would allow for a substantial increase in dwelling units, although this is considerably less than allowed under the current County General Plan and zoning. The residential growth, over time, would be focused in the proposed Wine Country-Residential District (although residential uses exist throughout the Wine Country, and other residential uses may be developed in the Wine Country – Winery and Wine Country – Equestrian Districts, either as conditionally permitted uses, uses approved prior to the Project being adopted and in force, or existing non-conforming uses.

On a General Plan and zoning level, at buildout, the Project would allow up to 1,916 dwelling units, while under the current General Plan the Project area could support up to 3,035 dwelling units. Table 5.0-7, *Comparison of Allowable Dwelling Units by Land Use Designation* compares the amount of

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<sup>8</sup> Source: County of Riverside, *Temecula Valley Wine Country Land Use Build-Out Assumptions and Methodology* (refer to Appendix J).



allowable dwelling units by foundation component and land use designation between the current General Plan land use designations and the Project land use assumptions.

The approximately 1,119 housing unit decrease (compared to current General Plan and zoning, at buildout), when subtracted from the County's future housing inventory by the Project at its build-out (year 2035) would represent approximately one-half percent of the total unincorporated WRCOG subregion's households projected for 2035, assuming that the Project area is built out at that time. Note that the number of households in a given area differs from the number of dwelling units because the number of dwelling units counted includes both occupied and vacant units). The decrease of the housing proposed by the project would not result in a conflict with any local, WRCOG, or SCAG plan projections.

The potential housing unit reduction (compared with current General Plan and zoning) can easily be absorbed by the surrounding area, including unincorporated Riverside County, the unincorporated WRCOG subregion, and the SCAG region's projected housing stock.

This Project is designed to ensure that the region develops in a more orderly manner that maximizes the area's viticulture and related uses, and balances the need to protect existing rural lifestyles in the area. The Project would institute provisions to ensure that future growth is balanced and coordinated with the appropriate public services and infrastructures. It would also coordinate where, and under what circumstances, future growth should be accommodated. While a decrease in allowable dwelling units would occur, as stated above, this decrease would represent approximately one-half percent of the total unincorporated WRCOG subregion's housing stock projected for 2035 (refer to Table 5.0-3 and 5.0-4), assuming that the project area is built out at that time. The decrease of the housing proposed by the project would not result in a conflict with goals and policies of the County's Housing Element, as the project evolves over the implementation period of the Project.

The affordability of housing in the Inland Empire relative to adjacent coastal markets has been the engine driving regional growth for decades. Housing in unincorporated Riverside County is affordable relative to other nearby Inland Empire markets that are prime locations for employment-generating warehousing, logistics, and trucking and shipping enterprises. The increase in housing stock for unincorporated Riverside County projected by the County, WRCOG, and SCAG would not be significantly affected by the reduction of dwelling units resulting from the Project due to the relative size of this reduction compared to the WRCOG unincorporated subregion area overall. Adjacent unincorporated areas of the County could in the future provide the necessary housing opportunities that accommodate regional economic expansion and job growth. The decrease of the housing proposed by the Project would not result in a conflict with any local, WRCOG, or SCAG plan projections.

### **Economic Expansion and Employment**

Implementation of the Project would result in significant new investment in the community, bringing with it a large number of job opportunities, new jobs in the construction and manufacturing sectors and new employment-boosting demands for service, manufacturing, and agriculture as classified in the 2007 Economic Census. Table 5.0-8, *Comparison of Employment by Land Use Designation* quantifies the potential growth of local employment generated by implementation of the Project, compared to the existing General Plan. This table estimates the potential long-term economic benefit of the Project.

