

V. OTHER CEQA ISSUES

A. GROWTH INDUCEMENT

Section 15126.2(d) of the *California Environmental Quality Act (CEQA) Guidelines* states that a project is considered growth inducing if:

[It] 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... The characteristics of some projects 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.

Growth inducement under CEQA considers the ways in which the proposed and foreseeable activities by the proposed project could encourage and facilitate other activities that would induce economic or population growth, either directly or indirectly. Examples of projects likely to have growth-inducing effects include expansions of infrastructure systems beyond what is needed to serve current demand in the project area, and development of new residential uses in areas that are currently only sparsely developed or are undeveloped.

As described under Section IV.C, Population and Housing, p. IV.C-5, the proposed project would contribute up to 160 units to the city's housing stock that would accommodate 283 to 368 people. The proposed project would be an infill project in an already urbanized area of San Francisco, which would not require new or expanded municipal infrastructure, and would not directly lead to substantial development outside the City. Therefore, growth that would occur as a result of project implementation would not be considered substantial or adverse and would not be expected to induce additional growth. As described in Section IV.A, Land Use, p. IV.A-11, the proposed project and other cumulative projects in the project site vicinity would provide a total of approximately 223 residential units in the future. The 63 units proposed by other cumulative projects such as the 23 dwelling units at 850 Bush Street, 23 dwelling units at 851 California Street, 15 dwelling units at 1001 California Street, and 2 dwelling

V. Other CEQA Issues

units at 915 Jackson Street would result in a population increase of approximately 111 to 145 people¹ in the project area. The population increase is a conservative assessment by assuming that these sites currently do not have any residents. The proposed project would result in a total reduction of between 226 and 286 hotel rooms through the demolition of the hotel tower and the possible consolidation of hotel rooms in the historic 1906 Fairmont Hotel. Based on average occupancy rate for the Fairmont Hotel of 67 percent, as discussed in Section IV.C, Population and Housing on p. IV.C-5, and conservatively assuming there would only be a reduction of 226 hotel rooms; there could be a net decrease of between 191 and 303 hotel guests per night (based on single and double occupancy).

Since the proposed project construction does not have unusual labor requirements, it would be expected that project construction would meet its need for labor within the regional labor market for construction projects in San Francisco without attracting construction labor from areas beyond the region. As discussed in Section IV.C, Population and Housing, the Fairmont Hotel currently employs approximately 430 full-time-equivalent employees and no net new employees are anticipated at project completion. As a result, the proposed project would not increase demand for housing. Implementation of the cumulative projects, in combination with the proposed project, would not result in substantial population growth in San Francisco because it would represent less than one percent (0.06 percent) increase in the resident population in 2030. In summary, the proposed project would result in minor growth in the City and is deemed a less-than-significant growth inducing impact.

B. SIGNIFICANT UNAVOIDABLE IMPACTS THAT CANNOT BE AVOIDED IF THE PROJECT IS IMPLEMENTED

In accordance with Section 21100 (b)(2)(A) of CEQA, and Section 15126.2(b) of the *CEQA Guidelines*, the purpose of this section is to identify adverse impacts that could not be eliminated or reduced to less-than-significant levels by mitigation measures included as part of the project, or by other mitigation measures that could be implemented, identified in Chapter IV, Environmental Setting and Impacts. The findings of significant impacts are subject to final determination by the San Francisco Planning Commission as part of the certification process for this EIR. If necessary, this chapter will be revised in the Final EIR to reflect the findings of the Planning Commission.

As identified in Section IV.D, Cultural and Paleontological Resources, the proposed project would result in a significant and unavoidable impact to the Tonga Room, which was identified as an historic resource

¹ The range of residents is derived by using the average household size of 1.77 (for Census Tract 112) multiplied by the 63 units and using the City's average household size in the year 2000 of 2.30, according to the U.S. Census.

under the CEQA. Implementation of **Mitigation Measure M-CP-1b**, p. IV.D-37 would reduce this adverse impact, but it would not reduce it to a less-than-significant level.

C. SIGNIFICANT IRREVERSIBLE IMPACTS THAT WOULD BE INVOLVED IN THE PROJECT SHOULD IT BE IMPLEMENTED

In accordance with Section 21100 (b)(2)(B) of CEQA, and Section 15126.2(c) of the *CEQA Guidelines*, an EIR must identify any significant irreversible environmental changes that could result from implementation of the proposed project. This may include current or future uses of non-renewable resources and secondary or growth-inducing impacts that commit future generations to similar uses. According to the *CEQA Guidelines*, irretrievable commitments of resources should be evaluated to assure that such current consumption is justified. The *CEQA Guidelines* describes three distinct categories of significant irreversible changes: 1) changes in land use that would commit future generations, 2) irreversible changes from environmental actions, and 3) consumption of nonrenewable resources.

