Chapter 7
Socioeconomics

CHAPTER SUMMARY

This chapter characterizes the existing socioeconomic conditions of the proposed Project area and vicinity, as well as the factors contributing to positive or adverse conditions affecting environmental quality. The socioeconomic topical areas described in Section 7.2 of this chapter include employment and, income, population, and housing characteristics. The potential socioeconomic outcomes are evaluated in terms of the of effects the proposed Project and each of the alternatives employment, population, and housing directly and indirectly related to construction and operation, as well as associated wages and tax revenues.

Chapter 7, Socioeconomics, provides the following:

- Employment and income conditions at the regional, county, and local levels;
- A discussion of the Port's role in the local and global economy, and the economic effects of its operations;
- Population characteristics at the regional, county, and local levels;
- A brief history of the Port and discussion of 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 7:

The proposed Project or alternatives would expand an existing container terminal, and involve expenditures from construction activities and "Port Industry" operations, and 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 by workers employed by the Port. The economic benefits would primarily occur within the southern California region comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. When compared to the region as a whole, while the economic impacts of the proposed Project are beneficial, the increase in jobs attributable to the proposed Project would be relatively small compared to current and projected future employment in the larger economic region.

7.1 Introduction

This chapter describes the existing socioeconomic conditions of the proposed Project area and surrounding vicinity in terms of employment and earnings, population, and housing, as well as the factors contributing to positive or adverse conditions affecting environmental quality. The socioeconomic character of the local area in the vicinity of the Port and the larger southern California region is described using information regarding employment and earnings, population, and housing resources.

7.2 Environmental Setting

The environmental setting includes existing or baseline conditions and describes attributes of the human and built environment (including infrastructure) 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 comprised of 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.

7.2.1 Socioeconomic Topical Areas

Socioeconomics encompasses a number of topical areas including employment and income, population, and housing. Within each of these areas, subtopics include an examination of conditions at different geographical scales that are relevant to the potential impacts associated with implementation of the proposed Project or an alternative.

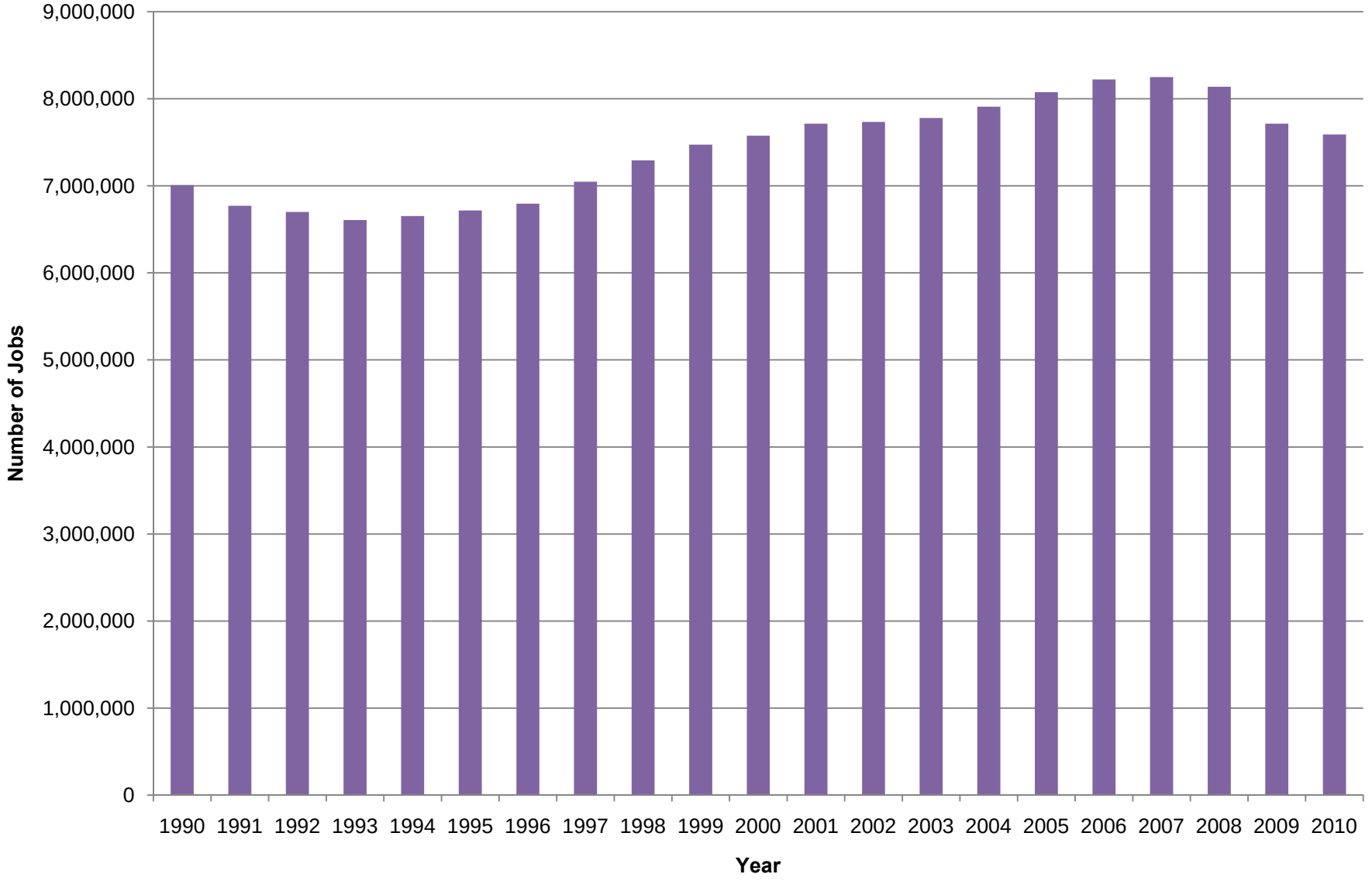
7.2.1.1 Employment and Income

Existing conditions with regard to employment and income are described from a number of perspectives. They include the following:

- Conditions at the regional (southern California) level;
- Contribution to the regional economy made by international trade;
- Importance of the "logistics" sector of the economy;
- Role of the Port; and
- Conditions at the county and local level (small geographical areas near the Port, including San Pedro, Wilmington, Carson, and Harbor City).

Southern California

Between 1990 and 2009, total civilian employment in southern California increased by 705,000 jobs (from 7,009,400 jobs to 7,714,400 jobs) at an average annual rate of 0.5 percent. However, this growth rate has been uneven, with high annual increases occurring during periods of strong economic growth, and negative job growth occurring during economic downturns, such as the early 1990s and 2008 and 2009. Table 7-1 and Figure 7-1 presents the variation in job growth from 1990 to 2009 for each county and the region as a whole. Within the region, the most rapid increase in employment over the 20-



Source: CEDD, California Labor Market Information, 2010 and 2011

Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Employment in 5-County Southern California Region (1990-2010)
Figure 7-1

CDM

year period with the addition of over 291,700 jobs) took place in Riverside County where employment grew at an annual average rate of 3.1 percent (approximately 59 percent over the 19-year period). San Bernardino County experienced the next highest rate of growth (approximately 25 percent over the 19-year period or 1.3 percent per year, on average) with an increase of 152,000 jobs. Ventura County experienced the third most rapid growth rate in employment of approximately 0.6 percent annually, with a 12 percent increase over the 19- year period. Orange County also experienced a 0.6 annual growth rate, with an 11 percent increases over the 19- year period. This resulted in an increase of over 42,600 jobs in Ventura County and 149,800 jobs in Orange County. Los Angeles County experienced the smallest increase in the growth rate at an average of 0.1 percent annually, resulting in the creation of 68,900 jobs.

Based on projections prepared by the Southern California Association of Governments (SCAG) for the 2008 Regional Transportation Plan, employment in southern California will expand over the next decades, particularly in Riverside and San Bernardino Counties as indicated in Table 7-2 (SCAG, 2008).[1] These two counties are expected to experience growth rates far in excess of those for other counties. Of the selected cities in Los Angeles County for which information is presented in Table 7-2, Lakewood, Palos Verdes Estates, and Rancho Palos Verdes are expected to see their employment base expand at a pace similar to the county as a whole (SCAG, 2008). This is more rapid than the job growth project for other cities in area through 2030. However, in absolute terms, Palos Verdes Estates and Rancho Palos Verdes would have some of the lowest numbers of new jobs created. The greatest absolute number of jobs created would occur in the cities of Los Angeles and Long Beach.

Unemployment levels in the counties of southern California have mirrored closely the cyclical pattern of that of the State of California (Figure 7-2). In 1990, the state's unemployment rate was below 6 percent but rose steeply over the next two years. This rise was associated with the reduction in military spending (especially in the aerospace industry) at the end of the Cold War. Unemployment rates peaked in 1993 and then fell gradually throughout the remaining 1990s with the rebound of the economy buoyed by the surge in dot-com activity and residential construction boom. Following the exuberance of this period, unemployment rates rose for a few years before moving downward again for several years. Beginning in 2007, the rates began to rise and in 2010, were at their highest levels in the past two decades (12.4 percent). Throughout these cycles, the unemployment rate in Orange County was consistently lower than that of other counties of southern California, as well as the state (Table 7-3).

[1] It should be noted that SCAG's 2008 RTP employment growth forecast was developed based on data from and prior to 2005. Therefore, it does not account for the decline job growth and increase in unemployment that began in approximately 2007, and therefore, the actual number of jobs may be lower than projected. However, the trend of increase in the number of jobs created over time is expected to continue regardless of temporary fluctuations.

Table 7-1: Total Civilian Employment by County (1990-2009)

Year	County					Total
	Los Angeles	Orange	Riverside	San Bernardino	Ventura	
1990	4,259,700	1,306,200	498,300	599,600	345,600	**7,009,400**
1991	4,101,000	1,247,900	493,800	590,500	338,400	**6,771,600**
1992	4,006,700	1,241,500	507,600	604,100	339,400	**6,699,300**
1993	3,908,500	1,236,800	511,600	608,900	341,400	**6,607,200**
1994	3,898,600	1,257,500	534,000	612,900	350,400	**6,653,400**
1995	3,938,600	1,254,400	549,900	622,500	351,100	**6,716,500**
1996	3,967,800	1,280,400	563,100	634,300	349,600	**6,795,200**
1997	4,117,000	1,328,200	589,600	658,600	353,400	**7,046,800**
1998	4,246,100	1,385,300	615,900	680,100	364,500	**7,291,900**
1999	4,309,400	1,422,100	653,600	712,600	375,600	**7,473,300**
2000	4,424,900	1,428,400	643,900	703,600	374,700	**7,575,500**
2001	4,483,400	1,453,400	672,000	724,500	380,000	**7,713,300**
2002	4,447,100	1,456,500	701,800	743,200	384,600	**7,733,200**
2003	4,427,100	1,482,600	730,700	750,600	388,800	**7,779,800**
2004	4,454,100	1,508,000	771,600	784,400	391,600	**7,909,700**
2005	4,516,100	1,545,200	808,100	808,400	398,100	**8,075,900**
2006	4,568,200	1,580,500	841,700	823,400	408,000	**8,221,800**
2007	4,617,100	1,556,200	852,900	819,000	404,200	**8,249,400**
2008	4,557,300	1,539,800	838,800	798,100	404,400	**8,138,400**
2009	4,328,600	1,456,000	790,000	751,600	388,200	**7,714,400**
2010	4,262,300	1,429,700	779,500	733,800	384,300	7,589,600
Percent Change (1990-2009):						
Change in number of jobs	2,600	123,500	281,200	134,200	38,700	580,200
Percent Change	0.06	9.45	56.43	22.38	11.20	8.28
Average Annual Percent Change	<0.01	0.47	2.82	1.12	0.56	0.41

Source: CEDD, California Labor Market Information, 2010 and 2011

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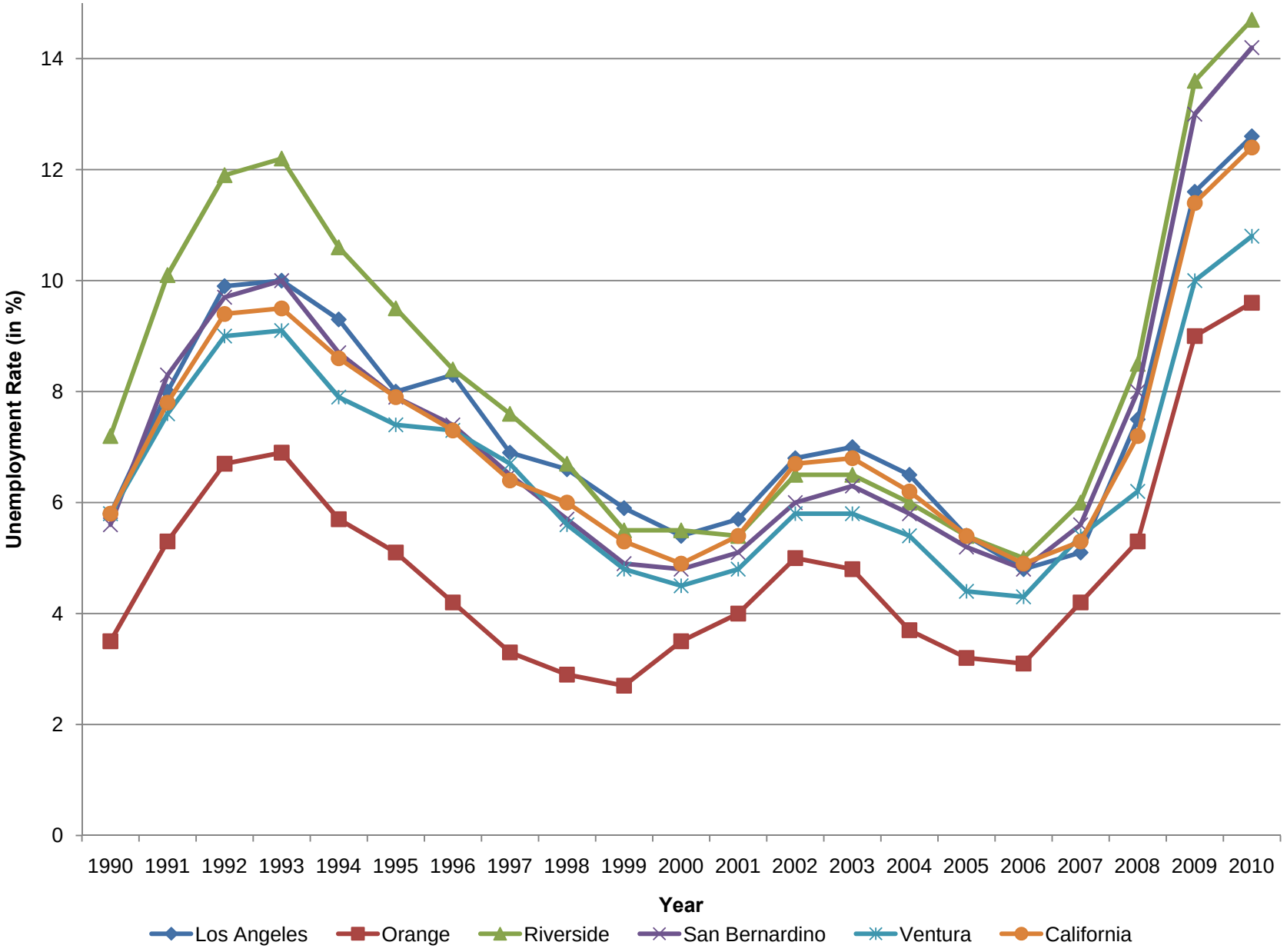
Table 7-2: Total Civilian Employment Projection by County and City (2010-2030)