Table 5.0-7  
Comparison of Allowable Dwelling Units by Land Use Designation

	Existing General Plan	Proposed Project
	DU	DU
<b>AGRICULTURE FOUNDATION COMPONENT</b>		
Agriculture (AG)	308	482
<b>Agriculture Foundation Sub-Total:</b>	<b>308</b>	<b>482</b>
<b>RURAL FOUNDATION COMPONENT</b>		
Rural Residential (RR)	969	465
Rural Mountainous (RM)	29	19
Rural Desert (RD)	0	0
<b>Rural Foundation Sub-Total:</b>	<b>998</b>	<b>484</b>
<b>RURAL COMMUNITY FOUNDATION COMPONENT</b>		
Estate Density Residential (RC-EDR)	1,150	950
Very Low Density Residential (RC-VLDR)	0	0
Low Density Residential (RC-LDR)	0	0
<b>Rural Community Foundation Sub-Total:</b>	<b>1,150</b>	<b>950</b>
<b>OPEN SPACE FOUNDATION COMPONENT</b>		
Open Space-Conservation (OS-C)	NA	NA
Open Space-Conservation Habitat (OS-CH)	NA	NA
Open Space-Water (OS-W)	NA	NA
Open Space-Recreation (OS-R)	NA	NA
Open Space-Rural (OS-RUR)	0	0
Open Space-Mineral Resources (OS-MIN)	NA	NA
<b>Open Space Foundation Sub-Total:</b>	<b>0</b>	<b>0</b>
<b>COMMUNITY DEVELOPMENT FOUNDATION COMPONENT</b>		
Estate Density Residential (EDR)	0	0
Very Low Density Residential (VLDR)	5	0
Low Density Residential (LDR)	0	0
Medium Density Residential (MDR)	574	0
Medium-High Density Residential (MHDR)	0	0
High Density Residential (HDR)	0	0
Very High Density Residential (VHDR)	0	0
Highest Density Residential (HHDR)	0	0
Commercial Retail (CR)	NA	NA
Commercial Tourist (CT)	NA	NA
Commercial Office (CO)	NA	NA
Light Industrial (LI)	NA	NA
Heavy Industrial (HI)	NA	NA
Business Park (BP)	NA	NA
Public Facilities (PF)	NA	NA
Community Center (CC)	0	0
Mixed Use Planning Area (MUPA)	0	0
<b>CD Foundation Sub-Total:</b>	<b>579</b>	<b>0</b>
<b>SUB-TOTAL FOR ALL FOUNDATION USES:</b>	<b>3,035</b>	<b>1,916</b>

Source: Temecula Valley Wine Country Land Use Build-out Assumptions and Methodology (Appendix J).

Table 5.0-8  
Comparison of Employment by Land Use Designation

	Existing General Plan Employees	Proposed Project Employees/Other <sup>1</sup>
<b>AGRICULTURE FOUNDATION COMPONENT</b>		
Agriculture (AG)	308	482
<b>Agriculture Foundation Sub-Total:</b>	<b>308</b>	<b>482</b>
<b>RURAL FOUNDATION COMPONENT</b>		
Rural Residential (RR)	NA	NA
Rural Mountainous (RM)	NA	NA
Rural Desert (RD)	NA	NA
<b>Rural Foundation Sub-Total:</b>	<b>0</b>	<b>0</b>
<b>RURAL COMMUNITY FOUNDATION COMPONENT</b>		
Estate Density Residential (RC-EDR)	NA	NA
Very Low Density Residential (RC-VLDR)	NA	NA
Low Density Residential (RC-LDR)	NA	NA
<b>Rural Community Foundation Sub-Total:</b>	<b>0</b>	<b>0</b>
<b>OPEN SPACE FOUNDATION COMPONENT</b>		
Open Space-Conservation (OS-C)	NA	NA
Open Space-Conservation Habitat (OS-CH)	NA	NA
Open Space-Water (OS-W)	NA	NA
Open Space-Recreation (OS-R)	NA	NA
Open Space-Rural (OS-RUR)	0	0
Open Space-Mineral Resources (OS-MIN)	NA	NA
<b>Open Space Foundation Sub-Total:</b>	<b>0</b>	<b>0</b>
<b>COMMUNITY DEVELOPMENT FOUNDATION COMPONENT</b>		
Estate Density Residential (EDR)	NA	NA
Very Low Density Residential (VLDR)	NA	NA
Low Density Residential (LDR)	NA	NA
Medium Density Residential (MDR)	NA	NA
Medium-High Density Residential (MHDR)	NA	NA
High Density Residential (HDR)	NA	NA
Very High Density Residential (VHDR)	NA	NA
Highest Density Residential (HHDR)	NA	NA
Commercial Retail (CR)	0	0
Commercial Tourist (CT)	54,899	43,522
Commercial Office (CO)	0	0
Light Industrial (LI)	0	0
Heavy Industrial (HI)	0	0
Business Park (BP)	0	0
Public Facilities (PF)	0	0
Community Center (CC)	0	0
Mixed Use Planning Area (MUPA)	0	0
<b>CD Foundation Sub-Total:</b>	<b>54,899</b>	<b>43,522</b>
<b>SUB-TOTAL FOR ALL FOUNDATION USES:</b>	<b>55,207</b>	<b>44,004</b>

Source: Temecula Valley Wine Country Land Use Build-out Assumptions and Methodology (Appendix J).

Note: [1] Other refers to the estimate of tourists and other temporary special occasion factors resulting from a given land use designation.

Based on the number of employees and tourists typically associated with a given amount of winery building space, the Project could provide 44,004 additional jobs, tourists, and other temporary special occasion factors. Although this is a “reduction” in job creation compared to current General Plan and zoning, it nonetheless represents a substantial increase in employment due to increasing the number of wineries from the current approximately 42 wineries to the estimated 105 wineries, more than doubling the wineries and associated commercial/tourist employment.

