Chapter 6
Socioeconomics

Chapter Summary

This chapter characterizes the existing socioeconomic setting of the Proposed Project area and vicinity, as well as the factors contributing to positive or adverse conditions affecting that setting. The potential socioeconomic outcomes are evaluated in terms of the effects of the Proposed Project and each of the alternatives on employment, population, and housing characteristics directly and indirectly related to construction and operation, as well as associated wages and tax revenues.

Chapter 6, Socioeconomics, provides the following:

- Employment conditions at the regional and county levels;
- A discussion of the Port's role in the local and global economy, and the economic effects of its operations;
- A brief account of the Port's environmental programs and initiatives;
- A discussion on the methodology used to determine socioeconomic effects associated with the Proposed Project and alternatives; and
- An evaluation of the socioeconomic effects associated with the Proposed Project and alternatives.

Key Points of Chapter 6:

The Proposed Project or alternatives would involve improvements to an existing container terminal and expenditures from construction activities and "Port Industry" operations, including associated jobs, output, and tax revenues related to cargo movement and handling. Long-term jobs associated with the Proposed Project would include those directly related to cargo movement and handling operations at the Port, and those related to purchases of goods and services by Port Industry businesses and workers. The economic benefits would primarily occur within the Southern California region comprising Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. While the economic impacts of the Proposed Project would be beneficial, the increase in jobs, output, and tax revenues attributable to the Proposed Project would be relatively small compared to current and projected future employment in the larger economic region. Similarly, because the number of jobs involved would be small relative to regional employment, the effect of the Proposed Project on housing supply and values would be less than significant.

6.1 Introduction

The socioeconomic setting of the Proposed Project focuses on the issue relevant to the Proposed Project, i.e., economic activity in the region of California most closely affected by Port activity.

6.2 Socioeconomic Setting

The environmental setting includes existing or baseline conditions (i.e. 2019) and describes attributes of the socioeconomic environment near the Port and within the larger region of Southern California. For the purposes of this analysis and as used in this section, Southern California refers to a five-county region comprising Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. This region represents the area in which the bulk of the economic activity stimulated by the Port (directly and indirectly) occurs and for which economic modeling is appropriate.

6.2.1 Employment

According to the California Economic Development Department (CEDD 2021), employment in the five-county region in 2019 totaled approximately 8.8 million jobs (Table 6-1).

Table 6-1: Civilian Employment by County (2019)

County	Labor Force	Employed	Unemployed	Rate
Los Angeles	5,122,800	4,888,600	234,300	4.6%
Orange	1,613,300	1,567,200	45,900	2.8%
Riverside	1,105,700	1,058,700	47,000	4.2%
San Bernardino	965,000	927,400	37,600	3.9%
Ventura	421,400	405,900	15,500	3.7%
Total	9,228,200	8,847,900	380,300	4.1%

Source: CEDD (2021)

Based on the Southern California Association of Governments (SCAG 2021) projections, employment in the five-county region will expand over the next decades (Table 6-2), increasing by approximately 15% by 2045. Growth will be particularly strong in San Bernardino and Riverside counties, where employment is expected to increase by around 30% by 2045.

According to SCAG (2020), average per capita income and average payroll per job in the five counties of Southern California have declined over the last several decades. This downward trend began with the severe economic dislocation experienced in the high-paying aerospace and defense manufacturing sectors in the early 1990s during the post-Cold War recession, and losses in middle-income jobs during the Great Recession of 2008-2009 exacerbated the trend in recent years.

Table 6-2: Total Employment Projection by County (2030–2045)

	2030	2045
Southern California (Five-County Region)	9,201,000	9,919,000
County		
Los Angeles County	5,060,000	5,382,000
Orange County	1,886,000	1,980,000
Riverside County	961,000	1,243,000
San Bernardino County	926,000	1,064,000
Ventura County	369,000	389,000

Source: SCAG (2020)

6.2.2 International Trade

The Los Angeles Customs District (LACD) includes the Port of Los Angeles, the Port of Long Beach, Port Hueneme, and several airports. Of the total value of imports entering the LACD in 2020, over 81 percent were transported by marine vessels (U.S. Department of Commerce 2022). In the case of exports leaving the LACD, over 53 percent (by value) were shipped through the district ports in 2020. The LACD was ranked first in the United States by value for total imports and exports (Department of Commerce 2022).

International trade supports a key sector of the Southern California economy: the logistics and distribution sector. This sector, which involves receiving, processing, storing, and moving goods, includes wholesale trade, truck transportation, support services for transportation, non-local couriers, general warehousing, and air, rail, and water transportation. This group of industries has begun to provide large numbers of blue-collar jobs that have traditionally been found in manufacturing and, thus, provide an alternative employment source to replace well-paying manufacturing jobs that have left and continue to leave the region.

The nation's manufacturers and retailers have largely adopted "just-in-time" systems, in which materials and goods are produced and shipped in smaller batches to meet current demand and avoiding surplus, waste, and taxes. This change in business practices has resulted in the distribution industry creating a series of large goods-holding centers, including in Southern California. Their location in Southern California is related to the high proportion of the nation's trade with Asian economies that passes through the ports of Los Angeles and Long Beach. The volume of this trade is expected to continue to increase, especially with the advent of Super-Post-Panamax container ships (vessels too large to transit the Panama Canal even after expansion). These wide and deep-draft vessels can be accommodated on the west coast only at the larger ports, such as Los Angeles, Long Beach, and Seattle.