	2010	2015	2020	2025	2030	Change (2010-2030)		
						Numeric	Percent	Average Annual Percent
Southern California (Five-County Region)	8,276,240	8,718,452	9,076,942	9,429,680	9,787,437	1,511,197	18.26	0.91
County:								
Los Angeles County	4,552,398	4,675,875	4,754,731	4,847,436	4,946,420	394,022	8.66	0.43
Orange County	1,755,167	1,837,771	1,897,352	1,933,058	1,960,633	205,466	11.71	0.59
Riverside County	784,998	911,381	1,042,145	1,168,769	1,295,487	510,489	65.03	3.25
San Bernardino County	810,233	897,489	965,778	1,045,480	1,134,960	324,727	40.08	2.00
Ventura County	373,444	395,936	416,936	434,937	449,937	76,493	20.48	1.02
Area Cities (in Los Angeles County):								
Los Angeles	1,820,092	1,864,061	1,892,139	1,925,148	1,960,393	140,301	7.71	0.39
Carson	52,616	53,155	53,499	53,904	54,336	1,720	3.27	0.16
Palos Verdes Estates	3,560	3,649	3,706	3,774	3,845	285	8.01	0.40
Rancho Palos Verdes	6,406	6,577	6,686	6,815	6,952	546	8.52	0.43
Redondo Beach	30,586	30,989	31,246	31,548	31,871	1,285	4.20	0.21
Rolling Hills	490	502	509	518	527	37	7.55	0.38
Rolling Hills Estates	3,897	3,984	4,040	4,106	4,177	280	7.19	0.36
Torrance	107,277	109,092	110,252	111,615	113,071	5,794	5.40	0.27
Lakewood	17,606	18,088	18,396	18,758	19,144	1,538	8.74	0.44
Long Beach	185,938	189,987	192,573	195,614	198,860	12,922	6.95	0.35
Signal Hill	12,085	12,294	12,428	12,584	12,752	667	5.52	0.28

Source: SCAG, RTP Forecast, 2008



Source: CEDD, California Labor Market Information, 2010 and 2011

Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Unemployment Rate for State and Counties (1990-2010)
Figure 7-2

CDM

Table 7-3: Unemployment Rate (%) by County (1990-2010)

Year	County					California
	Los Angeles	Orange	Riverside	San Bernardino	Ventura	
1990	5.8	3.5	7.2	5.6	5.8	5.8
1991	8.0	5.3	10.1	8.3	7.6	7.8
1992	9.9	6.7	11.9	9.7	9.0	9.4
1993	10.0	6.9	12.2	10.0	9.1	9.5
1994	9.3	5.7	10.6	8.7	7.9	8.6
1995	8.0	5.1	9.5	7.9	7.4	7.9
1996	8.3	4.2	8.4	7.4	7.3	7.3
1997	6.9	3.3	7.6	6.5	6.7	6.4
1998	6.6	2.9	6.7	5.7	5.6	6.0
1999	5.9	2.7	5.5	4.9	4.8	5.3
2000	5.4	3.5	5.5	4.8	4.5	4.9
2001	5.7	4.0	5.4	5.1	4.8	5.4
2002	6.8	5.0	6.5	6.0	5.8	6.7
2003	7.0	4.8	6.5	6.3	5.8	6.8
2004	6.5	3.7	6.0	5.8	5.4	6.2
2005	5.4	3.2	5.4	5.2	4.4	5.4
2006	4.8	3.1	5.0	4.8	4.3	4.9
2007	5.1	4.2	6.0	5.6	5.4	5.3
2008	7.5	5.3	8.5	8.0	6.2	7.2
2009	11.6	9.0	13.6	13.0	10.0	11.4
2010	12.6	9.6	14.7	14.2	10.8	12.4

Source: CEDD, California Labor Market Information, 2010 and 2011

The total number of farm and non-farm jobs in Los Angeles County decreased over the period of 1990 to 2010 by approximately 374,200 jobs, or 9 percent (Table 7-4). The greatest numeric decline took place in the manufacturing sector with a decrease of 54 percent, or over 437,000 jobs. Manufacturing saw its share of total employment decline from almost 20 percent in 1990 to just under 10 percent in 2010. This decline in manufacturing employment, as well as small declines in other industries, was partially offset by large increases in education and health services, leisure and hospitality, and local government.

Table 7-4: Total Farm and Non-Farm Employment for Los Angeles County, California (1990-2009)

Industry Group	1990	1995	2000	2005	2010	Change (1990-2009)		
						Number	Percent	Average Annual Percent
Total, All Industries	**4,149,500**	**3,754,500**	**4,079,800**	**4,031,600**	**3,775,300**	**-374,200**	**-9.02**	**-0.45**
Total Farm	13,700	8,000	7,700	7,400	6,400	-7,300	-53.28	-2.66
Total Nonfarm	4,135,700	3,746,600	4,072,100	4,024,200	3,769,000	-366,700	-8.87	-0.44
Natural Resources and Mining	8,200	4,100	3,400	3,700	4,200	-4,000	-48.78	-2.44
Construction	145,100	113,300	131,700	148,700	104,300	-40,800	-28.12	-1.41
Manufacturing	812,000	628,100	612,200	471,700	374,200	-437,800	-53.92	-2.70
Trade, Transportation, and Utilities	794,900	721,100	786,000	795,400	738,400	-56,500	-7.11	-0.36
Information	186,200	190,900	243,700	207,600	192,400	6,200	3.33	0.17
Financial Activities	279,900	223,900	224,500	244,000	209,200	-70,700	-25.26	-1.26
Professional and Business Services	541,600	516,100	587,900	576,100	526,100	-15,500	-2.86	-0.14
Educational and Health Services	384,700	372,200	416,800	471,300	522,700	138,000	35.87	1.79
Leisure and Hospitality	306,700	309,800	344,700	377,800	384,600	77,900	25.40	1.27
Other Services	136,700	131,300	140,000	144,300	136,300	-400	-0.29	-0.01
Government	539,800	535,700	581,300	583,700	576,600	36,800	6.82	0.34
Federal Government	71,900	63,400	57,900	53,500	50,800	-21,100	-29.35	-1.47
State and Local Governments	467,900	472,300	523,300	530,200	525,800	57,900	12.37	0.62
State Government	69,900	70,500	77,100	78,200	80,500	10,600	15.16	0.76
Local Government	398,100	401,800	446,200	452,000	445,400	47,300	11.88	0.59

Source: CEDD, Industry Employment & Labor Force by Annual Average, 2009

1

Research conducted by SCAG demonstrates that the average per capita income and average payroll per job in the five counties of southern California have declined over the last several decades when compared to other metropolitan areas in the nation. In the 1970s, the region had the fourth highest per capita income among the 17 largest metropolitan regions in the county. In 1990, this dropped to the seventh highest, and in 2005 it dropped to 16th (SCAG, 2007). This deterioration began noticeably with the severe economic dislocation experienced in the high-paying aerospace and defense manufacturing sector in the early 1990s during the post Cold War recession. Although the region recovered from the employment loss in succeeding years, the quality (and salary) of the jobs created compared poorly with those lost (SCAG, 2008).

Since 1990, many of the lost jobs have been in well-paying sectors such as manufacturing (aerospace, electronic instrument, computer and peripheral, machinery, and fabricated metal) and Department of Defense and other federal agencies. Although a significant number of well-paying jobs were added to the regional economy over the same time period (arts, entertainment, and recreation; wholesale trade; transportation and warehousing; construction; local government; and health care), the majority of new jobs were lower-paying positions in the service sector (office administrative, employment, and food and drinking establishments) and local government, and education sectors. The average annual wage level of the losing sectors was just over $45,000, while that of the gaining sectors was just over $33,000, which is almost 27 percent lower.

International Trade

The international trade sector is one of the growth engines of southern California. With the exception of a plunge in global trade following the events of September 11, 2001, employment in this sector has grown every year from 1999 to 2007. However, the global recession resulted in a 14.2 percent decline in the number of jobs in international trade in 2008 and 2009. This decline exceeded the rate of decline for total non-farm employment, which during the same period saw a decline of 8.8 percent. The rate of decline in international trade jobs is projected to decrease to below one percent in 2010, and reverse to an increase of approximately 3.5 percent in 2011. It is estimated that in 2009, approximately 482,500 jobs in southern California were associated with international trade (Los Angeles County Economic Development Corporation and the Kyser Center for Economic Research, 2010).

The Los Angeles Customs District (LACD) includes the Port of Los Angeles, Port of Long Beach, Port Hueneme, and Los Angeles International Airport (LAX). Of the total value of imports entering the LACD in 2009, over 60 percent were transported by marine vessels. In the case of China (ranked first as trading partner for imports), over 90 percent of goods by value entered through the Ports of Los Angeles and Long Beach. In the case of Japan (second-ranked origin of commodities), just under 90 percent entered through the Ports. For South Korea, (third-ranked origin of commodities), the proportion that entered through the Ports was just over 90 percent. In the case of exports leaving the LACD, over 60 percent (by value) were shipped through the Ports in 2009. Combined, the Port of Los Angeles and Port of Long Beach rank first in the United States and as the sixth largest (by volume) container port complex in the world in 2009 and 2010 behind

ports located in Asia (Los Angeles County Economic Development Corporation and the Kyser Center for Economic Research, 2010 and 2011).[2]

"Logistics" Sector of the Economy

Freight movement is a system of related and integrated businesses with components of infrastructure, equipment, personnel, and information and is often referred to as the "logistics" sector. The purpose of this system is to achieve the distribution of goods and commodities between origins and destinations, or suppliers and consumers, in an increasingly global economy. The system includes maritime vessels, trucks, railroads, aircraft, pipelines, warehouses, and terminals, all of which work collectively and cooperatively.

According to a study sponsored by SCAG, a number of factors important to companies have become especially costly in southern California: workers compensation insurance, electrical energy, and housing (Economics and Politics, Inc., 2004). For companies that have considerable location freedom, costs in southern California are not attractive to their remaining or expanding in the region. For many companies, however, proximity to customers (the general population) and other factors such as facilities (ports and airports) and skilled workforce (motion picture industry) are of overriding importance. These industries include the services sector, transportation and warehousing, and the motion picture industry.

The logistics and distribution sector of the economy consists largely of industries that are tied to port and airport functions. This sector, which involves receiving, processing, storing, and moving goods, includes the following industrial sectors: wholesale trade, truck transportation, support services for transportation, non-local couriers, and general warehousing, as well as 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.

Between 1990 and 2003, the group of industries comprising the logistics sector was one of the few service sectors of the southern California economy that provided significant job growth. Additionally, the 2003 pay level in logistics ($45,314) exceeded that of manufacturing ($43,871) and construction ($40,439).

For more than the last decade, the nation's manufacturers and retailers have adopted "just-in-time" systems. 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 fact that a high proportion of the nation's trade with Asian economies passes through the Ports of Los Angeles and Long Beach. It is anticipated that the volume of this trade will continue to increase, especially with the projected use of post-Panamax container ships. These wide and deep-draft vessels can be accommodated on the west coast only at the larger ports, such as the Ports of Los Angeles, Long Beach, and Seattle.

[2] The five busiest container ports based on amount of TEUs handled are (in descending order): Singapore, Shanghai China, Hong Kong, Shezhen China, and Busan Korea.

The *Trade Impact Study* prepared for the Alameda Corridor Transportation Authority (ACTA) and the Ports of Los Angeles and Long Beach examined the economic impacts of the trade that passes through the Ports in San Pedro Bay (ACTA, 2007). Impacts at the state, congressional district, and national levels were assessed. According to this study, state and local taxes generated throughout the nation from this trade activity grew from an estimated $6 billion in 1994 to more than $28 billion in 2005, of which $6.7 billion was in California. The value of containerized trade passing through the Ports of Los Angeles and Long Beach totaled about $256 billion, of which $62.5 billion was in California. From 1994 to 2005, the number of jobs associated with the trade activity generated by the Ports of Los Angeles and Long Beach tripled, rising from 1.1 million jobs nationally in 1994 to 3.3 million jobs in 2005. The *Trade Impact Study* prepared for ACTA estimated that the Ports support, directly and indirectly, 1.1 million full- and part-time jobs throughout California and 3.3 million jobs nationwide. The employment translates into $58.7 billion annually in regional wages and salaries and $52.1 billion annually in state and local taxes (ACTA, 2007). Approximately 918,800 jobs in southern California were related to port industries or port users (POLA, 2009). This report included the economic contributions of the logistics industries located at the Ports of Los Angeles and Long Beach, as well as at wholesalers, distributors, and retailers located off the Ports.

Port of Los Angeles

The Port of Los Angeles handled almost 6.7 million TEUs in 2009, down from 7.8 million TEUs in 2008 and the throughput peak of 8.5 million TEUs in 2006. The top five containerized imports in 2009 were furniture, women's and infant's apparel, footwear, toys, and automobile parts. The top trading partners were China, Japan, Taiwan, South Korea, and Thailand. The top five containerized exports were scrap metal, grains and flour products, fabrics and raw cotton, and pet and animal feed. Automobile shipments account for less than 2 percent of the value of the cargo that passes through the Port. The total value of the cargo was $195.7 billion in 2009, rising to $236.4 billion in 2010. The Port of Los Angeles is one of the world's largest trade gateways, and the economic contributions to the regional and national economy are substantial. The Port facilitates tens of billions of dollars in industry sales each year in the southern California region. These sales translate into jobs, wages and salaries, and state and local taxes. The *Trade Impact Study* prepared for ACTA estimated that the Port supports, directly and indirectly, 1,100,997 full- and part-time jobs throughout California and 3,300,000 jobs nationwide. The employment translates into $58.7 billion annually in regional wages and salaries and $52.1 billion annually in state and local taxes (ACTA, 2007). Of the regional direct, indirect, and induced benefits connected to the Port, approximately 70 percent occur in Los Angeles County. The major ways in which the Port contributes to the local and regional economy is through Port industries, Port users, and Port customers.

Port industries are businesses involved in the moving and handling of maritime cargo. It is estimated that for every dollar spent by Port industries, another 97 cents is generated in indirect sales in the region. Port industries account for approximately 16,360 direct jobs (85 percent of which are trucking and warehousing jobs).

Port users are the biggest contributors to the economy. Port users are businesses that use the Port to receive imports or ship exports. Export manufacturers are among the major Port users while others include local manufacturers who process imported, unfinished goods. Port users generate approximately $12.1 billion in sales and stimulate an

additional $5.5 billion in local industry indirect sales. Local "respending" by workers employed by Port users and the industries they affect is estimated at approximately $4.1 billion. Each dollar of spending for Port user goods and services produces about 79 cents ($ 0.79) of additional industry sales in the five-county region (Port of Los Angeles website, 2010).

Port customers are the retail and other non-cargo businesses in the Port. They are most important to communities near the Port as a source of jobs, recreation, and specialty consumer goods. Port customers contribute about $760 million to the local economy. Direct jobs associated with Port customers numbered about 6,400 or roughly half of the jobs actually located in the Port. For every one of these Port customer jobs, nearly 1.7 additional jobs are created elsewhere in the five-county region (Port of Los Angeles website, 2010).

Geographical Distribution of Port Workers

The employment generated by maritime cargo activity at the marine terminals owned by the Port of Los Angeles can be categorized into trucking, International Longshore and Warehouse Union (ILWU), freight forwarders/customs house brokers, warehousing, steamship agents, chandlers, surveyors, etc. Approximately 43,397 jobs are directly generated by activities at the marine terminals (Martin Associates, 2007).

Table 7-5 presents the geographical distribution of the 43,397 direct jobs by place of residency, based on the results of the interviews with 721 firms. As this table indicates, 12.7 percent of the direct job holders reside in the City of Los Angeles (excluding Wilmington and San Pedro), 16.8 percent in the City of Long Beach, 13 percent in San Pedro, and 8.7 percent in Wilmington. Another 37 percent reside in other parts of Los Angeles County (Martin Associates, 2007).

Table 7-5: Distribution of Direct Cargo Jobs by Place of Residency for the Port of Los Angeles

Jurisdiction	Share (in Percent)	Cargo Direct Jobs
City of Los Angeles (Excluding San Pedro and Wilmington)	12.66	5,495
City of Long Beach	16.78	7,280
San Pedro	13.06	5,669
Wilmington	8.73	3,790
Other Los Angeles County	36.97	16,042
Orange County	7.76	3,367
Riverside County	1.15	498
San Bernardino County	2.25	978
Ventura County	0.13	58
Other	0.51	220
Total	100	43,397

Source: Martin Associates, August 2007

Occupation by Place of Residence

Information regarding occupation (aggregated to industrial sectors similar to those addressed earlier) is contained in the 2000 decennial census. The definition of the categories varies somewhat from those presented earlier; however, these differences are minor. The occupational breakdown (for the employed civilian population 16 years of age and over) is available for small geographical areas, such as the zip code areas presented in Table 7-6. The zip code areas selected are those in the vicinity of the Port for the communities of Wilmington, San Pedro, and Harbor City, and the cities of Torrance, Carson, and Long Beach.

The proportion engaged in manufacturing in 2000 was 14.8 percent for Los Angeles County and 13.2 percent for the City of Los Angeles (U.S. Census Bureau, 2000). Four of the small areas surrounding the Port had in excess of 20 percent of the employed persons working in manufacturing. They were Wilmington, Carson, Harbor City, and part of the City of Long Beach. All of the small areas have much higher proportions of their residents employed in the transportation and warehousing sector of the economy than is the case for Los Angeles County and the City of Los Angeles. Several of the areas, especially Wilmington, San Pedro, Carson, and part of Long Beach, have proportions that are twice that of the larger areas, or more.