1. CHANGES IN LAND USE WHICH WOULD COMMIT FUTURE GENERATIONS

As described throughout this EIR, the proposed project would result in the demolition of the existing hotel tower and podium and construction of a residential tower, mid-rise residential component, and podium within an urbanized area. The major change in use on the project site would be related to the construction of a new residential tower and mid-rise residential component replacement structure. The project site is currently occupied and fully developed with a hotel and hotel-related uses. Future generations could eventually redevelop the site with other uses, if the Fairmont Hotel and proposed residential tower, mid-rise residential component and podium structure were to no longer operate. Therefore, the proposed residential uses would not constitute a significant adverse effect.

2. IRREVERSIBLE CHANGES FROM ENVIRONMENTAL ACTIONS

No significant irreversible environmental damage, such as an accidental spill or explosion of hazardous materials, is anticipated to occur with implementation of the proposed project. Compliance with federal, State and local regulations, and incorporation of the mitigation measures identified in Section IV.P, Hazards and Hazardous Materials, would reduce the possibility that hazardous substances from the demolition and construction would cause significant and unavoidable environmental damage.

No other irreversible permanent changes such as those that might result from construction of a large-scale mining project, a hydroelectric dam, or other industrial project would result from development of the proposed project. Excavation would further alter the topography. However, the overall impact on the

V. Other CEQA Issues

topography of the hill would be minor and would be covered over with proposed structures. The excavation for the three new below-grade parking levels would be in the location of the existing underground parking garage. Existing cuts already are covered over with structures and thus the overall change would not be visible.

3. CONSUMPTION OF NONRENEWABLE RESOURCES

Consumption of nonrenewable resources includes increased energy consumption, conversion of agricultural lands to urban uses, and loss of access to mineral reserves. No agricultural lands would be converted and no access to mining reserves would be lost with construction of the proposed project. The project site contains the existing Fairmont Hotel complex, which is in a densely developed urbanized area. The proposed project would commit future generations to an irreversible commitment of energy resources in the form of usage of nonrenewable fossil fuels, due to vehicle and equipment use during demolition, construction, and operation of the site. The proposed project would comply with California Code of Regulations Title 24 and intends to attain a LEED Gold standard; it would not use energy in a wasteful manner. Resources consumed during demolition, construction, and operation would include lumber, concrete, gravel, asphalt, masonry, metals, and water. Similar to the existing uses on the project site, the proposed project would irreversibly use water and solid waste landfill resources. However, the proposed project would not involve a large commitment to those resources relative to existing conditions and also relative to supply, nor would it consume any of those resources wastefully. Further, the project would not require the construction of new power plant, or major new transmission lines to deliver energy.

As discussed in Section IV.K, Utilities and Service Systems, the proposed project would remove between 226 and 286 hotel rooms, to be replaced with up to 160 residential units. The project site is already served by existing facilities and no new major sewer construction would be needed to serve the proposed project. Due to the presence of the existing podium and hotel tower, the project site is currently almost entirely impervious. The proposed project would not substantially increase the amount of impervious surface area on the site. Accordingly, the project would not increase the amount of surface runoff, which would exceed the capacity of the existing drainage system. The amount of impermeable surface area that receives rain would generally remain unchanged with project development. It is anticipated that there would be no net increase in the amount of storm water runoff with the project. However, recent City requirements now make mandatory a reduction in at-source runoff. The project would include measures (as yet unidentified) for stormwater reduction in order to meet its proposed LEED Gold certification. Storm water would continue to be handled by the City's combined sewer collection system. The proposed project would not require construction of new water or wastewater treatment facilities or expansion of

existing ones. In addition, the proposed project is covered by the demand projections identified in the UWMP², which includes all known or expected development projects and projected development in San Francisco through 2025, the proposed project would not require new or expanded water supply resources or entitlements. Therefore, service providers would have the capacity to provide for the proposed level of development on the proposed site.

D. AREAS OF KNOWN CONTROVERSY AND ISSUES TO BE RESOLVED

The Notice of Preparation (NOP) for this project was published on January 21, 2009, announcing the intent to prepare and distribute an EIR. Individuals and agencies that received these notices included owners of properties within 300 feet of the project site, and potentially interested parties, including regional and state agencies.³

On the basis of public comments on the NOP, potential areas of controversy for the proposed project include:

- Scale of the project development,
- Visual quality effects,
- Noise and air quality effects related to construction, and
- Loss of the Tonga Room.

Environmental issues including land use, aesthetics, cultural and paleontological resources, transportation and circulation, noise, air quality, and alternatives are discussed in this EIR. This EIR evaluates the potential impacts of the proposed project related to land use compatibility, visual impacts, noise, and air quality.

Other issues such as market impact to the value of units in the area, property values, merits of the project design, and potential discretionary approvals granted by the city are not environmental issues and will be considered by decision makers during the project-approval process.

² Kehoe, Paula, Director of Water Resources, SFPUC. December 4, 2009. Letter to Devyani Jain, San Francisco Planning Department.

³ The NOP comment letters are available for review at the Planning Department, 1650 Mission Street, Suite 400, as part of Case No. 2008.0081E.

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