According to a study prepared for the Alameda Corridor Transportation Authority and the Ports of Los Angeles and Long Beach (BST 2012), state and local taxes generated throughout the nation from trade through the San Pedro Bay ports grew from an estimated $6 billion in 1994 to more than $30.7 billion in 2011, $9.4 billion of which was

in California. The study estimated that the San Pedro Bay ports support, directly and indirectly, 870,000 full- and part-time jobs throughout California and 2,917,000 jobs nationwide. In 2020, the Port of Los Angeles (Port) had the highest total two-way trade value (combined import and export values) of any port in the United States, at $259 billion (Department of Commerce 2022). The majority of this cargo was imported goods, with a value of $230 billion. The Port handled approximately 9,200,000 TEUs (twenty-foot equivalent units, a measure of containerized cargo, see Section 1.2.2) in 2020 (Port of Los Angeles 2022). The top trading partners in terms of cargo value were China/Hong Kong, Japan, Vietnam, Taiwan, and South Korea (Department of Commerce 2022). The Port is one of the world's largest trade gateways, and the economic contributions to the regional and national economy are substantial.

The employment generated by maritime cargo activity at the marine terminals owned by the Port can be categorized into trucking, International Longshore and Warehouse Union (ILWU) dockworkers, freight forwarders/customs house brokers, warehousing, steamship agents, chandlers, surveyors, and others. The most recent study of the economic impacts generated by waterborne cargo and other activity at the Port found that approximately 43,397 jobs were directly generated by activities at the marine terminals (Martin Associates 2007). Approximately 13% of the direct job holders reside in the City of Los Angeles (excluding Wilmington and San Pedro), 17% in the City of Long Beach, 13% in San Pedro, 9% in Wilmington, and 37% in other parts of Los Angeles County (Martin Associates 2007).

6.2.3 Environmental Quality and the Role of the Port

"Environmental quality" refers to an aggregative set of factors that contribute to the overall condition of the natural, physical, and human environment. In the context of an urban setting, some key contributing factors include visual quality and aesthetics, land use compatibility and encroachment, socioeconomic conditions, real property values and attributes, air and water quality, hazardous materials and waste sites, and the adequacy of public facilities and services. Socioeconomic conditions are addressed in this chapter. The remaining factors are addressed in corresponding resource-specific sections of this Draft EIS/EIR.

LAHD has implemented and continues to implement and fund a variety of programs and events that are designed to improve quality of life in nearby communities. These special events and ongoing community programs are provided to benefit the public and encourage surrounding communities to experience the Port and learn about its operations. Special events sponsored by LAHD include educational boat tours, summer concerts, parades, festivals, and outdoor movies. LAHD also offers diverse community programs that educate children and adults about a variety of Port topics.

In addition to ongoing public involvement initiatives, the Harbor Community Benefit Foundation, an independent nonprofit organization that was created as a result of the settlement between the Port of Los Angeles and the City of Los Angeles known as the TraPac Memorandum of Understanding (MOU), oversees several grant programs that address, through mitigation projects, off-port impacts from existing and future operations at the Port of Los Angeles in the communities of Wilmington and San Pedro (Harbor Community Benefit Foundation 2022). Its programs include providing grant funds for mobile health clinics, air quality education, noise and hearing screening, chronic disease self-management, habitat restoration, beautification, and youth education. Additionally,

the Port Public Access Investment Plan, adopted in 2015, allocated $400 million dollars for LA Waterfront projects and community benefits over the next 10 years.

LAHD is also in the process of implementing several development projects, including the San Pedro Waterfront Master Plan and Wilmington Waterfront Master Plan, that have substantial community benefits outside of maritime commerce. The waterfront development plans are aimed at increasing public waterfront access, enhancing commercial opportunities, improving transportation and non-vehicular mobility around the waterfront, and growing the Port in a sustainable manner. Project elements include the creation of new harbors and a public pier, new commercial developments, enhancement of visitor attractions, development of waterfront promenades and open space, and a variety of transportation improvements.

As discussed in more detail in Section 1.7, Port of Los Angeles Environmental Initiatives, LAHD implements a variety of plans and programs to reduce the environmental effects associated with operations at the Port. These initiatives include programs aimed at improving the efficiency of cargo handling, reducing cargo storage time, use of electric cranes, use of electric and alternative fuel vehicles, on-dock rail systems and use of the grade-separated Alameda Corridor, reducing truck traffic during daytime peak periods, and sharing technologies with other ports to continue improving pollution-control technologies. Air quality initiatives are implemented under the San Pedro Bay's Clean Air Action Plan (CAAP), which specifically aims to reduce public health risk from Port operations in nearby communities (SPBP 2017, 2022). Key initiatives include the Clean Trucks Program, which aims to reduce the pollution from diesel-powered trucks in the Port, and zero-emission technology projects intended to integrate zero emission equipment into terminal operations. Water and sediment quality improvement programs are implemented in accordance with the Water Resources Action Plan (WRAP) and other Port initiatives. These include Inner Cabrillo Beach Water Quality Improvements, Consolidated Slip Remediation, Oil Spill Prevention, Sediment Quality Improvement Programs, Watershed and Stormwater Management, and Water Quality Monitoring.

6.3 Project Effects Related to Socioeconomics

This section evaluates the effects of the Proposed Project and alternatives on employment and population, along with a detailed description of the impact methodology used in the analysis.