Income

The median household income (income received by all members [15 years old and over] of a household) reported in the 2000 Census for Los Angeles County was just over $42,000. Riverside and San Bernardino counties had very similar values, while the value for Orange County was approximately $58,800 and that for Ventura County was $59,600. By comparison, the median household income for the City of Los Angeles was $36,600 (Table 7-7). Of total aggregate income, at the county level, by far the largest proportion (between 69 and 77 percent) is contributed by wage and salary income at the county level.

Median family income (income received by members of a family household [consisting of a householder and one or more persons related by blood, marriage, or adoption] who are 15 years old and over) varied between $46,500 and $65,300 across the five counties and was $39,900 for the City of Los Angeles. For the zip code areas near the Port (as presented in Table 7-6), values exhibited a wider range (between $19,600 and $73,500). The median family income was $39,100 for San Pedro and $30,800 for Wilmington (Table 7-8).

7.2.1.2 Population

Between 1990 and 2009, the number of residents in the five-county region increased by just under 4 million, or an average annual rate of 1.4 percent. The most rapid rate of change took place in Riverside County (4.22 percent annual average) and San Bernardino County (2.37 percent annual average). While the largest numeric increase occurred in Los Angeles County (approximately 1.5 million persons), the rate of change was the least of the counties (0.89 percent annually) (Table 7-9).

The population of the City of Los Angeles increased over the same time, but at a substantially slower pace. The number of residents increased by more than 565,000, at an average annual rate of 0.85 percent. Two cities in the South Bay section of southern

California saw population increase at an average annual rate greater than that of the City of Los Angeles: Signal Hill (1.9 percent) and Carson (0.86 percent).

Population projections prepared by the California Department of Finance forecast a growth rate over the 20-year period between 2010 and 2030 of approximately 1.09 percent annually for southern California. The region is projected to increase by approximately 4.13 million residents over this period. The highest growth rates are projected for Riverside and San Bernardino counties. The population of the Los Angeles County is projected to increase by approximately 1.4 million residents at an annual average rate of 0.67 percent (Table 7-10).

Table 7-6: Occupational Breakdown (%) by Place of Residence (Zip Code Area) in 2000 (Employed civilian population 16 years and over)

	90501 Torrance	90502 Torrance	90710 Harbor City	90731 San Pedro	90732 San Pedro	90744 Wilmington	90745 Carson	90802 Long Beach	90806 Long Beach	90810 Long Beach	90813 Long Beach
Percent (%) by Occupation:											
Agriculture, forestry, fishing and hunting, and mining:	0.19	0.23	0.05	0.58	0.36	0.63	0.37	0.31	0.58	0.68	0.42
Agriculture, forestry, fishing and hunting	0.10	0.23	0.05	0.53	0.36	0.48	0.17	0.21	0.10	0.54	0.18
Mining	0.09	0.00	0.00	0.05	0.00	0.15	0.20	0.09	0.48	0.14	0.24
Construction	5.98	3.69	3.86	6.63	4.22	6.89	3.45	4.88	4.73	5.39	8.79
Manufacturing	16.69	18.43	20.31	12.77	12.95	22.24	22.16	12.55	15.29	20.70	19.10
Wholesale trade	4.42	5.69	3.81	4.07	4.31	6.16	4.64	4.00	4.30	5.55	4.13
Retail trade	13.00	10.50	10.75	10.32	8.56	9.83	12.23	9.96	10.60	9.66	9.96
Transportation and warehousing, and utilities:	7.25	7.03	7.35	11.33	13.08	8.47	8.49	6.11	8.52	9.27	4.92
Transportation and warehousing	6.88	6.15	6.88	10.80	12.71	8.06	8.14	5.68	7.71	8.74	4.63
Utilities	0.38	0.88	0.47	0.52	0.36	0.42	0.35	0.44	0.80	0.53	0.29
Information	2.17	3.89	2.08	2.52	3.00	2.18	2.58	4.17	2.98	2.14	1.70
Finance, insurance, real estate and rental/leasing	5.01	6.85	5.95	5.28	6.49	3.44	4.86	5.45	4.45	3.78	3.51
Finance and insurance	3.06	4.50	3.99	3.19	4.51	1.95	3.23	3.25	2.98	2.81	1.55
Real estate and rental/leasing	1.95	2.35	1.95	2.09	1.98	1.49	1.63	2.20	1.48	0.97	1.95
Professional, scientific, management, administrative, and waste management services:	12.33	7.59	9.52	9.36	10.53	8.83	8.71	11.14	9.35	8.28	9.67
Professional, scientific, and technical services	5.46	4.23	3.05	4.10	8.33	1.70	4.08	5.13	3.45	2.48	2.15
Management of companies and enterprises	0.14	0.09	0.00	0.00	0.00	0.08	0.22	0.10	0.03	0.05	0.00
Administrative and support and waste management services	6.72	3.27	6.47	5.26	2.20	7.06	4.41	5.91	5.86	5.74	7.52
Educational, health, and social services:	16.35	18.39	18.39	18.38	21.94	12.42	18.25	20.97	20.61	19.07	12.21

Table 7-6: Occupational Breakdown (%) by Place of Residence (Zip Code Area) in 2000 (Employed civilian population 16 years and over)

	90501 Torrance	90502 Torrance	90710 Harbor City	90731 San Pedro	90732 San Pedro	90744 Wilmington	90745 Carson	90802 Long Beach	90806 Long Beach	90810 Long Beach	90813 Long Beach
Educational services	6.15	7.53	6.74	8.70	10.89	5.37	5.40	9.05	6.78	5.51	3.94
Health care and social assistance	10.20	10.87	11.65	9.68	11.05	7.05	12.85	11.92	13.82	13.57	8.28
Arts, entertainment, recreation, accommodation, and food services:	8.70	7.13	7.94	7.30	5.18	9.35	6.63	12.15	8.64	6.91	14.52
Arts, entertainment, and recreation	1.47	1.77	1.66	2.06	1.58	1.12	1.05	2.79	1.87	1.38	1.34
Accommodation and food services	7.24	5.36	6.28	5.24	3.61	8.23	5.58	9.36	6.77	5.53	13.18
Other services (except public administration)	5.13	4.27	6.11	7.31	4.93	7.90	4.78	5.61	6.09	5.83	9.06
Public administration	2.78	6.30	3.89	4.15	4.45	1.65	2.85	2.70	3.88	2.74	2.01

1 Source: U.S. Census Bureau Summary File (SF3), 2000.

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Table 7-7: Household and Family Income by Source of Income by County

	Los Angeles County	Orange County	Riverside County	San Bernardino County	Ventura County	City of Los Angeles
Median household income ($) in 1999	42,189	58,820	42,887	42,066	59,666	36,687
Median family income ($) in 1999	46,452	64,611	48,409	46,574	65,285	39,942
Per capita income ($) in 1999	20,683	25,826	18,689	16,856	24,600	20,671
Contribution (%) to total aggregate income from:						
Wage or salary income	74.39	76.05	69.25	76.90	74.67	72.76
Self-employment income	8.28	7.76	6.89	6.03	8.20	9.60
Interest, dividends, or net rental income	7.22	7.48	8.24	4.15	6.92	8.00
Social Security	3.54	3.16	6.10	4.55	3.54	3.40
Supplemental Security Income	0.65	0.33	0.59	0.74	0.35	0.72
Public assistance income	0.51	0.16	0.36	0.60	0.16	0.56
Retirement income	3.70	3.59	6.15	4.96	4.55	3.24
Other types of income	1.72	1.47	2.44	2.07	1.62	1.73

Source: U.S. Census Bureau Summary File (SF3), 2000.
Notes:
Per capita income is the mean income computed for every man, woman, and child in a geographic area.
Household income is the sum of money income received by all household members 15 years old and over, including household members not related to the householder, people living alone, and other nonfamily household members. Because many households consist of only one person, average household income is usually less than average family income.
Family Income is the incomes of all members of a family household (consisting of a householder and one or more persons related by blood, marriage, or adoption) 15 years old and over summed and treated as a single amount.

Table 7-8: Household and Family Income by Source of Income by Zip Code

	90501 Torrance	90502 Torrance	90710 Harbor City	90731 San Pedro	90732 San Pedro	90744 Wilmington	90745 Carson	90802 Long Beach	90806 Long Beach	90810 Long Beach	90813 Long Beach
Median household income ($) in 1999	42,117	48,601	42,299	35,910	63,614	30,259	50,610	25,860	31,488	36,966	20,015
Median family income ($) in 1999	47,076	51,829	45,854	39,057	73,461	30,800	53,218	26,865	31,050	40,119	19,594
Per capita income ($) in 1999	18,784	19,749	18,425	18,043	30,842	11,600	15,665	17,668	13,412	12,848	7,567
Contribution (%) to total aggregate income from:											
Wage or salary income	78.37	79.86	76.84	76.90	73.53	80.88	80.63	79.94	79.18	77.52	76.56
Self-employment income	7.48	5.51	6.81	6.65	5.58	4.90	3.26	5.03	4.79	2.54	3.95
Interest, dividends, or net rental income	4.32	3.08	4.43	4.41	7.92	2.76	3.07	3.53	3.92	3.48	1.75
Social Security	3.51	3.84	4.54	4.09	4.75	4.31	4.43	3.85	2.95	4.64	3.34
Supplemental Security Income	0.69	0.55	0.74	0.67	0.33	0.77	1.09	1.49	1.24	1.09	3.00
Public assistance income	0.50	0.34	0.42	0.81	0.07	1.20	0.44	0.98	1.98	1.03	4.65
Retirement income	3.79	5.55	4.69	4.35	6.32	3.04	5.09	3.31	3.93	7.42	2.77
Other types of income	1.33	1.28	1.53	2.12	1.50	2.14	1.99	1.87	2.00	2.26	3.99

Source: U.S. Census Bureau Summary File (SF3), 2000.

Table 7-9: Population by Region, County, and Local Jurisdictions (1990-2009)

	1990 (Census)	2000 (Census)	2009 (DOF)	Change (1990-2009)		
				Numeric	Percent (%)	Average Annual Percent
Southern California (5-County Region)	14,531,529	16,373,645	18,492,362	3,960,833	27.26	1.43
Counties:						
Los Angeles County	8,863,052	9,519,338	10,355,053	1,492,001	16.83	0.89
Orange County	2,410,668	2,846,289	3,134,858	724,190	30.04	1.58
Riverside County	1,170,413	1,545,387	2,109,882	939,469	80.27	4.22
San Bernardino County	1,418,380	1,709,434	2,057,271	638,891	45.04	2.37
Ventura County	669,016	753,197	835,298	166,282	25.85	1.36
Local Jurisdictions:						
City of Los Angeles	3,485,398	3,694,820	4,050,727	565,329	16.22	0.85
Carson	83,995	89,730	97,795	13,800	16.43	.86
Lakewood	73,553	79,345	83,196	9,643	13.11	0.69
Long Beach	429,321	461,522	490,882	61,561	14.34	0.75
Palos Verdes Estates	13,512	13,340	13,994	482	3.57	0.19
Rancho Palos Verdes	41,667	41,145	42,642	975	2.34	0.12
Redondo Beach	60,167	63,261	67,395	7,228	12.01	0.63
Rolling Hills	1,871	1,871	1,963	92	4.91	0.26
Rolling Hills Estates	7,789	7,676	8,118	329	4.22	0.22
Signal Hill	8,371	9,333	11,389	3,018	36.05	1.90
Torrance	133,107	137,946	148,558	15,451	11.61	0.61

Source: U.S. Census Bureau,2010; California Department of Finance (DOF), E-1: City/County Population Estimates with Annual Percent Change, 2010

Table 7-10: Population Projections for Region and County (2010-2030)

	2010	2020	2030	Projected Change (2010-2030)		
				Numeric	Percent	Average Annual Percent
Southern California (Five-County Region)	19,015,024	21,177,113	23,141,806	4,126,782	21.70	1.09
County:						
Los Angeles County	10,514,663	11,214,237	11,920,289	1,405,626	13.37	0.67
Orange County	3,227,836	3,520,265	3,705,322	477,486	14.79	0.74
Riverside County	2,239,053	2,904,848	3,507,498	1,268,445	56.65	3.20
San Bernardino County	2,177,596	2,581,371	2,958,939	781,343	35.88	1.79
Ventura County	855,876	956,392	1,049,758	193,882	22.65	1.13

Source: DOF, *Population Projections for California and Its Counties 2000-2050, by Age, Gender and Race/Ethnicity,* Sacramento, California, July 2007.

7.2.1.3 Housing

Aspects of housing described in this section include construction trends, characteristics of the existing housing stock, and trends in housing prices.

Housing Construction

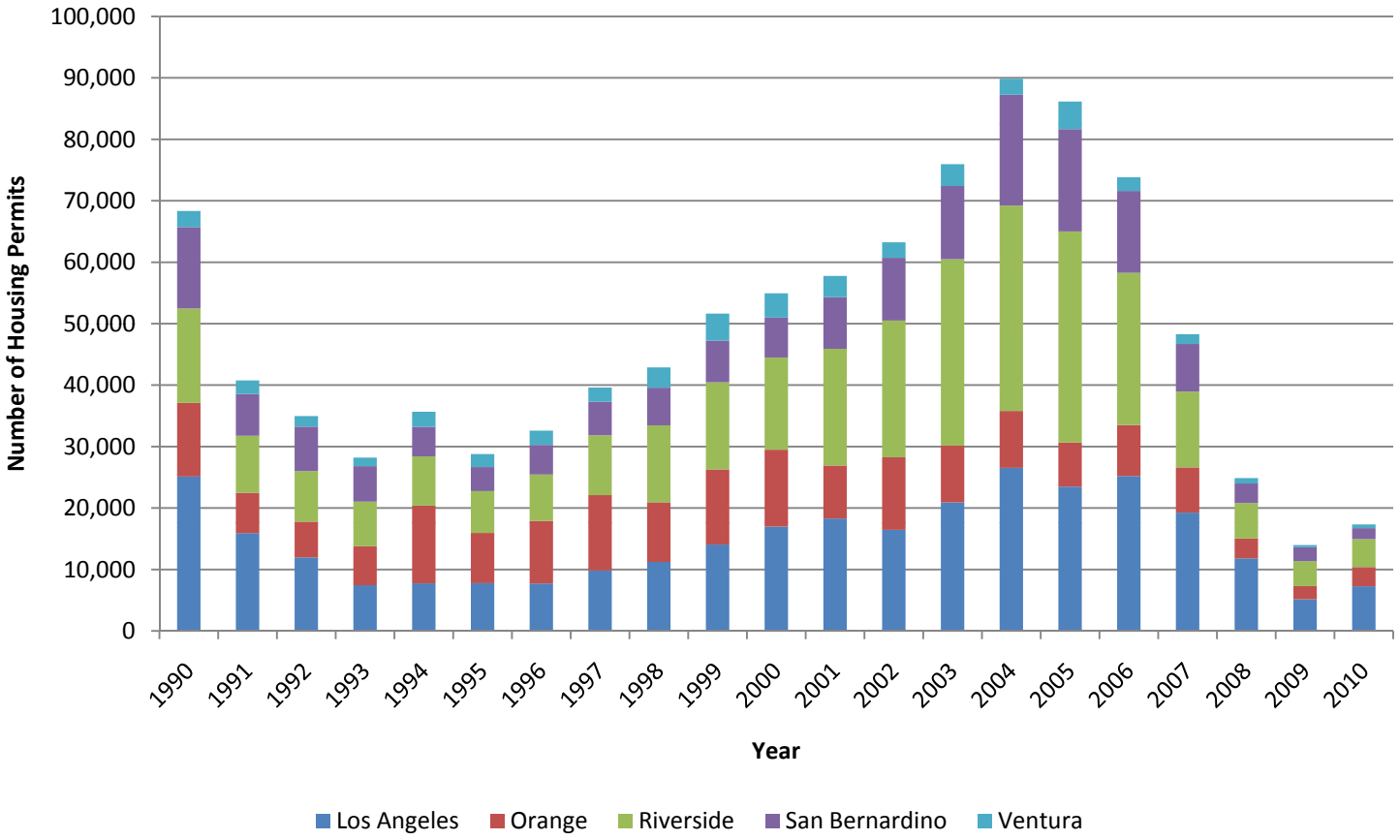
Housing construction typically exhibits a cyclical pattern in response to local, regional, and national economic conditions. In the case of southern California, following a decline in the early 1990s, residential construction experienced a strong period of expansion between 1995 and 2004. A slight decline began in 2005, which increased in the following years. The steepest drops occurred in 2007 and 2008. This decline in activity was in response to a weakening housing market and onset of a severe economic recession. From a level of more than 90,000 units authorized for construction in 2004, the number fell to just below 14,000 in 2009, which is the lowest number of housing starts during the last 20- year period.