### **Establishment of a Precedent-Setting Action**

The Project would be developed on 18,990 acres. This Project would decrease the maximum allowable dwelling units by 1,119 and the projected population by 3,371 compared to the existing General Plan, but could result in the creation of jobs/tourists by 44,004. However, it should be noted that the existing General Plan “employee” figures above do not include tourists/visitors, while the proposed Project “employee/other” figures do. As such, this Table 5.0-8 is not intended to be used as a direct comparison of potential jobs resulting from implementation of the existing General Plan and proposed Project.

Currently, the Project site has an existing population of 5,174 and 1,754 dwelling units according to 2010 Census data. Based on the 1,916 dwelling units that could be developed as a result of the Project, an increase of 162 dwelling units and 880 resident compared to existing conditions are anticipated.

Since the Project is an amendment to the existing General Plan and Zoning Ordinance which could result in the creation of 44,004 total jobs and tourists, it is considered a precedent-setting action. Based on the employment projections in the SCAG’s 2010 *Profile of the Unincorporated Area of Riverside County (May 2011)* for year 2010 and the *General Plan Forecasts for the 2012 RTP* for year 2035, unincorporated Riverside County is expected to add approximately 200,000 jobs between years 2010 and 2035. With the addition of 44,004 jobs and tourists, the Project would contribute a significant percent of the projected job growth in the unincorporated area of Riverside County.

Riverside County as a whole is expected to add more than 600,000 jobs. With the generation of 44,004 additional jobs and tourists, the Project would contribute a large percent of the total job growth in the County during this time period, the Project would be considered growth-inducing in this regard. The Project would allow for infrastructure and public service improvements (such as roadway improvements, potable water, wastewater, and reclaimed water conveyance facilities) to accommodate this planned growth.

### **Encroachment on Open Space**

The Project would change the visual character of the Project area resulting from implementing project activities associated with new wineries, equestrian, and residential uses on vacant/ agricultural lands and/or the expansion of existing uses (i.e., wineries, equestrian facilities, single-family homes). However, the proposed Temecula Valley Wine Country Policy Area policies require wineries to plant vineyards on 75 percent of their project site and cluster residential implementing projects to ensure at least 75 percent of the project area is permanently set-aside as vineyard or equestrian land. In addition, these policies establish minimum large lot size requirements throughout the Project area.

## 5.4 INDIRECT GROWTH-INDUCTING IMPACTS

### Removal of an Impediment to Growth

A project would indirectly induce growth if it would increase the capacity of infrastructure in an area in which public services currently meet demand. Examples would be increasing capacity of a sewer treatment plant, or a roadway beyond that needed to meet existing demand.

The Project includes various infrastructure improvements which may facilitate future implementing projects. These include:

- Additional domestic water distribution pipelines through Rancho California Water District (RCWD);
- Additional wastewater (sewer) system facilities through Eastern Municipal Water District (EMWD) (a Sewer Study has been completed to address increased wastewater needs resulting from the Project,<sup>9</sup> and a financing and phasing plan is in progress to implement Phase 1 improvements);
- Improved groundwater recharge facilities with construction of up to 18 new groundwater wells through the RCWD service area; and
- Additional drainage facilities in the form of site-specific on-site drainage improvements, as determined by the Riverside County Flood Control and Water Conservation District.
- Roadway improvements through the Riverside County Transportation and Land Management Agency (a phasing and funding plan has been completed to address the increased traffic trip generation resulting from the Project).

These improvements, taken together, would reduce impediments to growth by eliminating or reducing existing infrastructure constraints. This is an intended result of the Project, to facilitate orderly development consistent with the proposed Project, including provision of adequate infrastructure. As such, the Project is considered growth-inducing as it relates to removal of potential impediments to development.

## 5.5 GROWTH INDUCING IMPACT CONCLUSION

In association with development of the Project, the Project will allow for various onsite and offsite infrastructure improvements that could remove impediments to growth and/or provide for additional capacity. The Project also results in direct job growth through increased employment opportunities as a result of the proposed update of the existing Southwest Area Plan (SWAP) and other elements of the General Plan. Due to its size, its incremental implementation, its impact on infrastructure, and the potential direct and indirect economic growth associated with it, the Project would be viewed as growth-inducing pursuant to CEQA.

Various benefits would accrue from growth directly and indirectly induced by the Project, which must be weighed against the potential adverse effects of growth in deciding whether to approve the Project. These potential benefits will be set forth in a “Statement of Overriding Considerations”, which is required by CEQA prior to approving a project with unavoidable significant impacts.

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<sup>9</sup> Eastern Municipal Water District, *Wine Country Infrastructure Study* (May 2011).



## 5.0 Growth Inducing Impacts

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