6.3.1 Impact Methodology

The initial step in estimating socioeconomic impacts associated with implementation of the Proposed Project is to link construction and operational activities to measurable socioeconomic indicators such as jobs. Economic impact modeling techniques (described below) can then be used to assess the economic impacts that implementation of the Proposed Project could have on the regional and local economy using a number of criteria such as net changes in regional employment, output, wages, tax revenue, and value added. Attention is focused here on employment and tax revenues within the five-county Southern California region.

The primary catalyst for changes to socioeconomic resources is a change in economic activity (that is, industry output [value of goods and services], employment, and income). Changes in employment in an area have the potential to affect population and housing. This is especially the case when the additional job opportunities created through implementation of the Proposed Project (during the construction and operational phases) cannot be satisfied by the local workforce. Such a situation can trigger a movement of workers to the area to fill the supply of new jobs, either temporary, as in the case of short-lived construction activity, or permanent, as in long-term operational jobs. The movement of workers (and sometimes their accompanying family members) into an area depends mainly on the number of job opportunities made available by the Proposed Project and the number and skill mix of workers available in the local labor force.

Under CEQA, social and economic effects are not treated as significant effects on the environment; however, where a physical change is caused by economic or social effects of the Proposed Project, the physical change may be regarded as a significant impact. Evidence of economic and social impacts that do not contribute to or are not caused by physical changes in the environment is not substantial evidence that the project may have a significant effect on the environment (CEQA Guidelines sections 15064(e) and (f) (6) and section 15131). Therefore, the potential for physical changes as a result of socioeconomic changes are considered. This may include the need for new construction, infrastructure, and transportation facilities to accommodate an influx of new population and/or businesses, or physical blight related to falling property values and movement of people out of an area.

NEPA considers social effects that have causal relationships to the environment, which may be direct, indirect, and cumulative. Socioeconomic effects are most often indirect, growth-inducing effects that induce changes in the patterns of land use, population density, or growth rate. The primary catalyst is a change in economic activity (i.e., employment, income, and tax revenues).

6.3.1.1 Economic Effects of Port Operations

The “Port Industry” is considered to be any regional economic activity directly associated with the movement of waterborne cargo and passengers. This includes expenditures associated with vessels, terminals, cargo and passenger transactions, and inland transport. For example, cargo movement transactions include documentation, financing, brokering, and other essential services that are directly required for the movement of waterborne cargo. Table 6-3 provides a detailed breakdown of Port Industry activities related to cargo movement.

Table 6-3: Port Industry Activities Associated with Cargo Movement

Vessel Activities	Terminal Activities	Transaction Activities	Inland Activities
Waterside Services: • Tugs • Pilotage • Line Hauling • Launch • Radio/Radar • Surveyors • Dockage • Lighterage Suppliers: • Chandler/Provisions • Laundry • Medical • Waste Handling Bunkers: • Oil • Water	Loading/Discharging: • Stevedoring • Clerking and Checking • Watching/Security • Cleaning/Fitting • Equipment Rental In-Transit Storage: • Wharfage • Yard Handling • Demurrage • Warehousing • Auto and Truck Storage • Grain Storage • Refrigerated Storage Cargo Packing: • Export Packing • Container Stuffing and Stripping	Government Requirements: • Customs • Entrance/Clearance • Immigration • Quarantine • Fumigation Other: • Banking • Freight Forwarding • Insurance • Brokers	Inland Movement: • Long Distance Truck • Short Distance Truck • Air • Rail • Pipeline

Source: U.S. Maritime Administration (2000)

Because the revenues and employment associated with Port Industry activities could cease to exist if a port were to close down or become less efficient and lose its cargo base, this employment base is directly affected by port activities. A much larger category of business that is less directly related to a port includes businesses that produce, consume, or sell the products that move through the port, such as exporters and importers that use the marine terminals for shipment and receipt of cargo. These businesses are often called "Related Users." Both the Port Industry and Related Users have a "ripple effect" by which expenditures in one sector contribute more output and jobs than the direct expenditure alone.

Vessels, terminals, transportation providers, and other Port Industry businesses purchase goods and services from industries to support their operations. These suppliers, in turn, purchase supplies and services to support their operations. These purchases continue to ripple through the regional economy and impact the surrounding communities. In economic impact terms, this set of expenditure ripples is known as the *indirect effect*.

In addition to the indirect effect of expenditure ripples, workers employed by the Port Industry and its suppliers also generate economic impacts. Employees of the Port Industry and its suppliers spend their wages and salaries on such purchases as food, clothing, retail items, and vehicles. The economic ripples generated by employee spending are known as the *induced effect*. The total economic impact of each economic sector associated with port operations consists of direct, indirect, and induced effects. The sum of indirect and induced effects is also referred to as the *secondary effect*.