Over the 29-year period from 1990 to 2009, just under one million housing units were issued permits for construction in southern California. Of these units, the majority were constructed in Los Angeles County (30.7 percent of the regional total), followed closely by Riverside (with 29.9 percent of the total). The other three counties accounted for just below 40 percent of the total (Orange County at 17.8 percent; San Bernardino County at 16.5 percent, and Ventura County at 5.1 percent.)

As shown in Figure 7-3, the contribution made to new housing (single family and multi-family units) constructed in southern California by each of the individual counties has varied over time. In the 1990s, the largest share of new housing was in Los Angeles County (36.8 percent), followed by Riverside County (22.5 percent), San Bernardino County (19.4 percent), Orange County (17.5), and Ventura County (3.8 percent). During the period of rapid housing growth in the mid 1990s and early 2000s, the share of new housing in Riverside and San Bernardino Counties grew to a combined high of 59.2 percent in 2005 (39.9 percent and 19.3 percent respectively), while the shares in Los Angeles, Orange and Ventura Counties decreased. In 2006, the trends began to reverse and by 2009, the shares of new housing by county were similar to those of 1990, with the greatest share again being in Los Angeles at 36.8 percent, followed by Riverside County (29.2 percent), San Bernardino County (16 percent), Orange County (15.3 percent), and Ventura County (2.5 percent).

Housing Characteristics

In Los Angeles County, the proportion of owner-occupied housing units in 2000 was almost 48 percent; 52 percent were renter occupied. For the City of Los Angeles, the corresponding shares were 39 percent and 61 percent. Within the zip code areas near the Port, the percentage of owner-occupied housing units varies from high values for western San Pedro and Carson to low values for Wilmington and areas of Long Beach (Table 7-11).



Source: US Census Bureau, CenStats Database, 2011

Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Housing Units Permitted in 5-County Southern California Region (1990-2010)
Figure 7-3

CDM

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Table 7-11: Housing Characteristics (%) in 2000

	Los Angeles County	City of Los Angeles	Zip Code Area										
			90501 Torrance	90502 Torrance	90710 Harbor City	90731 San Pedro	90732 San Pedro	90744 Wilmington	90745 Carson	90802 Long Beach	90806 Long Beach	90810 Long Beach	90813 Long Beach
Total housing units	3,270,909	1,337,668	14,367	5,801	8,603	22,522	9,501	14,600	15,145	20,442	15,528	9,518	17,745
Total occupied housing units	3,133,774	1,275,358	13,810	5,593	8,351	21,370	8,746	13,954	14,671	18,838	14,575	9,140	16,436
Percent (%)owner-occupied	47.86	38.56	42.76	69.41	55.53	31.86	73.16	38.79	74.02	19.52	36.83	56.73	12.36
Percent (%) renter-occupied	52.14	61.44	57.24	30.59	44.47	68.14	26.84	61.21	25.98	80.48	63.17	43.27	87.64
Vacancy rate (%)	4.38	4.89	4.03	3.72	3.02	5.39	8.63	4.63	3.23	8.51	6.54	4.14	7.96
Median number of rooms per unit	4.2	3.7	4.0	4.4	4.2	3.9	5.1	3.3	4.7	2.8	3.6	4.1	2.8
Number of units in structure													
Percent single detached units	48.72	39.23	47.52	52.58	43.15	34.95	52.80	43.25	63.61	4.33	36.86	64.69	16.53
Percent single attached units	7.39	6.56	8.25	14.46	6.88	8.85	16.82	9.01	12.12	2.21	9.12	6.79	6.16
Percent 2 units	2.74	3.20	2.74	0.53	1.69	5.70	0.43	3.35	1.33	2.74	5.84	2.51	6.62
Percent 3 or 4 units	6.05	6.45	8.52	2.69	5.31	20.88	5.17	8.95	2.03	7.86	12.91	5.65	16.69
Percent 5 to 9 units	8.23	9.44	10.72	7.17	7.22	11.39	8.22	10.72	2.26	12.68	17.48	5.64	17.34
Percent 10 to 19 units	8.05	10.36	7.73	1.45	11.51	7.65	2.94	8.16	1.67	26.21	8.48	3.43	22.27
Percent 20 to 49 units	8.85	12.83	7.99	4.90	5.14	5.4	5.64	7.26	2.95	20.48	5.40	3.53	8.43
Percent 50 or more units	8.25	11.25	3.79	8.77	6.46	4.7	5.44	6.42	4.23	22.86	3.62	4.50	5.71
Percent mobile home	1.63	0.61	2.74	7.45	12.41	0.1	2.54	1.99	9.75	0.07	0.24	3.18	0.26
Percent boat, recreational vehicle (RV), van, etc.	0.10	0.06	0.00	0.00	0.23	0.2	0.00	0.89	0.04	0.54	0.05	0.08	0.00
Year structure built (%)													
Percent Built 1999 to March 2000	0.69	0.54	0.81	0.14	2.71	0.46	0.16	0.76	1.28	0.17	0.41	0.43	0.60
Percent Built 1995 to 1998	2.01	1.90	2.18	2.93	5.95	1.30	2.95	1.67	1.80	0.92	1.42	0.89	2.09
Percent Built 1990 to 1994	4.15	3.72	5.46	4.21	2.58	4.40	3.20	3.41	3.88	6.12	1.89	1.18	4.87
Percent Built 1980 to 1989	12.33	11.09	9.68	17.95	12.48	12.21	19.76	12.49	11.86	11.45	11.30	4.41	14.16
Percent Built 1970 to 1979	15.58	15.02	12.92	23.36	29.44	15.16	24.71	15.49	16.08	12.49	11.50	14.30	15.50
Percent Built 1960 to 1969	17.83	17.53	22.15	19.70	24.31	17.18	14.74	18.43	30.21	16.91	12.93	15.58	19.12
Percent Built 1950 to 1959	22.27	20.49	23.26	24.41	12.00	16.05	19.06	21.99	24.56	14.81	18.23	24.30	14.36
Percent Built 1940 to 1949	12.25	12.99	12.06	3.90	6.89	13.04	6.69	11.80	7.09	10.10	21.32	28.48	10.53
Percent Built 1939 or earlier	12.90	16.71	11.48	3.41	3.64	20.20	8.74	13.96	3.24	27.03	21.01	10.42	18.77
Housing units: median year structure built	1961	1960	1961	1969	1971	1960	1970	1961	1965	1959	1954	1955	1963

Table 7-11: Housing Characteristics (%) in 2000

	Los Angeles County	City of Los Angeles	Zip Code Area										
			90501 Torrance	90502 Torrance	90710 Harbor City	90731 San Pedro	90732 San Pedro	90744 Wilmington	90745 Carson	90802 Long Beach	90806 Long Beach	90810 Long Beach	90813 Long Beach
Median year householder moved into unit: Total	1995	1996	1996	1994	1995	1996	1993	1996	1992	1998	1996	1993	1997
Median year householder moved into unit: Owner occupied	1989	1988	1990	1990	1990	1988	1988	1985	1988	1996	1993	1986	1993
Median year householder moved into unit: Renter occupied	1997	1997	1997	1997	1997	1997	1997	1997	1997	1998	1997	1997	1998
Percent (%) lacking complete plumbing facilities	1.11	1.45	1.11	0.55	1.28	0.90	0.23	1.90	0.65	1.58	1.59	1.22	1.89
Percent (%) lacking complete kitchen facilities	1.75	2.41	1.77	0.88	1.00	1.92	0.95	2.60	0.72	2.87	1.78	1.65	2.62

Source: U.S. Census Bureau, Summary Files (SF)(a)1 and 3(b), 2000

There are a number of similarities between San Pedro and Wilmington with respect to the characteristics of housing units and their occupants. The proportion of renters is high (68 percent for San Pedro and 61 percent for Wilmington). There are relatively few apartment buildings containing 10 or more units. The median age of the housing is 50 and 49 years, respectively. Homeowners are well established, generally having resided in the same house since 1988 in San Pedro and since 1985 in Wilmington. The housing quality is somewhat lower in Wilmington based on a comparison of the proportion of housing units lacking adequate plumbing and kitchen facilities (Table 7-11).

Residential Property Values

During the period of 1998 to 2008, the median home price (for existing homes) in Los Angeles County increased from $168,119 to $393,235, which is a rise of approximately 133.9 percent, or an average annual rate of 12.17 percent. Median prices for existing homes in the other four counties of southern California also rose: 10.06 percent annually in Orange County, 9.63 percent annually in Ventura County, 10.62 percent annually in Riverside County, and 10.65 percent annually in San Bernardino County. This rate of increase in home prices, however, did not take place uniformly during the period. Over the period 2000 to 2005, annual growth rates exceeded 20 percent annually in all counties. The annual growth rates slowed from 2005 to 2007, and in 2008, the average home price fell in all five counties. The trends in prices of new homes mirrored closely those for existing homes (Table 7-12 and Table 7-13) (LAEDC, 2010).

As illustrated in Table 7-14, median home prices at the community level also followed a similar pattern with strong growth rates in the early 2000s, followed by price drops towards the later 2000s. In the some communities (i.e., Carson, Lomita, Wilmington and San Pedro), the average prices began to drop in 2006 and 2007 while average prices in other communities continued to rise (i.e., Palos Verdes Estates, Manhattan Beach, and Hawthorne). By 2008, average home prices in all communities had fallen below 2007 levels. Overall, during the period from 2001 to 2009, all communities had average annual growth rates in excess of 3.5 percent with the exception of Wilmington (2.6 percent) and Marina del Rey (0.8 percent). Median single-family residence sales prices over the period of 2001 to 2009 for homes located in the communities in the immediate vicinity of the Port rose, approximately 7.4 percent annually on average in San Pedro and 2.6 percent annually on average in Wilmington. (San Pedro Waterfront Project EIS/EIR, 2009 [2001-2005 data]; DQ News website, 2010 [2006-2009 data]). Figure 7-4 illustrates the year-to-previous-year change in median home price in San Pedro and Wilmington from the years 2001 to 2009.

Table 7-12: Existing Home Sale Prices by County (1998-2008)

Year	County				
	Los Angeles	Orange	Riverside	San Bernardino	Ventura
1998	168,119	215,731	112,653	97,040	195,600
1999	179,556	228,611	122,473	104,299	209,005
2000	195,134	254,272	138,330	114,065	235,542
2001	216,630	286,680	159,949	130,182	258,594
2002	256,490	339,924	184,603	148,260	309,695
2003	313,469	407,729	230,903	179,316	370,850
2004	391,208	511,132	306,789	236,699	478,281
2005	471,015	583,411	373,549	316,697	556,920
2006	515,717	616,680	401,802	356,670	585,017
2007	537,011	616,424	380,375	345,442	559,687
2008	393,235	454,388	244,221	209,935	402,744
Change (1998-2003)					
Percent	86.46	89.00	104.97	84.79	89.60
Average Annual Percent	14.41	14.83	17.50	14.13	14.93
Change (2003-2008)					
Percent	25.45	11.44	5.77	17.08	8.6
Average Annual Percent	4.24	1.91	.96	2.85	1.43
Change (1998-2008)					
Percent	133.9	110.62	116.79	116.34	105.9
Average Annual Percent	12.17	10.06	10.62	10.58	9.63

Source: Los Angeles Economic Development Corporation (LAEDC), L.A. Stats, 2010

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Table 7-13: New Home Sale Prices by County (1998-2008)

Year	County				
	Los Angeles	Orange	Riverside	San Bernardino	Ventura
1998	235,950	298,481	170,380	168,044	293,543
1999	261,862	328,734	194,870	183,042	336,735
2000	283,039	393,883	225,728	205,042	354,752
2001	303,094	447,835	240,306	217,961	375,972
2002	325,262	495,872	261,350	236,718	437,222
2003	393,247	545,765	291,565	263,673	532,349
2004	449,728	649,253	355,761	291,129	651,229
2005	449,374	705,917	411,707	364,224	696,102
2006	447,286	694,797	439,692	395,707	662,290
2007	503,757	600,074	410,557	383,482	612,913
2008	435,033	502,785	332,918	321,952	433,312
Change (1998-2003)					
Percent	66.67	82.85	71.13	56.91	81.35
Average Annual Percent	11.11	13.81	11.86	9.49	13.59
Change (2003-2008)					
Percent	10.63	-7.88	14.18	22.1	-18.6
Average Annual Percent	1.77	-1.31	2.36	3.68	-3.1
Change (1998-2008)					
Percent	84.37	68.45	95.4	91.59	47.61
Average Annual Percent	7.67	6.22	8.67	8.33	4.33

Source: Los Angeles Economic Development Corporation (LAEDC), L.A. Stats, 2010

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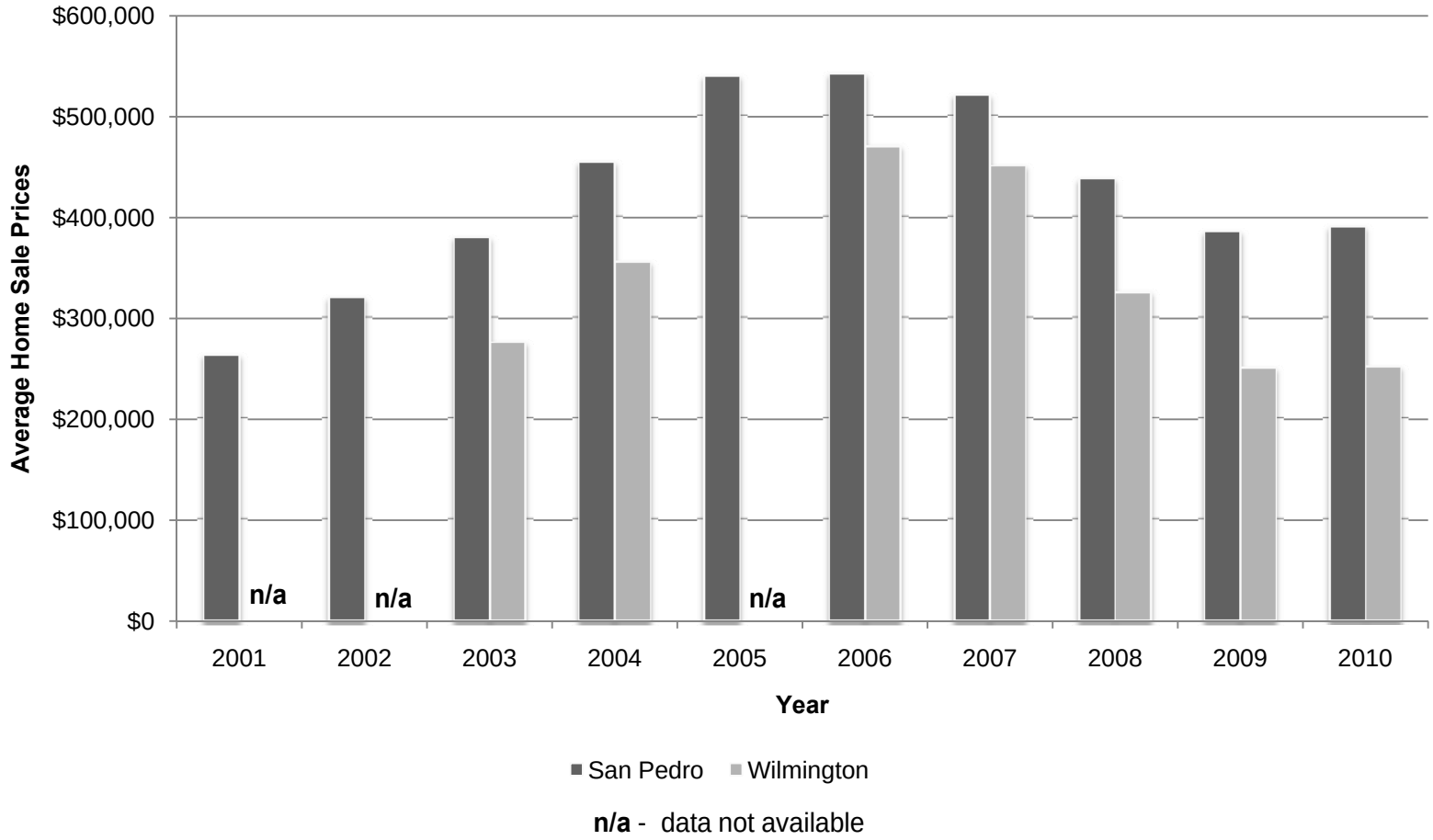
Table 7-14: Average Home Sale Prices by Community (2001-2010)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Percent Change (2001-2010)	Average Annual Percent
Carson	225,000	250,000	318,500	410,000	465,000	515,000	507,500	362,000	297,000	305,000	35.56	3.95
El Segundo	N.A.	N.A.	535,000	781,250	N.A.	770,000	782,500	718,500	657,000	691,500	29.25%	3.25
Gardena	196,500	250,000	310,000	370,000	515,000	498,500	490,000	380,000	298,500	300,000	52.67	5.85
Hawthorne	226,000	260,000	322,000	410,000	520,000	530,000	540,000	412,500	325,000	345,000	52.65	5.85
Hermosa Beach	544,000	570,000	750,000	976,500	N.A.	1,077,500	1,165,000	1,149,000	977,500	915,000	68.20	7.58
Inglewood	182,500	233,500	243,750	380,000	470,000	500,000	450,000	323,250	245,500	235,000	28.77	3.20
Lawndale	193,000	237,000	313,500	379,500	532,500	505,000	483,000	365,500	291,500	300,000	55.44	6.16
Lomita	300,000	359,000	N.A.	N.A.	N.A.	561,000	556,000	481,000	435,000	406,000	35.33	3.93
Manhattan Beach	680,000	797,000	1,100,000	1,250,000	1,425,000	1,550,000	1,649,000	1,575,000	1,330,000	1,400,000	105.88	11.76
Marina Del Ray	562,500	457,000	N.A.	N.A.	N.A.	785,000	789,000	771,000	600,000	607,500	8.00	0.89
Palos Verdes Estates	631,500	685,000	1,065,000	1,117,500	N.A.	1,380,000	1,395,000	1,300,000	1,151,000	N.A.	82.26	9.14
Playa Del Rey	279,000	345,000	352,000	475,000	N.A.	524,500	515,000	496,000	468,750	449,500	61.11	6.79
Rancho Palos Verdes	610,000	615,500	742,500	900,000	1,056,364	1,073,000	1,010,000	1,000,000	862,250	860,000	40.98	4.55
Redondo Beach	420,000	475,000	580,000	717,000	780,000	770,000	780,000	715,000	645,000	650,000	54.76	6.08
San Pedro	262,500	320,000	379,500	454,000	539,000	541,500	520,000	437,500	385,000	390,000	48.57	5.40
Torrance	327,750	380,000	439,250	527,000	610,000	600,000	601,500	520,000	471,000	490,000	49.50	5.50
Wilmington	N.A.	N.A.	275,000	355,000	N.A.	469,500	450,000	325,000	250,000	251,000	-8.73	-0.97