6.3.1.2 Direct, Indirect, and Induced Jobs

Similar to the direct, indirect, and induced effects described above, the new jobs associated with the construction and operation of the Proposed Project and the alternatives are categorized in terms of *direct jobs*, *indirect jobs*, and *induced jobs.* Together the indirect and induced jobs are referred to as *secondary jobs*. In terms of construction, direct jobs are those jobs created by construction activities. Indirect construction jobs are related to purchases from materials supply firms and their suppliers, and induced jobs are related to household expenditures by workers. For operations, the three categories are defined as follows:

- ***Direct jobs*** are those jobs that would not exist if activity at the Port were to cease. Direct jobs created by marine cargo activity are jobs with the firms that directly provide cargo handling and vessel services, such as trucking companies, terminal operators, stevedoring companies, ILWU workers, customs brokers, vessel agents, pilots and tug assist companies, and shippers directly dependent upon the use of the Port; most of the jobs in Table 6-3 are direct jobs.
- ***Indirect jobs*** are created throughout the region as the result of purchases of goods and services by the firms directly impacted by the Port's cargo activity. Indirect jobs are measured based on actual local purchase patterns of the directly dependent firms, and include industries such as utilities, office supplies, contract service providers, banking, maintenance and repair, and insurance.
- ***Induced jobs*** are jobs created in the region by the purchases of goods and services by those individuals directly employed by the Port's cargo activity. These jobs are based on the local purchase patterns of residents in the region and include the local housing/construction industry and transportation services, as well as wholesalers providing goods to the retailers.

The employment effects of the Proposed Project and alternatives relative to construction are presented in terms of direct and secondary (indirect and induced) jobs, and total jobs (direct and secondary combined) over the 21-month construction period.

The employment effects of the Proposed Project and alternatives relative to operations are presented in terms of direct and secondary jobs, and total jobs (direct and secondary combined) for model years 2027, 2036, and 2045/2055. These data are presented in tables that show net jobs (new jobs created as a result of the Proposed Project or alternative), and gross jobs, which is the combined total of net jobs and jobs associated with existing operations. The number of jobs associated with existing operations increases over time in conjunction with forecasted increases in cargo throughput for each of the study years. This projected increase, which would occur with or without the Proposed Project, is reflected in the gross employment tables, and is equivalent to the job growth that would occur under the NEPA baseline.

The CEQA baseline represents a fixed point in time; thus, any increase in employment associated with existing operations subsequent to the January to December 2019 period represents an increase over the CEQA baseline.

6.3.1.3 Construction and Operations Economic Models

LAHD uses two primary tools for calculating the economic impacts of Port expansion projects. For impacts related to the ongoing operations of a cargo terminal, LAHD relies on a Cargo Impact Model, which was based on a detailed survey of the actual economic impacts of operations at the Port in 2007. For impacts related to construction and other

activities for which LAHD does not have detailed survey data available, LAHD relies on the IMPLAN (IMpact analysis for PLANning) economic impact modeling system (MIG 2011). Both models are described below.

Construction Impacts: IMPLAN Model

The economic impact analysis of the construction phase was prepared using the IMPLAN model to evaluate potential changes in regional economic activity. Originally developed by the U.S. Department of Agriculture, the IMPLAN model is a widely used model employed to assess the regional economic impacts of private and public projects. The heart of IMPLAN is an input-output model in which the total industry purchases of commodities, services, employment compensation, value added, and imports are equal to the value of the commodities produced. Purchases for final use (final demand) drive the model. Industries produce goods and services for final demand and purchase goods and services from other producers. These other producers, in turn, purchase goods and services (indirect purchases), which continues until leakages from the region (imports and value added) stop the cycle.

Creating input-output models requires a tremendous amount of data, and the costs of deriving that data directly are prohibitive. IMPLAN was developed as a cost-effective means to develop regional input-output models. The IMPLAN accounts closely follow the accounting conventions used in the "Input-Output Study of the U.S. Economy" by the Bureau of Economic Analysis (MIG 2011) and the rectangular format recommended by the United Nations.

The IMPLAN model used by LAHD is based on 2016 data for the five-county region. The model calculates the direct, indirect, and induced effects of construction projects based on the estimated changes in final demand across industries, as shown in the projected design and construction costs. It should be noted that the model results represent a snapshot at a specific time. In this case, the technical coefficients are based on 2016 data, and because the relationships between industries in an economy change and their dependencies on each other shift, the results are an approximation of future conditions.

Operations Impacts: Cargo Impact Model

Martin Associates (2007) developed a Cargo Impact Model for LAHD based on data developed through an extensive interview and survey program of the firms participating in lines of business operated by LAHD. The Cargo Impact Model calculates direct jobs, indirect jobs, and induced jobs on the basis of actual observed conditions in 2006. The Cargo Impact Model is designed to test the sensitivity of impacts to changes in such factors as cargo volumes, marine terminal productivity and work rules, new terminal facilities development, inland distribution patterns of marine cargo, number of vessel calls, and changes in ocean carrier service.

CEQA Baseline

As described in Section 2.7.1, calendar year 2019 was deemed the appropriate baseline and is used in this Draft EIS/EIR. For the 12-month period between January 1 and December 31, 2019, the Berths 121-131 Terminal encompassed approximately 186 acres and handled 153 vessel calls and approximately 354,00 TEUs (see also Table 2-1).

The CEQA baseline represents the setting at a fixed point in time. The CEQA baseline differs from the No Project Alternative (Alternative 1) in that the No Project Alternative addresses what is likely to happen at the Project site over time, starting from the existing conditions. Therefore, the No Project Alternative allows for growth at the Project site that

could be expected to occur without additional approvals, whereas the CEQA baseline does not.

NEPA Baseline

For purposes of this Draft EIS/EIR, the evaluation of significance under NEPA is defined by comparing the Proposed Project or other alternative to the NEPA baseline. The NEPA baseline conditions are described in Section 2.7.2 and summarized in Table 2-1. The NEPA baseline condition for determining significance of impacts includes the full range of construction and operational activities the applicant could implement and is likely to implement absent a federal action, in this case the issuance of a USACE permit.