Source: POLA, 2009 (2001-2005 data); DQ News website, 2010, http://www.dqnews.com/Charts/Annual-Charts/CA-City-Charts/ZIPCAR09.aspx (2006-2010 data).
*average annual change from 2001 to 2009; **average annual change from 2003 to 2010.



Source: San Pedro Waterfront Project EIS/EIR, 2009 (2001-2005 data)

DQ News website, 2010, http://www.dqnews.com/Charts/Annual-Charts/CA-City-Charts/ZIPCAR09.aspx (2006-2010 data)

Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project

Change in Median House Price, San Pedro and Wilmington (2001-2010)

Figure 7-4

CDM

7.2.2 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 and real property values are addressed in this chapter. The remaining factors are addressed in corresponding resource-specific sections of this Draft EIS/EIR.

7.2.2.1 Port History

The Port of Los Angeles was created in 1907 with the establishment of the Los Angeles Harbor Commission (see Section 3.4, Cultural Resources, for additional detail). Port growth was relatively slow until after World War I. Growing exports of local oil and lumber, shipbuilding, fishing, and cannery activities resulted in the construction of numerous warehouses and sheds between 1917 and 1930. In 1917, an extensive railroad was established for transporting goods from the Harbor throughout the U.S. Port growth continued during the Depression of the 1930s with new cargo and passenger terminal construction, in some cases, replacing outdated wooden cargo structures. Passenger terminals were constructed at the Port during the modernization of the Port related to containerized storage, between 1948 and 1953.

As commerce and technology have changed, the function of the Port has shifted from its earlier focus on fishing, shipbuilding, and cargo uses to one where the predominant use is container shipping. These changes also have affected off-site land uses, transportation infrastructure, and employment. For example, different kinds of storage and transport facilities are required than previously. As the volume of cargo moving through the Port has increased, highway and rail system improvements have been required (for example, the Alameda Corridor). Much of the incoming container cargo consists of finished goods from Asia that is transported to other parts of California and beyond. These types of goods do not require assembly (in the region) and may be transported to warehouses or distribution centers beyond the Port area. In contrast, imported oil (non-containerized) may be refined in nearby refineries before being transported elsewhere. Local refineries also have supported oil production near the Port or other parts of California. Ancillary uses have changed as well, including shipping suppliers, goods recyclers, and various light industrial uses. As a result, uses may have become outmoded or less economically viable, in some cases resulting in the need for economic revitalization and redevelopment.

7.2.2.2 Port Environmental Programs and Redevelopment

The LAHD is implementing several measures that are designed to reduce impacts of Port operations and improve environmental quality in nearby communities, including the establishment the LAHD's Environmental Management Policy. A more detailed description of the Environmental Management Policy and associated measures that have been planned and implemented is provided in Chapter 1, Section 1.7.

The Environmental Management Policy for the Port was approved by the Harbor Commission on April 11, 2005. The purpose of the Environmental Management Policy is to provide an introspective, organized approach to environmental management, further incorporate environmental considerations into day-to-day Port operations, and achieve

continual environmental improvement. Numerous initiatives and programs under the Environmental Management Policy relate to impacts of Port operations on environmental quality in nearby communities. They 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. One plan under the policy, the San Pedro Bay's Clean Air Action Plan (CAAP), specifically aims to reduce public health risk from Port operations in nearby communities (POLA and POLB, 2006). The Clean Trucks Program, a subcomponent of CAAP, was approved in 2007 and aims at reducing the pollution from diesel-powered trucks in the Port. To help protect water and air quality in the Harbor, the Port of Los Angeles has developed a Clean Marinas Program (CMP). The CMP program advocates that marina operators and boaters use best management practices or environmentally friendly alternatives to some common boating activities that may cause pollution or contaminate the environment. A Water Resources Action Plan (WRAP) was initiated in 2008. This is a comprehensive program that targets remaining waterside and landside sources of water and sediment pollution in San Pedro Bay. Other Port initiatives for environmental quality that are underway include Cabrillo Beach Water Quality Improvements, Consolidated Slip Remediation, Oil Spill Prevention, Sediment Quality Improvement Programs, Watershed and Stormwater Management, and Water Quality Monitoring.

The LAHD is also in the process of implementing several development projects, including the San Pedro Waterfront Master Plan and Wilmington Waterfront Master Plan. These development programs are aimed at strengthening economic development and enhancing community amenities. Specifically, objectives of the San Pedro Waterfront Master Plan include 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 development, enhancement of visitor attractions, development of a waterfront promenade and open space, and a variety of transportation improvements. The EIS/EIR for the San Pedro Waterfront Master Plan was certified in September 2009. Objectives of the Wilmington Waterfront Development Project include connecting the community with the waterfront, creating open space, enhancing the livability and economic viability of the Los Angeles Harbor area by promoting sustainable economic development, and developing an environmentally responsible project. Project elements include commercial and industrial development and creation of visitor amenities such as open space, plazas, a waterfront promenade, and a Waterfront Red Car Museum. The EIR for the Wilmington Waterfront Development Project was certified in June 2009.

7.3 Project Effects Related to Socioeconomics

This section evaluates the effects of the proposed Project and alternatives on employment, population, and housing. Preceding this discussion is a detailed description of the impact methodology used in the analysis.

7.3.1 Impact Methodology

The initial step in estimating socioeconomic effects associated with implementation of a project is to characterize aspects of the construction and operational phases of that project. With the aid of economic impact modeling techniques (described below), the economic effects of each aspect of a project are translated into measures such as jobs and income. In describing the economic effects that implementation of a project could have on the regional economy, a number of measures can be used, such as net changes in regional employment, output, wages, tax revenue, and value added. Attention is focused here on employment, income, 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, industrial 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 a project (during the construction and operation 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. Such an influx may be temporary, as in the case of short-lived construction activity, or permanent, as in the case where workers move to an area to fill long-term 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 project and the number and skill mix of workers available in the local labor force.

As discussed further in Section 7.3.1.4 below, 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 a project, the physical change may be regarded as a significant impact (pursuant to Section 15064(e) and Sections 15131 of the CEQA Guidelines). Therefore, the potential for physical changes as result of socioeconomic changes are also 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 casual relationships to the environment, which may be direct, indirect, and cumulative. Socio-economic 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).

7.3.1.1 Economic Effects of Port Operations

The “Port Industry” is considered 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 7-15 provides a detailed breakdown of Port Industry activities related to cargo movement.

Table 7-15: Port Industry Activities Associated with Cargo Movement

Vessel Expenditures	Terminal Expenditures	Transaction Expenditures	Inland Expenditures
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 Barge Air Rail Pipeline

Source: U.S. Maritime Administration, 2000

Because the revenues and employment associated with Port Industry activities could cease to exist if the port were to close down or become less efficient and lose its cargo base, this employment base is directly impacted by port activities. A much larger group of business that is less directly related to a port includes businesses that produce, consume, or take to retail sale 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 their suppliers also generate economic impacts. The employees of the Port Industry and their 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.

7.3.1.2 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 the 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 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 and stevedores, members of the ILWU, stevedores and customshouse brokers, vessel agents, pilots and tug assist companies, and shippers directly dependent upon the use of the Port of Los Angeles;
- ***Indirect jobs*** are created throughout the region as the result of purchases for 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, maintenance and repair, insurance and construction; and
- ***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 with wholesalers providing the goods to the retailers.

The employment effects of the proposed Project and alternatives relative to construction are presented in terms of direct and secondary jobs, and total jobs (direct and secondary combined) over the 24-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 of 2012, 2015, 2025 and 2027 (build-out). These data are presented in tables that show net jobs (new jobs created as a result of the proposed Project); 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 and annual ship calls 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. This increase in jobs associated with growth of existing operations is equivalent to the job growth that would occur under the NEPA baseline.

The CEQA baseline represents a fixed point in time and thus any increase in employment associated with existing operations subsequent to June 2009 represents an increase over the CEQA baseline.

7.3.1.3 Construction and Operations Model Description

The Port uses two primary tools for calculating the economic impacts of Port expansion projects. For impacts related to the ongoing operations of a cargo terminal, the Port relies on a Cargo Impact Model which was based on a detailed survey of the actual economic impacts of operations at the Port of Los Angeles in 2007. For impacts related to construction and other activities for which the Port does not have detailed survey data available, the Port relies on the IMPLAN (IMpact analysis for PLANning) economic impact modeling system. Both models are described below.

7.3.1.3.1 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 (USDA) Forest Service to assist with land and resource management planning, 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. Input-output accounting describes commodity flows from producers to intermediate and final consumers. 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. This buying of goods and services (indirect purchases) continues until leakages from the region (imports and value added) stop the cycle.

These indirect and induced effects (the effects of household spending) can be mathematically derived. The derivation is called the Leontief inverse. The resulting sets of multipliers describe the change of output for each and every regional industry caused by a one dollar change in final demand for any given industry.

Creating regional input-output models require a tremendous amount of data. The costs of surveying industries within each region to derive a list of commodity purchases (production functions) 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 (2000) and the rectangular format recommended by the United Nations.

The IMPLAN model used by the Port is based on 2007 regional data for the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura, and results are expressed in 2009 dollars. 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 understood that, although input-output analysis is a widely used approach to estimating the local and regional economic effects of implementing projects, it is not without its limitations. The information represents a snapshot at a specific time. In the case of the current model, the technical coefficients are based on 2007 data. Over time, the relationships between industries in an economy change, and their dependency on each other shifts. Input-output modeling does not account for economies of scale. Thus, the

input required by an industry does not vary proportionately even though the final demand that is entered in the model varies.

7.3.1.3.2 Operations Impacts: Cargo Impact Model

In 2007, the Port retained the services of Martin Associates to evaluate the economic impacts generated by waterborne cargo and other activity at the Port. The study employed methodology and definitions that have been used by Martin Associates to measure the economic impacts of seaport activity at more than 250 ports in the United States and Canada, and at the leading airports in the United States. Martin Associates developed a Cargo Impact Model for the Port based on data developed through an extensive interview and survey program of the firms participating in lines of business operated by the Port of Los Angeles. Specific re-spending models have been developed for the five-county region area to reflect the unique economic and consumer profiles of the regional economy. The Cargo Impact Model calculates direct jobs, indirect jobs, induced jobs, wages, and tax impacts; unlike input-output models which must attempt to regionalize national multipliers, the survey-based Cargo Impact Model uses the actual observed operational impacts of the Port of Los Angeles in 2006 as the basis for its calculations.

The Cargo Impact Model is designed to test the sensitivity of impacts to changes in such factors as marine tonnage levels, seaport productivity and work rules, new marine facilities development, inland distribution patterns of marine cargo, number of vessel calls and the introduction of new ocean carrier service. The Cargo Impact Model can also be used to assess the impact of developing a parcel of land as a marine terminal versus other non-cargo land uses. Finally, the marine Cargo Impact Model can be used to assess the economic benefits of increased maritime activity due to infrastructure development and the opportunity cost of not undertaking specific maritime investments, such as dredging, new terminal development, or warehouse development.

7.3.1.3.3 CEQA Baseline

Section 15125 of the CEQA Guidelines requires EIRs to include a description of the physical environmental conditions in the vicinity of a project that exist at the time of the NOP. These environmental conditions normally would constitute the baseline physical conditions by which the CEQA lead agency determines if an impact is significant. For purposes of this Draft EIS/EIR, the CEQA baseline for determining the significance of potential Project impacts is the environmental set of conditions that prevailed at the time the NOP was published for the proposed Project - July 2009. The CEQA baseline takes into account the throughput for the 12-month period preceding July 2009 (July 2008 through the end of June 2009) in order to provide a representative characterization of activity levels throughout the year. The CEQA baseline conditions are described in Section 2.6.1. The CEQA baseline for this proposed Project includes approximately 1.13 million TEUs per year, 998,728 annual truck trips, and 247 annual ship calls that occurred on the 291-acre APL Terminal in the year prior to and including June 2009.

The CEQA baseline represents the setting at a fixed point in time and differs from the No Project Alternative (Alternative 1) in that the No Project Alternative addresses what is likely to happen at the proposed Project site over time, starting from the existing conditions. Therefore, the No Project Alternative allows for growth at the proposed Project site that could be expected to occur without additional approvals, whereas the CEQA baseline does not.

7.3.1.3.4 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 2.6.2. Briefly, 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. The NEPA baseline includes minor terminal improvements in the upland area (i.e., conversion of a portion of the dry container storage unit area to reefers and utility infrastructure), operation of the 291-acre container terminal, and assumes that by 2027, the terminal (Berths 302 to 305) handles up to approximately 2.15 million TEUs annually and accommodates 286 annual ships calls and 2,336 on-way rail trips, without any federal action. Because the NEPA baseline is dynamic, it includes different levels of terminal operations at each study year (2012, 2015, 2020, 2025, and 2027).

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. Therefore, the USACE could project increases in operations over the life of a project to properly describe the NEPA baseline condition. Normally, any federal permit decision would 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 alternative under NEPA is defined by comparing the proposed Project or alternative to the NEPA baseline (i.e., the increment).

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, only minor terminal improvements (utility infrastructure, and conversion of dry container storage to refrigerated container storage) would occur, but no new cranes would be added, and the terminal configuration would remain as it was configured in 2008 (291 acres, 12 A-frame cranes, and a 4,000-ft wharf). However, forecasted increases in cargo throughput and annual ship calls would still occur as container growth occurs.

7.3.1.4 Thresholds of Significance

The primary catalyst for change to socioeconomic resources is a change in economic activity (i.e., employment, income, and tax revenues). A change in employment in an area has the potential to affect population, housing, and associated community services and infrastructure. This is especially the case when the additional job opportunities created through implementation of a project (during both the construction and operation phases) cannot be satisfied by the local workforce. Such a situation can trigger a movement of workers to the area to fill the new jobs. Such an influx may be temporary, as in the case of short-lived construction activity, or permanent, as in the case where workers move to an area to fill long-term 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.