Unlike the CEQA baseline, which is defined by conditions at a point in time, the NEPA baseline is not bound by statute to a "flat" or "no-growth" scenario. Instead, the NEPA baseline is dynamic and includes increases in operations for each study year (2028, 2036, and 2050/2055), which are projected to occur absent a federal permit. Federal permit decisions focus on direct impacts of the Proposed Project to the aquatic environment, as well as indirect and cumulative impacts in the uplands determined to be within the scope of federal control and responsibility. Significance of the Proposed Project or the alternatives under NEPA is defined by comparing the Proposed Project or the alternatives to the NEPA baseline.

The NEPA baseline, for purposes of this Draft EIS/EIR, is the same as the No Federal Action Alternative. Under the No Federal Action Alternative (Alternative 2), no demolition, dredging, dredged material disposal, in-water pile installation, wharf construction, or new crane installation would occur. The No Federal Action Alternative includes only the expansion of the WBICTF railyard to improve efficiency. That element would not change the total throughput capacity of the existing terminal because the terminal is berth-constrained and would remain so with or without the proposed railyard expansion (i.e., under both Alternative 1 and Alternative 2).

6.3.1.4 Thresholds of Significance

CEQA Guidelines Section 15131 states that social and economic effects shall not be treated as significant effects on the environment. However, an EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes resulting from the project to physical changes caused in turn by the economic or social changes. The intermediate economic or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes.

There are no federal standards that define significance thresholds for socioeconomic impacts. However, NEPA considers social effects that have causal relationships to the environment, which may be direct, indirect, and cumulative. Socioeconomic effects are most often indirect, growth-inducing effects that induce changes in the patterns of land use, population density, or growth rate. The primary catalyst is a change in economic activity (i.e., employment, income, and tax revenues). Displacement of people or housing could also result in changes to patterns of land use, population density, or growth rate. However, because no people or housing would be displaced as a result of the Proposed Project or alternatives, this issue is not discussed further, and the following criteria are evaluated here:

1. *Direct or Indirect Inducement of Substantial Population Growth:* The Proposed Project/alternative would have a socioeconomic effect if it would 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).

2. *Changes to the Local Employment or Labor Force:* The Proposed Project/alternative would have a socioeconomic effect if it would cause substantial change in the local employment or labor force.
3. *Property Values:* The Proposed Project/alternative would have a socioeconomic effect if it would cause a substantial decrease in property values.

6.3.2 Impact Determinations

6.3.2.1 Proposed Project

The Proposed Project (see Section 2.6 for more detail) would deepen Berths 126-129 with dredging, demolish the existing wharf and construct a new one, reconstruct the rock dike along the shoreline of Berths 126-129, add up to 10 new, post-Panamax cranes to the five existing cranes, expand the WBICTF on-dock railyard by adding three or four tracks and installing rail-mounted gantry cranes, and make minor improvements to the backlands. Total terminal acreage would remain at approximately 186 acres. The operational capacity, which would be reached in approximately 2050, would be 1,871,405 TEUs (see Section 2.2.2).

The following analysis presents direct and secondary employment, income (wages), and local and state tax revenues for construction and operations of the Proposed Project, as derived using the IMPLAN model and Cargo Impact Model (see Section 6.3.1.3). It is anticipated that effects associated with construction and operation of the Proposed Project would be experienced mostly in the five-county Southern California region, and it is this geographical area for which effects are reported.

Construction of the Proposed Project is assumed to commence in 2026 and last approximately 2 months, during which time purchases of construction labor, materials, supplies, services, and equipment would be made. The first year of Project operation would be 2028, although partial operations would continue at Berths 121-125 during construction, and full capacity would be reached in 2050. Construction of the Proposed Project would entail expenditures of approximately $291,800,000.

Direct or Indirect Inducement of Substantial Population Growth

The Proposed Project would not induce substantial direct population growth through construction of new homes or new businesses that would encourage large numbers of new workers to migrate to the region, nor would it induce substantial indirect population growth through extension of roads or other supporting infrastructure that support new development in previously undeveloped areas.

Construction of the Proposed Project would generate an estimated 1,110 direct and 682 secondary jobs. Operation would result in an increase of 5,960 direct jobs relative to the CEQA baseline (jobs at the terminal in 2019; Tables 6-4 through 6-6) and 2,118 direct jobs relative to the NEPA baseline in the year 2050 (Table 6-7), both of which represent a very small portion (less than 0.1 percent) of overall regional employment (Table 6-1).

Table 6-4: No Project Alternative: Operational Jobs

	Employment (number of jobs)			
	2019 (CEQA Baseline)	2028	2036	2050/2060
Direct	1,390	1,798	3,569	5,231
Indirect and Induced	2,525	3,264	6,483	9,501
Total	3,914	5,062	10,043	14,723

Table 6-5: Proposed Project: Operational Gross Jobs

	Employment (number of jobs)			
	2019 (CEQA Baseline)	2028	2036	2050/2060
Direct	1,390	1,798	7,349	7,349
Indirect and Induced	2,525	3,264	13,349	13,349
Total	3,914	5,062	20,698	20,698

Table 6-6: Proposed Project: Operational Net Jobs (CEQA Impact)

	Employment (number of jobs)		
	2028	2036	2050/2060
Direct	408	5,960	5,960
Indirect and Induced	739	10,824	10,824
Total	1,147	16,784	16,784

Table 6-7: Proposed Project: Operational Net Jobs (NEPA Impact)

	Employment (number of jobs)		
	2028	2036	2050/2060
Direct	-	3,780	2,118
Indirect and Induced	-	6,866	3,848
Total	-	10,646	5,966

As discussed in greater detail below, given the large existing labor pool in the region, regional transportation infrastructure, and the highly integrated nature of the Southern California economy, there is considerable cross-county and inter-community commuting by workers between their places of work and places of residence. Therefore, it is unlikely that many of the new construction or operations workers would change their places of residence in response to employment opportunities associated with the Proposed Project. In the absence of changes in places of residence by a substantial number of new employees, therefore, distributional effects to population are not likely to occur.

The Proposed Project would stimulate a certain amount of economic growth in the immediate area through direct and indirect construction and operational effects. For example, the Proposed Project would indirectly increase earnings to businesses and households throughout the region as expenditures are spent throughout the region and new employee wages are spent. While this increase in earnings may contribute to the expansion of existing or creation of new businesses, it would occur in a highly urbanized area with a large and integrated economy and a large local workforce. Overall, the long-

term effects would be very small relative to the size of the regional economy, and they would not significantly affect population distribution in the local area and region as a whole. Therefore, the Proposed Project would not be associated with directly or indirectly inducing substantial population growth.

CEQA Determination

Since implementation of the Proposed Project would not induce substantial population growth directly or indirectly, no physical changes to adjacent communities are anticipated as a result of the Proposed Project, and the impact would be less than significant.

NEPA Determination

Since the Proposed Project would not induce substantial population growth directly or indirectly, no physical changes to adjacent communities are anticipated as a result of the Proposed Project, and the impact would be less than significant.

Changes to the Local Employment or Labor Force

As described above, construction of the Proposed Project would generate an estimated 1,110 direct and 682 secondary jobs during the construction period. Those would represent much less than 0.1 percent of the 8,847,900 jobs in the five-county region in 2019 (CEDD 2021). The construction workforce would be composed primarily of people already living in the Los Angeles Basin, given the large existing construction industry workforce, the highly integrated nature of the Southern California economy, and the prevalence of cross-county and inter-community commuting by workers between their places of work and places of residence. Much of the indirect workforce would also likely come from within the Los Angeles Basin. The Proposed Project, therefore, is not anticipated to result in either in-migration or relocation of construction employees to satisfy the need for increased temporary, construction-related employment.

As Table 6-5 shows, the Proposed Project is estimated to support a total of 20,698 jobs at full operation, including 7,349 direct jobs. Linkages among economic sectors would result in the creation of additional secondary (indirect and induced) jobs in related sectors: 3,712 in 2027 and 13,349 at full operation (2050/2060). The net increase in employment under CEQA attributable to operation of the Proposed Project (direct and secondary) would be an additional 5,960 net direct jobs at full operation (2050 and thereafter; Table 6-6) and the net increase under NEPA would be an estimated 2,118 direct jobs and 3,848 secondary jobs (Table 6-7). Accordingly, at full operation the Proposed Project's increased employment would represent less than 0.2% of the projected regional employment of 9,919,000 (Table 6-2). As with the construction workforce, the operational workforce would likely come from within the Los Angeles Basin, and no significant influx of employees into the local communities is anticipated.

While the Proposed Project would provide new job opportunities, the added jobs would represent an insubstantial proportion of future jobs in the five-county region. Given the large labor pool found throughout the region, the Proposed Project would not result in substantial in-migration or relocation of employees. Therefore, the Proposed Project would not cause substantial changes in local employment or the labor force.

CEQA Determination

Since implementation of the Proposed Project would not cause substantial change in the local employment or labor force, no physical changes to adjacent communities are anticipated as a result of the Proposed Project, and the impact would be less than significant.

NEPA Determination

Since the Proposed Project would not cause substantial change in the local employment or labor force, no physical changes to adjacent communities are anticipated as a result of the Proposed Project, and the impact would be less than significant.

Housing and Property Values

The Proposed Project would not displace any housing and does not propose construction of housing or development of a previously undeveloped area, nor would it result in major infrastructure improvements that could provide for future housing development. As discussed above, the direct and secondary jobs during the construction period and the long-term increases in direct and secondary employment from operation of the Proposed Project would not change existing population in-migration and relocation patterns because of the large existing labor pool in the region.

The Proposed Project would stimulate a certain amount of economic growth in the immediate area. However, as discussed above, the effects of this economic growth would not significantly affect employment levels or population distribution in the local area and region as a whole. Given the large size of the existing workforce in the area, it is anticipated that the most if not all workers would already be living in the area, meaning that there would be no substantial relocation of workers and families and that no measurable change in population distribution is likely to occur as a result of the Proposed Project. Accordingly, the Proposed Project would result in negligible changes in demand for additional housing, and it is unlikely that the Proposed Project would exert upward pressure on property values in the local communities. Should some relocation of new employees occur within the local communities or the region as a whole, existing housing stock would be available. Any workers that did relocate as a result of new jobs generated by the Proposed Project could be readily accommodated by the existing housing stock without affecting the demand for housing or property values.

Because of the small number of additional jobs relative to regional employment, the Proposed Project would not change residential property trends in the areas immediately adjacent to the Port or in the region as a whole. Further, the Proposed Project would not cause building code violations, dilapidation and deterioration, defective design or physical construction adjacent to residential communities, faulty or inadequate utilities, or other similar factors that could lead to a lowering of property values. Additionally, as described above and in Section 1.7, LAHD has implemented a number of projects and programs designed to enhance community quality of life and provide public access to visually stimulating and historically relevant developments within and adjacent to the Port.