Section 15131 of the CEQA Guidelines 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."

Therefore, a socioeconomic significance conclusion under NEPA does not necessarily require a significance conclusion under CEQA unless those socioeconomic effects could be traced to a physical change in the environment. NEPA considers social effects that have casual relationships to the environment, which may be direct, indirect, and cumulative. Socio-economic 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 in patterns of land use, population density, or growth rate. However, as no people or housing are being displaced as a result of the proposed Project or alternatives, this issue is not discussed further. There are no federal standards that define significance thresholds for socio-economic impacts. However, the following criteria are being applied to this socioeconomic evaluation:

1) The proposed Project/alternative 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) The proposed Project/alternative would cause substantial change in the local employment or labor force.

3) The proposed Project/alternative would cause substantial change in revenue for local businesses, government agencies, or Indian tribes.

4) The proposed Project/alternative would cause a substantial decrease in property values.

7.3.2 Proposed Project

The proposed Project would improve the existing terminal, develop the existing 41-acre fill area as backlands, construct electrification infrastructure in the backlands behind Berths 305-306, add 1,250 lf of new wharf at Berth 306, and dredge the Pier 300 Channel along Berth 306 (up to 20,000 cy in total could be dredged), with the dredged material disposed of or beneficially reused as fill off-site at approved disposal sites. Under this alternative, 12 new cranes would be added to the wharves along Berths 302-306, for a total of 24 cranes. Total terminal acreage would be 347 acres.

The proposed Project throughput is anticipated to be approximately 3.2 million TEUs in 2027. This would translate into 390 annual ship calls at Berths 302-306 by full build-out (2027). In addition, the proposed Project would result in up to 11,361 peak daily truck trips and 2,953 annual one-way-rail trip movements. Configuration of all other landside terminal components would be identical to the existing terminal.

The following presents direct and secondary employment, income (wages), and local and state tax revenues for construction and operations of proposed Project, as derived using the IMPLAN model and Cargo Impact Model (discussed in Section 7.3.1.3.1.) 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.

Implementation of the proposed Project requires completion of a number of additions and improvements to Port facilities in two phases, with construction commencing in 2012 and lasting for an approximately 24 months. The capital improvements would be completed by 2014. Construction of the proposed Project would entail expenditures of approximately $225.8 million over a 24-month period commencing with Project approval, during which time purchases of construction labor, materials, supplies, services, and equipment would be made.

7.3.2.1 Direct or Indirect Inducement of Substantial Population Growth

The proposed Project would not induce substantial population growth directly 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 population growth indirectly through extension of roads or other supporting infrastructure that support new development in previously undeveloped areas.

During construction, the proposed Project would generate 3,370 direct and secondary jobs. Operation of the proposed Project would result in an increase of 8,178 net jobs in the year 2027, which represents a very small portion (less than 0.1 percent) of overall regional employment. As discussed in greater detail in Section 7.3.2.2 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 prevalence of 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 permanent workers would change their place of residence in response to employment opportunities associated with the proposed Project. Thus, in the absence of changes in place of residence by a substantial number of new employees, 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 both direct and indirect construction and operational effects. For example, the proposed Project would indirectly increase earnings to businesses and households throughout the region as proposed project expenditures would be spent throughout the region and new employee wages are spent. While this increase in earning may contribute to the expansion of existing or creation of new businesses, this growth would occur in a highly urbanized area with a large and integrated economy and local workforce. Overall, the long-term effects in would be small relative to the size of the regional economy and it 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 the proposed Project would not induce substantial population growth directly or indirectly, no physical changes are anticipated as a result of the proposed Project; therefore, the impact would be less than significant under CEQA.

NEPA Determination

The proposed Project would not induce substantial population growth, directly or indirectly; therefore, the impact would be less than significant under NEPA.

7.3.2.2 Changes to the Local Employment or Labor Force

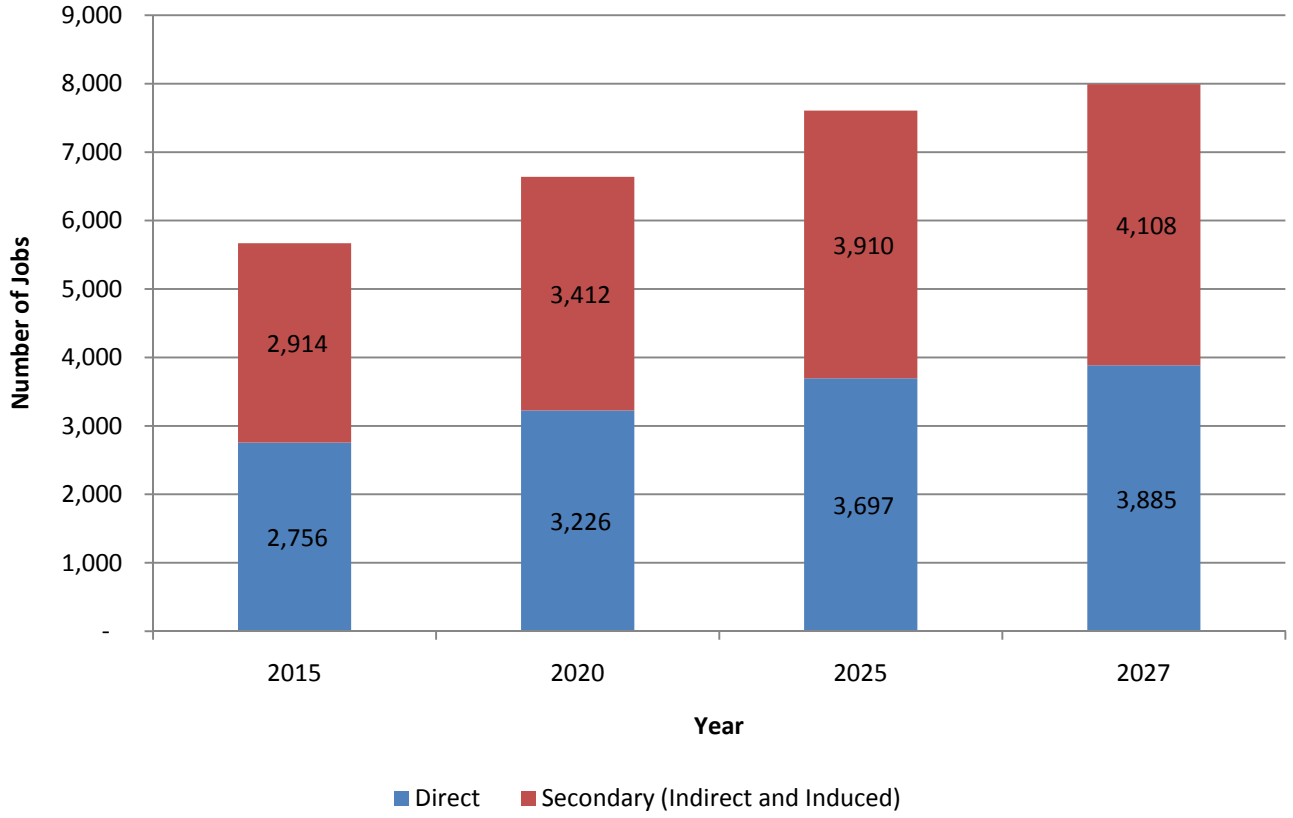
Construction of the proposed Project would generate approximately 1,769 direct temporary construction jobs over the two-year construction period. With the ramp-up and ramp-down and the completion of different tasks at different times, the construction workforce at any one time would vary. As shown in Table 7-16, construction would also generate approximately 1,601 secondary (i.e., indirect and induced) jobs. Together, direct and secondary jobs would total 3,370 jobs associated with the proposed Project during the construction period.

Table 7-16: Proposed Project – Direct and Secondary Construction Employment Over the Two-Year Construction Period

	Employment (Number of Jobs)
Direct	1,769
Secondary	1,601
Total	**3,370**

Impacts to regional employment associated with construction activity can be assessed by comparing existing regional employment and effects of the proposed Project. For instance, the 3,370 jobs added represent less than 0.1 percent of the estimated number of 8.7 million jobs in the five-county region in 2015. The construction workforce would primarily come from people already living in the Los Angeles Basin, given the large existing construction industry workforce and 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 shown in Table 7-17, the proposed Project is estimated to create 2,756 net permanent direct jobs attributable to operations in 2015, and 3,885 direct jobs in 2027. Linkages among economic sectors would result in the creation of additional secondary jobs in related sectors. In 2015, the secondary net jobs are estimated at 2,914, for a total of 5,670 jobs. In 2027, the secondary jobs are estimated at 4,108, for a total of 7,993 jobs in at build-out. This is illustrated in Figure 7-5. Tables 7-18 and 7.6-5 present the number of gross employment. Total gross jobs would number 14,806 in 2012 and 24,718 in 2027.



Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Proposed Project: Operations Employment
Figure 7-5

CDM

Similar to the short-term construction employees discussed above, the workforce would likely come from within the Los Angeles Basin and no significant influx of employees into the local communities is anticipated. Most of the direct jobs generated by operations at the terminal would be in the transportation and public utilities industrial sector of the regional economy. Secondary jobs, however, would occur be generated in all industrial sectors.

Effects on regional employment associated with implementation of the proposed Project are assessed through a comparison between baseline conditions and proposed Project effects. The net increase in employment attributable to the proposed Project (direct and indirect) would be 7,993 jobs in the year 2027. This compares to a projected number of jobs in the five-county region of approximately 9.7 million in 2030 (see Table 7-2). Thus, the proposed Project represents less than 0.1 percent of projected regional employment at build-out.

Table 7-17: Proposed Project – Net Direct and Secondary Long Term Operations Employment

	Employment (Number of Jobs)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	-	2,756	3,226	3,697	3,885
Secondary	-	2,914	3,412	3,910	4,108
Total	**-**	**5,670**	**6,638**	**7,607**	**7,993**

*The proposed Project would not be operational in 2012 and therefore, would have no net operations employment.

Table 7-18 Proposed Project – Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	10,111	10,904	11,697	12,014
Secondary	7,610	10,692	11,531	12,369	12,704
Total	**14,806**	**20,803**	**22,435**	**24,066**	**24,718**

Thus, while the proposed Project would provide new job opportunities, it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool found throughout the region, the proposed Project is not anticipated to result in substantial in-migration or relocation of employees. Therefore, the proposed Project would not cause substantial change in the local employment or labor force.

The above analysis is based on the assumption that the 41-acre backland area adjacent to the proposed Berth 306 would operate using traditional methods, versus an electric automated operation. The main difference between traditional terminal operations and automated terminal operations is that with a traditional terminal, containers are moved to and from the dock at shipside and to from the backlands by diesel equipment driven by human operators whereas with automated operations the containers would be transported to and from the dock at shipside to and from the backlands by computer operated electric vehicles. If installed, an automated operation is expected to result in fewer new jobs than conventional operations. New jobs created by automation of the 41-acre backlands

would include supervising operations and programming and maintaining the equipment, as opposed to primarily cargo handling jobs that would be created under traditional operations. However, while the number of new jobs could be lower under an automated operation, the proposed Project would continue to generate new direct long-term jobs, including those associated with expanded traditional operations on the remainder of the site.

Under the automated operations, the number of secondary jobs could also change as related to manufacturing and maintenance of the specialized automated equipment. However given that throughput would not change, it is anticipated that the overall number of secondary jobs generated would not vary substantially as compared to traditional operations.

As with traditional operations, if installed, an automated operation of the backlands would continue to generate new jobs representing a very small portion of regional employment, and, as discussed above, would thereby not cause substantial change in the local employment or labor force.

CEQA Determination

Since the proposed Project would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the proposed Project; therefore, the impact would be less than significant under CEQA.

NEPA Determination

The proposed Project would not cause substantial change in the local employment or labor force; therefore, the impact would be less than significant under NEPA.

7.3.2.3 Change in Revenue for Local Businesses and Government Agencies

Construction expenditures under the proposed Project are estimated at $225.8 million, including costs associated with new berth construction, construction of new structures, entrance and gate modifications, backland infrastructure, site preparation, dredging, equipment costs, and labor. As shown in Table 7-19, aggregate wages and salaries during the 2-year construction period for direct and secondary jobs would be approximately $144.5 million (2009 dollars). Annual tax revenues contributed by these workers during this peak activity year would be $21.7 million in state and local taxes combined. Local taxes are revenues collected by sub-state governments, occurring mainly through property taxes and including income, sales, and other major local taxes.

Table 7-19: Proposed Project – Construction Income Over the Two-Year Construction Period

	Wages ($ million) in 2009 Dollars
Direct	81.3
Secondary	63.2
Total	**144.5**

Aggregate wages and salaries for the direct and indirect net jobs generated by operation of the proposed Project would total approximately $278.9 million in 2015 and reach $406.7 million annually by 2027 (see Table 7-20). Gross wages would total approximately $1,022.1 million in 2015 and $1,218.0 million in 2027 (see Table 721). Annual state and local tax revenues contributed by the new workers would rise from approximately $31.5 million in 2015 to $46.0 million in 2027 (see Table 7-22). This would result in net tax revenues of $31.5 in 2015 and $46 in 2027 and gross tax revenues of $115.5 million in 2015 and $137.6 million in 2027 (see Tables 7-22 and 7-23).

Table 7-20: Proposed Project– Net Operations Income

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$137.8	$161.2	$184.6	$200.9
Secondary	–	$141.1	$165.2	$189.1	$205.8
Total	–	$278.9	$326.4	$373.7	$406.7

*The proposed Project would not be operational in 2012 and therefore, would have no net operations income.

Table 7-21: Proposed Project – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$504.9	$544.5	$584.0	$601.7
Secondary	$368.0	$517.2	$557.8	$598.2	$616.3
Total	**$727.2**	**$1,022.1**	**$1,102.3**	**$1,182.2**	**$1,218.0**

Table 7-22: Proposed Project – Net Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$15.6	$18.2	$20.9	$22.7
Secondary	–	$15.9	$18.7	$21.4	$23.3
Total	–	**$31.5**	**$36.9**	**$42.3**	**$46.0**

*The proposed Project would not be operational in 2012 and thus no operations tax revenue would be generated during that period.

Table 7-23: Proposed Project – Gross Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$57.1	$61.5	$66.0	$68.0
Secondary	$41.6	$58.4	$63.0	$67.6	$69.6
Total	**$82.2**	**$115.5**	**$124.5**	**$133.6**	**$137.6**

Thus, the proposed Project would result in an increase in wages, income, and state and local taxes, which this would provide a benefit to local business and government agencies by increasing revenue. However, as one component of large regional economy, it would not represent substantial change in revenue for local businesses, government, or Indian tribes. Therefore, impacts on revenues would be less than significant.

CEQA Determination

Since the proposed Project would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of the proposed Project; therefore the impact would be less than significant under CEQA.

NEPA Determination

The proposed Project would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes; therefore, the impact would be less than significant under NEPA.

7.3.2.4 Property Values

The proposed Project would not displace any housing and does not propose construction of housing, develop a previously undeveloped area, or 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 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 labor pool existing 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. No measurable change in population distribution is likely to occur as a result of the proposed Project, and thus, no change to housing demand on a regional or local scale would occur. Therefore, 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 region as a whole, existing housing stock is available as shown in Table 7-11. In 2000, approximately 4.98 percent of housing units (or 62,310 units) in the City of Los Angeles were vacant. In the San Pedro and Wilmington Communities, approximately 2,553 units (or 5.48 percent) were vacant. In 2027, 3,885 new employees are expected as a result of

the proposed Project, as discussed above, given the large size of the existing workforce in the area, it is anticipated that the workers would already be living in the area and thus would not relocate. Therefore, any workers that do relocate as result of new jobs generated by the proposed Project could be accommodated by the existing housing stock without affecting the demand for housing or property values. Further, as indicated in Tables 7-11 and 7-14, the housing stock in the region includes units of varying sizes and price ranges to meet a variety of income levels.

Changes in property value are dependent on numerous factors unrelated to the Port, including monetary interest rates, ease of access to employment centers, availability of quality education, and historic and existing land uses. While proximity of the Port may historically have led to lower residential property values in communities nearest the Port compared to other communities in area such as Redondo Beach and Rancho Palos Verdes, residential property values in communities near the Port have grown through the early 2000s. As shown in Table 7-14, home prices increased in all communities regardless of price levels between 2001 and 2006. Those communities with the highest growth rates were often communities with the lowest home prices. However, a housing market slump occurring in the late 2000s, has led to decreased property values throughout California, a trend mirrored in the study area and the nearby communities. The proposed Project would involve expanding existing container terminal operations over one mile from the nearest residential community within a working port environment and it is not anticipated that the proposed Project would change residential property trends in the areas immediately adjacent to the Port. 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, the LAHD has implemented a number of actions designed to enhance community quality of life and provide public access to visually stimulating and historically relevant developments within and adjacent to the Port.

The proposed Project would increase the number of jobs and income in the region and result in other economic benefits, and it would not adversely influence residential property values in the areas immediately adjacent to the Port. Therefore, no substantial decrease to property values would occur.

CEQA Determination

Since the proposed Project would not cause substantial change in the local property values, no physical changes are anticipated as a result of the proposed Project therefore, the impact would be less than significant under CEQA.

NEPA Determination

The proposed Project would not cause substantial decrease in the local property values; therefore, the impact would be less than significant under NEPA.

7.3.3 Alternative 1- No Project

Under Alternative 1, no further Port action or federal action would occur. The Port would not construct and develop additional backlands, wharves, or terminal improvements. No new cranes would be added, no gate or backland improvements would occur, and no infrastructure for AMP at Berth 306 or automation in the backland area adjacent to Berth 306 would be provided. This alternative would not include any dredging, new wharf construction, or new cranes. The No Project Alternative would not include development of any additional backlands because the existing terminal is berth-constrained and additional backlands would not improve its efficiency.

Under the No Project Alternative, the existing APL Terminal would continue to operate as an approximately 291-acre container terminal. Based on the throughput projections, terminal operations are expected to grow over time as throughput demands increase. Under Alternative 1, the existing APL Terminal would handle approximately 2.15 million TEUs by 2027, which would result in 286 annual ship calls at Berths 302-305. In addition, this alternative would result in up to 7,273 peak daily one-way truck trips (1,922,497 annual), and up to 2,336 annual one-way rail trip movements. Under Alternative 1, cargo ships that currently berth and load/unload at the Berths 302-305 terminal would continue to do so.

The No Project Alternative would not preclude future improvements to the proposed Project site. However, any future changes in use or new improvements with the potential to significantly impact the environment would need to be analyzed in a separate environmental document.

7.3.3.1 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 as throughput demands increase. As discussed in greater detail under Section 7.3.3.2 below, this increase in container terminal operations would be accompanied by modest increases in direct and indirect employment. Like the proposed Project, new employees are expected to be hired from the local area and thus 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, the long-term effects in population growth would be small relative to the size of the regional economy and it would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 1 would not be associated with substantial population growth.

CEQA Determination

Since Alternative 1 would not induce substantial population growth directly or indirectly, no physical changes are anticipated as a result of Alternative 1. Alternative 1 would not have a significant impact under CEQA.

NEPA Determination

The impacts of the No Project Alternative are not required to be analyzed under NEPA. NEPA requires the analysis of a No Federal Action Alternative (Alternative 2 in this document). Therefore, NEPA does not apply.

7.3.3.2 Changes to the Local Employment or Labor Force

No construction would occur under Alternative 1, and thus, there would be no construction jobs created. Growth in annual TEUs for Alternative 1 that would occur under the existing operations would represent 67 percent of TEUs under the proposed Project in 2027. This increase in TEUs would result in increases in direct and indirect jobs. Table 7-24 shows the net increase in jobs that would occur under the No Project Alternative for each of the study years, which totals 327 jobs in 2015 and 1,918 jobs in 2027. Figure 7-6 shows the total number of jobs that would be generated under Alternative 1 for each of the study years as compared with the net jobs created under the proposed Project. Table 7-25 presents the gross increase in jobs over the same period, which totals 14,806 jobs in 2012 and 16,724 jobs in 2027.

Table 7-24: Alternative 1 – Net Direct and Secondary Operations Employment*

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	–	159	482	804	933
Secondary	–	168	509	849	986
Total	–	327	991	1,653	1,919

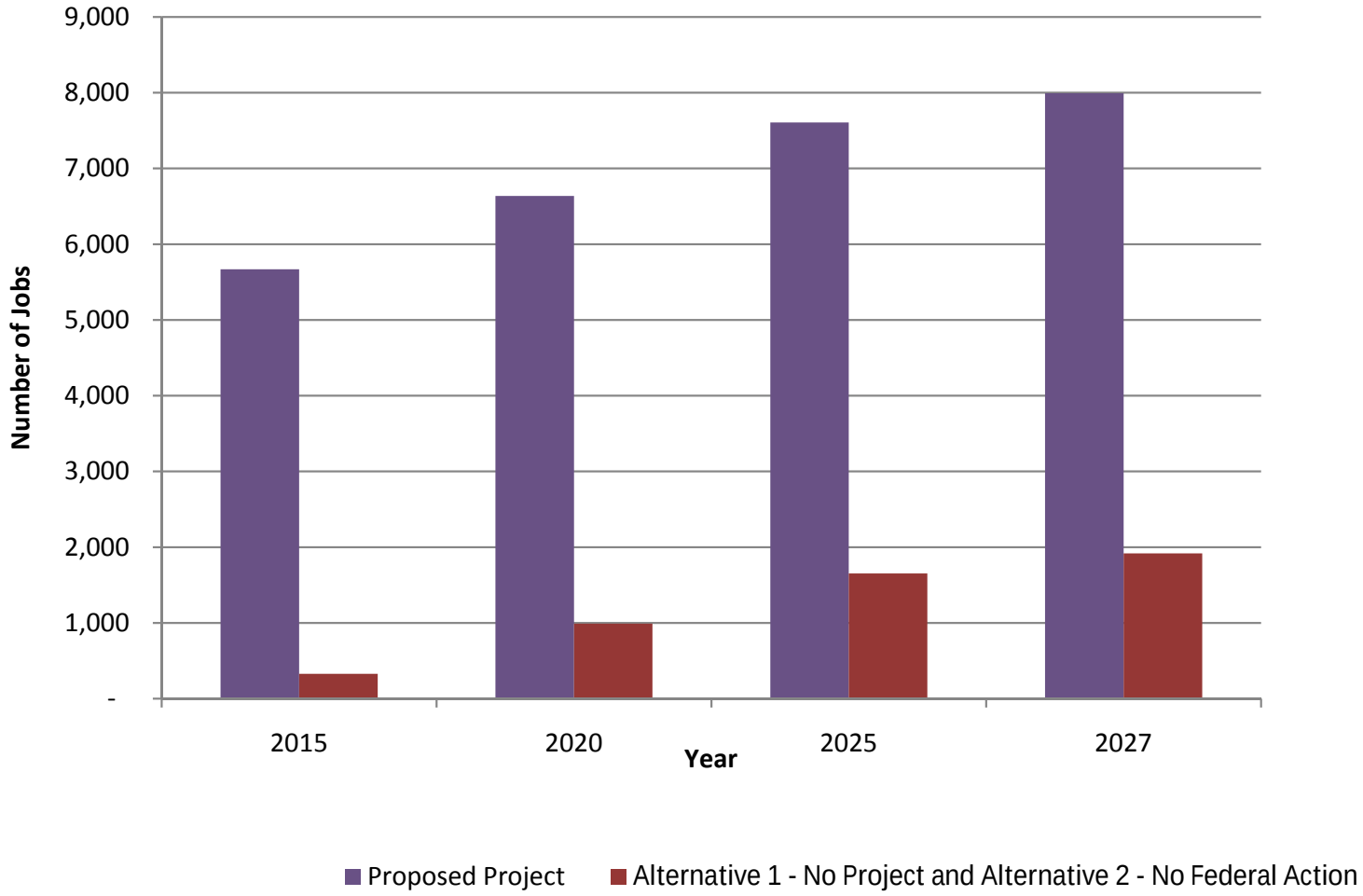
*Net growth represents the growth that would occur over time under the existing operations.

Table 7-25: Alternative 1 – Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	7,355	7,678	8,000	8,129
Secondary	7,610	7,778	8,119	8,459	8,596
Total	**14,806**	**15,133**	**15,797**	**16,459**	**16,725**

Therefore, Alternative 1 would provide new job opportunities at reduced levels than the proposed Project, and it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, the Alternative 1 is not anticipated to result in substantial in-migration or relocation of employees.

As with the proposed Project, Alternative 1 would not cause substantial change in the local employment or labor force and impacts would be less than significant.



Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Proposed Project vs. Alternative 1 and Alternative 2: Operations Employment
Figure 7-6

CDM

CEQA Determination

Since Alternative 1 would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the Alternative 1. Alternative 1 would not have a significant impact under CEQA.

NEPA Determination

The impacts of the No Project Alternative are not required to be analyzed under NEPA. NEPA requires the analysis of a No Federal Action Alternative (Alternative 2 in this document). Therefore, NEPA does not apply.

7.3.3.3 Change in Revenue for Local Businesses and Government Agencies

There are no construction expenditures associated with Alternative 1. Net aggregate wages and salaries for the direct and indirect jobs generated by operation of Alternative 1 (i.e., continuation of existing operations) over the study years would total approximately $16.1 million in 2015 and reach $94.3 million by 2027 (see Table 7-26). Gross operations wages would total approximately $727.2 million in 2012 and $821.5 million in 2027 (see Table 7-27). Net annual state and local tax revenues would rise from approximately $1.8 in 2015 and $10.7 million in 2027, and gross annual state and local tax revenues would rise from $82.2 million in 2015 to $92.8 million in 2027 (see Tables 7-28 and 7-29).

Table 7-26: Alternative 1 – Net Operations Income*

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$8.0	$24.1	$40.2	$46.6
Secondary	–	$8.1	$24.6	$41.0	$47.7
Total	–	**$16.1**	**$48.7**	**$81.2**	**$94.3**

*Net operations income represents the growth that would occur over time under the existing operations.

Table 7-27: Alternative 1 – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$367.2	$383.3	$399.4	$405.8
Secondary	$368.0	$376.1	$392.6	$409.0	$415.7
Total	**$727.2**	**$743.3**	**$775.9**	**$808.4**	**$821.5**

Table 7-28: Alternative 1–Net Operations Tax Revenue*

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$0.9	$2.7	$4.5	$5.3
Secondary	–	$0.9	$2.8	$4.6	$5.4
Total	–	**$1.8**	**$5.5**	**$9.1**	**$10.7**

*Net tax operations revenue represents the growth that would occur over time under the existing operations.

Table 7-29: Alternative 1 – Gross Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$41.5	$43.3	$45.1	$45.9
Secondary	$41.6	$42.5	$44.4	$46.2	$47.0
Total	**$82.2**	**$84.0**	**$87.7**	**$91.3**	**$92.9**

Thus, Alternative 1 would result in an increase in wages, income, and state and local taxes. This, this would provide a benefit to local business and government agencies by increasing revenues, however to a lesser degree than the proposed Project. This would provide a benefit to local business and government agencies by increasing revenue. However, as one component of large regional economy, it would not represent substantial change in revenue for local businesses or government. As with the proposed Project, Alternative 1 would not represent substantial change in revenue for local businesses, government, or Indian tribes. Therefore, impacts on revenues would be less than significant.

CEQA Determination

Since the Alternative 1 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of Alternative 1. Alternative 1 would not have a significant impact under CEQA.

NEPA Determination

The impacts of the No Project Alternative are not required to be analyzed under NEPA. NEPA requires the analysis of a No Federal Action Alternative (Alternative 2 in this document). Therefore, NEPA does not apply.

7.3.4 Alternative 2 - No Federal Action

The No Federal Action Alternative would be the same as the NEPA baseline and would include only the activities and impacts likely to occur absent further USACE federal approval but could include improvements that require a local action. Under Alternative 2, no federal action would occur; however, minor terminal improvements in the upland area of the existing APL Terminal would be implemented. These minor upland improvements would include conversion of a portion of the dry container storage area to an additional 200 reefers, associated electrical lines, and installation of utility infrastructure at locations

in the existing backland areas. Beyond these minor upland improvements, the Port would not construct and develop additional backlands or wharves. No gate or additional backland improvements would occur, and no in-water features such as dredging or a new berth, wharf extension, or over-water features such as new cranes would occur under the No Federal Action Alternative.

Under the No Federal Action Alternative, the existing APL Terminal would continue to operate as an approximately 291-acre container terminal, and up to approximately 2.15 million TEUs could be handled at the terminal by 2027. Based on the throughput projections, the No Federal Action Alternative would result in 286 annual ship calls at Berths 302-305. In addition, this alternative would result in up to 7,273 peak daily truck trips (1,922,497 annual), and up to 2,336 annual one-way rail trip movements. Cargo ships that currently berth and load/unload at the Berths 302-305 terminal would continue to do so.

7.3.4.1 Direct or Indirect Inducement of Substantial Population Growth

Under Alternative 2, only minor terminal improvements in the upland area would be implemented, and there would be an increase in container terminal operations as throughput demands increase. As discussed in greater detail under Section 7.3.4.2 below, this would be accompanied by modest increases in direct and indirect employment. Like the proposed Project, new employees are expected to be hired from the local area and thus 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, the long-term effects in population growth would be small relative to the size of the regional economy and it would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 2 would not be associated with substantial population growth.

CEQA Determination

Since Alternative 2 would not induce substantial population growth directly or indirectly, no physical changes are anticipated as a result of Alternative 2. Alternative 2 would not have a significant impact under CEQA.

NEPA Determination

The No Federal Action Alternative is the same as the NEPA baseline, as explained in Section 2.6.2 in Chapter 2; therefore, there would be no incremental difference between Alternative 2 and the NEPA baseline. As a consequence, Alternative 2 would result in no impact under NEPA.

7.3.4.2 Change in the Local Employment or Labor Force

Construction of Alternative 2 would generate approximately 205 direct temporary construction jobs over the construction period. As shown in Table 7-30, construction would also generate approximately 187 secondary jobs. Together, direct and secondary jobs would total 392 jobs associated with Alternative 2 during the construction period.

Table 7-31 shows the net increase in permanent jobs that would occur under Alternative 2; this is 327 jobs in 2015 and 933 jobs in 2027, and is the same number of jobs that would be created under Alternative 1. Figure 7-6 shows the total number of net jobs that would occur under Alternative 2 as compared with the proposed Project for each of the study years. Table 7-32 shows the gross increase in jobs over the same period, which totals 14,806 jobs in 2012 and 16,725 jobs in 2027 (Table 7-32).

Table 7-30: Alternative 2 – Direct and Secondary Construction Employment Over the Construction Period

	Employment (Number of Jobs)
Direct	205
Secondary	187
Total	392

Table 7-31: Alternative 2 – Net Direct and Secondary Operations Employment*

	Employment (Number of Jobs)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	159	482	804	933
Secondary	–	168	509	849	986
Total	–	327	991	1,653	1,919

*Alternative 2 would not be operational in 2012 and therefore , would have no net operations employment.

Table 7-32: Alternative 2 – Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	7,355	7,678	8,000	8,129
Secondary	7,610	7,778	8,119	8,459	8,596
Total	**14,806**	**15,133**	**15,797**	**16,459**	**16,725**

Although, Alternative 2 would provide new job opportunities at reduced levels compared to the proposed Project, it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, Alternative 2 is not anticipated to result in substantial in-migration or relocation of employees.

As with the proposed Project, Alternative 2 would not cause substantial change in the local employment or labor force and impacts would be less than significant.

CEQA Determination

Since Alternative 2 would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the Alternative 2. Alternative 2would not have a significant impact under CEQA.

NEPA Determination

The No Federal Action Alternative would have the same conditions as the NEPA baseline, as explained in Section 2.6.2 in Chapter 2; therefore, there would be no incremental difference between Alternative 2 and the NEPA baseline. As a consequence, Alternative 2 would result in no impact under NEPA.

7.3.4.3 Change in Revenue for Local Businesses and Government Agencies

Under Alternative 2, construction expenditures associated with the minor upland improvements would be approximately $26.3 million. The wages associated with the construction of minor upland improvements under Alternative 2 are shown in Table 7-33. Aggregate wages for the direct and indirect jobs generated by operation of Alternative 2 is anticipated to be the same as Alternative 1, with a total of approximately $16.1 million in 2015 and $94.3 million in 2027 (see Table 7-34). Gross wages would also be equivalent to Alternative 1, at approximately $727.2 million in 2012 and $821.5 million in 2027 (see Table 7-35). This would result in net tax revenues of $1.8 in 2015 and $10.7 in 2027 and gross tax revenues of $82.2 million in 2012 to $92.8 million in 2027 (see Tables 7-36 and 7-37).