CEQA Determination

Since the Proposed Project would not cause a substantial change in local property values, no physical changes to adjacent communities are anticipated as a result of the Proposed Project, and the impact would be less than significant.

NEPA Determination

Since the Proposed Project would not cause a substantial change in local property values, no physical changes to adjacent communities are anticipated as a result of the Proposed Project, and the impact would be less than significant.

6.3.2.2 Alternative 1 –No Project

Under Alternative 1, the LAHD would not undertake any terminal improvements. No new cranes would be added, no dredging or wharf construction would occur, and no backlands improvements (including WBICTF expansion) would be undertaken.

Under the No Project Alternative, the existing Berths 121-131 Terminal would continue to operate as an approximately 186-acre container terminal and would reach its maximum capacity of approximately 1,332,000 TEUs by 2050 (Table 2-1). The No Project Alternative would not preclude future improvements to the project site, but any improvements with the potential to have significant impacts on the environment would be analyzed in a separate environmental document.

Direct or Indirect Inducement of Substantial Population Growth

Under Alternative 1, no new construction or other improvements would occur; however, there would be an increase in container terminal operations (relative to 2019 baseline levels) as throughput demand increases up to the maximum capacity. This increase in operational activity would stimulate modest increases in direct and indirect employment (Tables 6-8 and 6-9). As with the Proposed Project, new employees are expected to be hired from the local area; thus, Alternative 1 would not result in large numbers of new workers migrating to the region. The growth in terminal operations would also stimulate economic growth in the immediate area, though to a lesser degree than the Proposed Project. As with the Proposed Project, long-term effects on population growth would be small relative to the size of the regional economy and would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 1 would not involve substantial population growth.

CEQA Determination

Since Alternative 1 would not induce substantial population growth directly or indirectly, no physical changes to the adjacent communities are anticipated as a result of Alternative 1, and impacts would be less than significant.

NEPA Determination

Analysis of the No Project Alternative is not required under NEPA. NEPA requires the analysis of a No Federal Action Alternative (represented by Alternative 2 in this document).

Changes to the Local Employment or Labor Force

Because no construction would occur under Alternative 1, there would be no construction jobs created. Growth in container throughput that would occur under Alternative 1 would result in increases in direct and secondary jobs (Tables 6-8 and 6-9). Alternative 1 would provide fewer new job opportunities than would the Proposed Project, and those jobs would represent a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, Alternative 1 would not result in substantial in-migration or relocation of employees.

CEQA Determination

Since Alternative 1 would not cause substantial change in the local employment or labor force, no physical changes to adjacent communities are anticipated as a result of Alternative 1, and impacts would be less than significant.

NEPA Determination

Analysis of the No Project Alternative is not required under NEPA. NEPA requires the analysis of a No Federal Action Alternative (Alternative 2 in this document).

Table 6-8: Alternative 1: Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)			
	2019 (CEQA Baseline	2028	2036	2050/2060
Direct	1,390	1,798	3,569	5,231
Indirect+Induced	2,525	3,264	6,483	9,501
Total	3,914	5,062	10,053	14,732

Table 6-9: Alternative 1: Net Direct and Secondary Operations Employment

	Employment (Number of Jobs)		
	2028	2036	2050/2060
Direct	408	2,180	3,841
Indirect+Induced	739	3,959	6,977
Total	1,147	6,138	10,818

Housing and Property Values

Under Alternative 1, no new construction or other improvements would occur at the terminal. Alternative 1 would not displace any housing, develop a previously undeveloped area, or result in major infrastructure improvements that could provide for future housing development. New employees would likely be hired from the local area to meet the modest increases in direct and indirect employment resulting from increased terminal operations, as discussed in Section 6.3.2.1 for the Proposed Project. Accordingly, Alternative 1 would result in negligible changes in demand for additional housing and would not exert upward pressure on local area property values.

Further, Alternative 1 would not cause building code violations, dilapidation and deterioration, defective design or physical construction near residential communities, faulty or inadequate utilities, or other similar factors that could lead to a lowering of property values. Therefore, no substantial decrease to property values would occur.

CEQA Determination

Since Alternative 1 would not cause a substantial change in local property values, no physical changes to adjacent communities are anticipated, and impacts would be less than significant.

NEPA Determination

Analysis of the No Project Alternative is not required under NEPA. NEPA requires the analysis of a No Federal Action Alternative (Alternative 2 in this document).

6.3.2.3 Alternative 2 – No Federal Action

Alternative 2 is a NEPA-required no-action alternative for purposes of this Draft EIS/EIR. This alternative includes the activities that would occur absent a USACE

permit, i.e., the expansion of the WBICTF railyard. The Berths 121-131 Terminal would continue to operate as a 186-acre container terminal, and because it would continue to be berth-constrained its throughput would be the same as the No Project Alternative, reaching a maximum of 1,332,000 TEUs by 2045. The difference from the No Project Alternative would be that more of the intermodal cargo would be loaded at the WBICTF rather than being drayed by trucks to a near- or off-dock intermodal railyard.

Direct or Indirect Inducement of Substantial Population Growth

Under Alternative 2 the increase in throughput would, as discussed in greater detail below, result in modest increases in direct and indirect employment. As with the Proposed Project and the No Project Alternative, new employees are expected to be hired from the local area; thus, Alternative 2 would not result in large numbers of new workers migrating to the region. The growth in terminal operations would also stimulate economic growth in the immediate area, although to a lesser degree than the Proposed Project. As with the Proposed Project and No Project Alternative, the long-term effects on population growth would be small relative to the size of the regional economy and would not substantially affect population distribution in the local area and the region as a whole. Therefore, Alternative 2 would not result in substantial population growth.

CEQA Determination

Since Alternative 2 would not induce substantial population growth directly or indirectly, no physical changes to adjacent communities are anticipated, and impacts of Alternative 2 would be less than significant under CEQA.

NEPA Determination

The No Federal Action Alternative does not differ from the NEPA baseline, as explained in Section 2.7.2; accordingly, Alternative 2 would result in no impact under NEPA.

Change in the Local Employment or Labor Force

Alternative 2 would generate substantially fewer direct and secondary construction-related jobs than the Proposed Project: 799 direct and 491 secondary jobs during the construction period.

Alternative 2 would provide the same number of additional operational job opportunities as Alternative 1, as terminal activity increases in the future (Table 6-8). As with Alternative 1, however, the increase would represent a very small portion (less than 0.1%) of overall regional employment. Given the large labor pool throughout the region, Alternative 2 would not result in substantial in-migration or relocation of employees. As with the Proposed Project and the No Project Alternative, Alternative 2 would not cause substantial change in the local employment or labor force.

CEQA Determination

Since Alternative 2 would not cause substantial change in the local employment or labor force, no physical changes to adjacent communities are anticipated, and impacts of Alternative 2 would be less than significant under CEQA.

NEPA Determination

The No Federal Action Alternative does not differ from the NEPA baseline, as explained in Section 2.7.2; accordingly, Alternative 2 would result in no impact under NEPA.

Property Values

Alternative 2 would not displace any housing, nor would it involve construction of housing, develop a previously undeveloped area, or result in major infrastructure improvements that could provide for future housing development. Job growth and economic growth occurring under Alternative 2 would be similar to, but less than, that of the Proposed Project. Accordingly, Alternative 2 would result in negligible changes in demand for additional housing and would not exert upward pressure on local area property values.

Further, Alternative 2 would not cause building code violations, dilapidation and deterioration, defective design or physical construction near residential communities, faulty or inadequate utilities, or other similar factors that could lead to a lowering of property values. Therefore, no substantial decrease to property values would occur.

CEQA Determination

Since Alternative 2 would not cause a substantial change in local property values, no physical changes to adjacent communities are anticipated, and the impacts of Alternative 2 with respect to property values would be less than significant.

NEPA Determination

The No Federal Action Alternative does not differ from the NEPA baseline, as explained in Section 2.7.2; accordingly, Alternative 2 would result in no impact under NEPA.

6.3.3 Summary of Impact Determinations

Table 6-9 summarizes the CEQA and NEPA impact determinations of the Proposed Project and alternatives related to socioeconomics, as described in the detailed discussion above. This table is meant to allow easy comparison between the potential impacts of the Proposed Project and alternatives with respect to socioeconomics.

For each impact threshold, the table describes the impact, notes the CEQA and NEPA impact determinations, describes any applicable mitigation measures, and notes the residual impacts (i.e., the impact remaining after mitigation). All impacts, whether significant or not, are included in this table. Note that impact descriptions for each of the alternatives are the same as for the Proposed Project, unless otherwise noted.

Table 6-9: Summary Matrix of Potential Impacts and Mitigation Measures for Socioeconomics Associated with the Proposed Project and Alternatives

Alternative	Environmental Impacts	Impact Determination	Mitigation Measures	Impacts after Mitigation
Proposed Project	The Proposed Project would not result in direct or indirect inducement of substantial population growth.	CEQA: Less than significant NEPA: Less than significant	Mitigation not required.	CEQA: Less than significant NEPA: Less than significant
	The Proposed Project would not cause substantial change in the local employment or labor force.	CEQA: Less than significant NEPA: Less than significant	Mitigation not required.	CEQA: Less than significant NEPA: Less than significant
	The Proposed Project would not cause a substantial loss of property values.	CEQA: Less than significant NEPA: Less than significant	Mitigation not required.	CEQA: Less than significant NEPA: Less than significant
Alternative 1 – No Project	Alternative 1 would not result in direct or indirect inducement of substantial population growth.	CEQA: Less than significant NEPA: Not applicable	Mitigation not required Mitigation not applicable	CEQA: Less than significant NEPA: Not applicable
	Alternative 1 would not cause substantial change in the local employment or labor force.	CEQA: Less than significant NEPA: Not applicable	Mitigation not required Mitigation not applicable	CEQA: Less than significant NEPA: Not applicable
	Alternative 1 would not would not cause a substantial loss of property values.	CEQA: Less than significant NEPA: Not applicable	Mitigation not required Mitigation not applicable	CEQA: Less than significant NEPA: Not applicable
Alternative 2 – No Federal Action	Alternative 2 would not result in direct or indirect inducement of substantial population growth.	CEQA: Less than significant NEPA: No impact	Mitigation not required	CEQA: Less than significant NEPA: No impact
	Alternative 2 would not cause substantial change in the local employment or labor force.	CEQA: Less than significant NEPA: No impact	Mitigation not required	CEQA: Less than significant NEPA: No impact
	Alternative 2 would not would not cause a substantial loss of property values.	CEQA: Less than significant NEPA: No impact	Mitigation not required	CEQA: Less than significant NEPA: No impact

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