Table 7-33: Alternative 2 – Construction Income Over the Two-Year Construction Period

	Wages ($ million) in 2009 Dollars
Direct	$9
Secondary	$8
Total	**$17**

Table 7-34: Alternative 2 – Net Operations Income

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$8.0	$24.1	$40.2	$46.6
Secondary	–	$8.1	$24.6	$41.0	$47.7
Total	–	**$16.1**	**$48.7**	**$81.2**	**$94.3**

*Alternative 2 would not be operational in 2012 and therefore, would have no net operations income.

Table 7-35: Alternative 2 – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$367.2	$383.3	$399.4	$405.8
Secondary	$368.0	$376.1	$392.6	$409.0	$415.7
Total	**$727.2**	**$743.3**	**$775.9**	**$808.4**	**$821.5**

Table 7-36: Alternative 2 – Net Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$0.9	$2.7	$4.5	$5.3
Secondary	–	$0.9	$2.8	$4.6	$5.4
Total	–	**$1.8**	**$5.5**	**$9.1**	**$10.7**

*Alternative 2 would not be operational in 2012 and thus no operations tax revenue would be generated during that period.

Table 7-37: Alternative 2 – Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$41.5	$43.3	$45.1	$45.9
Secondary	$41.6	$42.5	$44.4	$46.2	$47.0
Total	**$82.2**	**$84.0**	**$87.7**	**$91.4**	**$92.8**

Thus, Alternative 2 would result in an increase in wages, income, and state and local taxes, which would provide a benefit to local business and government agencies by increasing revenues, but to a lesser degree than the proposed Project. As with the proposed Project, Alternative 2 would not represent a substantial change in revenue for local businesses, government, or Indian tribes.

CEQA Determination

Since the Alternative 2 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of Alternative 2. Alternative 2 would not have a significant impact under CEQA.

NEPA Determination

The No Federal Action Alternative would have the same conditions as the NEPA baseline, as explained in Section 2.6.2 in Chapter 2; therefore, there would be no incremental difference between Alternative 2 and the NEPA baseline. As a consequence, Alternative 2 would result in no impact under NEPA.

7.3.4.4 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 reduced from that of the proposed Project. As such, Alternative 2 would not change residential property trends in the areas immediately adjacent to the Port, and thus would not adversely affect property values.

Additionally, as discussed for the proposed Project, Alternative 2 would involve expanding existing container terminal operations over one mile from the nearest residential community within a working port environment. Therefore, it is not anticipated that Alternative 2 would change residential property trends in the areas immediately adjacent to the Port, nor would it 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 the Alternative 2 would not cause substantial change in the local property values, no physical changes are anticipated as a result of Alternative 2. Alternative 2 would not have a significant impact under CEQA.

NEPA Determination

The No Federal Action Alternative would have the same conditions as the NEPA baseline, as explained in Section 2.6.2 in Chapter 2; therefore, there would be no incremental difference between Alternative 2 and the NEPA baseline. As a consequence, Alternative 2 would result in no impact under NEPA.

7.3.5 Alternative 3 – Reduced Project: Four New Cranes

Under Alternative 3, four new cranes would be added to the existing wharf along Berths 302-305 and only minor improvements to the existing APL Terminal would be made utility infrastructure and conversion of dry container storage to reefers). No other upland terminal improvements would be constructed. The existing terminal is berth-constrained, and adding the additional four cranes would improve the terminal's efficiency.

The total acreage of backlands under Alternative 3 would remain at approximately 291 acres, which would be less than the proposed Project. This alternative would not include the extension of the existing wharf, construction of a new berth, dredging, or the relocation and improvement of various gates and entrance lanes.

Based on the throughput projections, TEU throughput under Alternative 3 would be less than the proposed Project, with an expected throughput of approximately 2.58 million TEUs by 2027. This would translate into 338 annual ship calls at Berths 302-305. In addition, this alternative would result in up to 8,725 peak daily truck trips (2,306,460 annual), and up to 2,544 annual one-way rail trip movements. Configuration of all other landside terminal components would be identical to the existing terminal.

7.3.5.1 Direct or Indirect Inducement of Substantial Population Growth

As discussed in greater detail in Section 7.3.5.2 below, direct and indirect employment would increase under Alternative 3. Like the proposed Project, new employees are expected to be hired from the local area and thus 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, the long-term effects in population growth would be small relative to the size of the regional economy and it would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 3 would not be associated with substantial population growth.

CEQA Determination

Since Alternative 3 would not induce substantial population growth directly or indirectly, no physical changes are anticipated as a result of Alternative 3; therefore, Alternative 3 would not have a significant impact under CEQA.

NEPA Determination

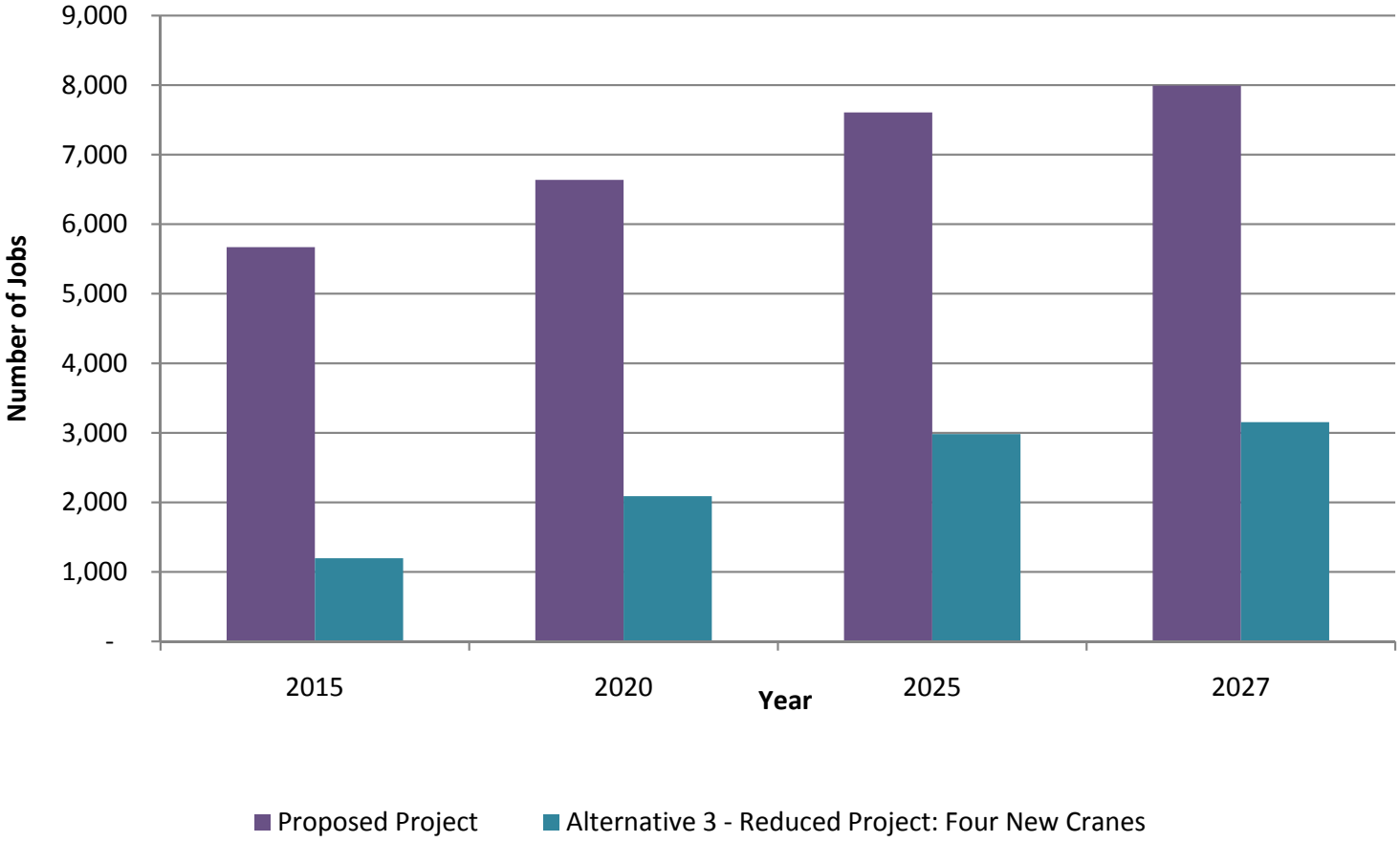
Alternative 3 would not induce substantial population growth, directly or indirectly; therefore, the impact would be less than significant under NEPA.

7.3.5.2 Change in the Local Employment or Labor Force

Under Alternative 3, construction expenditures would be approximately $81.3 million, and construction activities would result in approximately 638 direct jobs and 576 secondary jobs (1,214 total) (Table 7-38). As shown in Table 7-39, during Alternative 3 operations, 581 net direct net jobs and 614 secondary jobs (1,195 total) would be added to the regional economy in 2015, and 1,533 net direct jobs and 1,621 secondary jobs (3,154 total) would be added in 2027. Figure 7-7 shows the number of net jobs for each of the study years as compared with the proposed Project. As shown in Table 7-40, total gross jobs are estimated to be 14,806 in 2012 and 19,879 in 2027.

Table 7-38: Alternative 3 – Direct and Secondary Construction Employment Over the Two-Year Construction Period

	Employment (Number of Jobs)
Direct	638
Secondary	576
Total	**1,214**



Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Proposed Project vs. Alternative 3: Operations Employment
Figure 7-7

CDM

Table 7-39: Alternative 3 – Net Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	581	1,015	1,449	1,533
Secondary	–	614	1,073	1,533	1,621
Total	–	**1,195**	**2,088**	**2,982**	**3,154**

* Alternative 3 would not be operational in 2012 and therefore, would have no net operations employment.

Table 7-40: Alternative 3 – Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	7,936	8,693	9,449	9,662
Secondary	7,610	8,392	9,192	9,992	10,217
Total	**14,806**	**16,328**	**17,885**	**19,441**	**19,879**

Therefore, Alternative 3 would provide new job opportunities at reduced levels compared to the proposed Project, and it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, the proposed Project is not anticipated to result in substantial in-migration or relocation of employees. As with the proposed Project, Alternative 3 would not cause substantial change in the local employment or labor force and impacts would be less than significant.

CEQA Determination

Alternative 3 would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the Alternative 3; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 3 would not cause substantial change in the local employment or labor force; therefore, the impact would be less than significant under NEPA.

7.3.5.3 Change in Revenue for Local Businesses and Government Agencies

The construction wages associated with Alternative 3 over the construction period is $51 million (shown in Table 7-41). Table 7-42 presents aggregate wages and salaries for the direct and indirect jobs generated by operation of Alternative 3, which are anticipated to total approximately $58.3 million in 2015 and reach $166.1 million by 2027. Gross wages would be approximately $727.2 million in 2015 and $983.5 million in 2027 (see Table 7-43). This would result in net tax revenues of $6.6 million in 2015 and $18.8 million in 2027 and gross tax revenues of $82.2 million in 2012 to $111.2 million in 2027 (see Tables 7-44 and 7-45),

Table 7-41: Alternative 3 – Construction Income Over the Construction Period

	Wages ($ million) in 2009 Dollars
Direct	$29
Secondary	$22
Total	**$51**

Table 7-42: Alternative 3 – Net Operations Income

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$28.8	$50.5	$67.9	$82.0
Secondary	–	$29.5	$51.7	$69.6	$84.0
Total	–	**$58.3**	**$102.2**	**$137.5**	**$166.1**

*Alternative 3 would not be operational in 2012 and therefore, would have no net operations income.

Table 7-43: Alternative 3 – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$396.0	$433.8	$467.3	$485.8
Secondary	$368.0	$405.6	$444.3	$478.6	$497.6
Total	**$727.2**	**$801.6**	**$878.1**	**$945.9**	**$983.5**

Table 7-44: Alternative 3 – Net Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$3.3	$5.7	$7.7	$9.3
Secondary	–	$3.3	$5.8	$7.9	$9.5
Total	–	$6.6	$11.5	$15.5	$18.8

*Alternative 3 would not be operational in 2012 and thus no operations tax revenue would be generated during that period.

Table 7-45: Alternative 3 – Gross Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$44.7	$49.0	$52.8	$54.9
Secondary	$41.6	$45.8	$50.2	$54.1	$56.3
Total	$82.2	$90.6	$99.2	$106.9	$111.2

Thus, Alternative 3 would result in an increase in wages, income, and state and local taxes, this would provide a benefit to local business and government agencies by increasing revenues, however to a lesser degree than the proposed Project. As with the proposed Project, Alternative 3 would not represent a substantial change in revenue for local businesses, government, or Indian tribes.

CEQA Determination

Alternative 3 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of Alternative 3; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 3 would not cause a substantial change in revenues for local businesses, government agencies, or Indian tribes; therefore, the impact would be less than significant under NEPA.

7.3.5.4 Property Values

Alternative 3 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 3 would be similar to but reduced from that of the proposed Project. As such, Alternative 3 would not change residential property trends in the areas immediately adjacent to the Port, and thus would not adversely affect property values.

Additionally, as discussed for the proposed Project, Alternative 3 would involve expanding existing container terminal operations over one mile from the nearest residential community within a working port environment. Therefore, it is not anticipated that Alternative 3 would change residential property trends in the areas immediately adjacent to the Port, nor would it 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

Alternative 3 would not cause substantial change in the local property values, no physical changes are anticipated as a result of Alternative 3; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 3 would not cause substantial decrease in the local property values; therefore, the impact would be less than significant under NEPA.

7.3.6 Alternative 4 – Reduced Project: No New Wharf

Under Alternative 4, six cranes would be added to the existing terminal wharf at Berths 302-305, and the 41-acre fill area adjacent to the APL Terminal would be developed as container yard backlands. EMS would relinquish the 30 acres of backlands under space assignment. EMS would not add the nine acres of land behind Berth 301 or the two acres at the main gate to its permit. Because no new wharf would be constructed at Berth 306, the 41-acre backland would be operated using traditional methods and would not be expected to transition to use of automated equipment. As the existing wharf would not be extended to create Berth 306, no dredging would occur.

Under Alternative 4, the total terminal acreage would be 302 acres, which is less than the proposed Project. Based on the throughput projections, TEU throughput would be less than the proposed Project, with an expected throughput of approximately 2.78 million TEUs by 2027. This would translate into 338 annual ship calls at Berths 302-305. In addition, Alternative 4 would result in up to 9,401 peak daily truck trips (2,485,050 annual), and up to 2,563 annual one-way rail trip movements. Configuration of all other landside terminal components (i.e., Main Gate improvements) would be identical to the proposed Project.

7.3.6.1 Direct or Indirect Inducement of Substantial Population Growth

Under Alternative 4, there would be an increase in container terminal operations as throughput demands increase. As discussed in greater detail in Section 7.3.6.2 below, this would be accompanied by increases in direct and indirect employment. Like the proposed Project, new employees are expected to be hired from the local area and thus 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, the long-term effects in population growth would be small relative to the size of the regional economy and it would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 4 would not be associated with substantial population growth.

CEQA Determination

Alternative 4 would not induce substantial population growth directly or indirectly, no physical changes are anticipated as a result of Alternative 4; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 4 would not induce substantial population growth, directly or indirectly; therefore, the impact would be less than significant under NEPA.

7.3.6.2 Change in the Local Employment or Labor Force

Under Alternative 4 construction expenditures would be approximately $151.8 million, and, as shown in Table 7-46, construction activities would result in approximately 1,190 direct jobs and 1,076 secondary jobs (2,266 total). During operations, under Alternative 4, 1,189 net new direct jobs and 1,257 secondary jobs (2,446 total) would be added to the

regional economy in 2015, and 2,288 net new direct jobs and 2,420 secondary jobs (4,708 total) would be added in 2027 (see Table 7-47). Figure 7-8 shows the total number of net jobs that would occur under Alternative 4 as compared with the proposed Project for each of the study years. Total gross jobs would number 14,806 in 2012 and 21,433 in 2027 (see Table 7-48).

Table 7-46: Alternative 4 – Direct and Secondary Construction Employment Over the Construction Period

	Employment (Number of Jobs)
Direct	1,190
Secondary	1,076
Total	2,266

Table 7-47: Alternative 4 – Net Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	1,189	1,684	2,090	2,288
Secondary	–	1,257	1,780	2,211	2,420
Total	–	2,446	3,464	4,301	4,708

*Alternative 4 would not be operational in 2012 and therefore, would have no net operations employment.

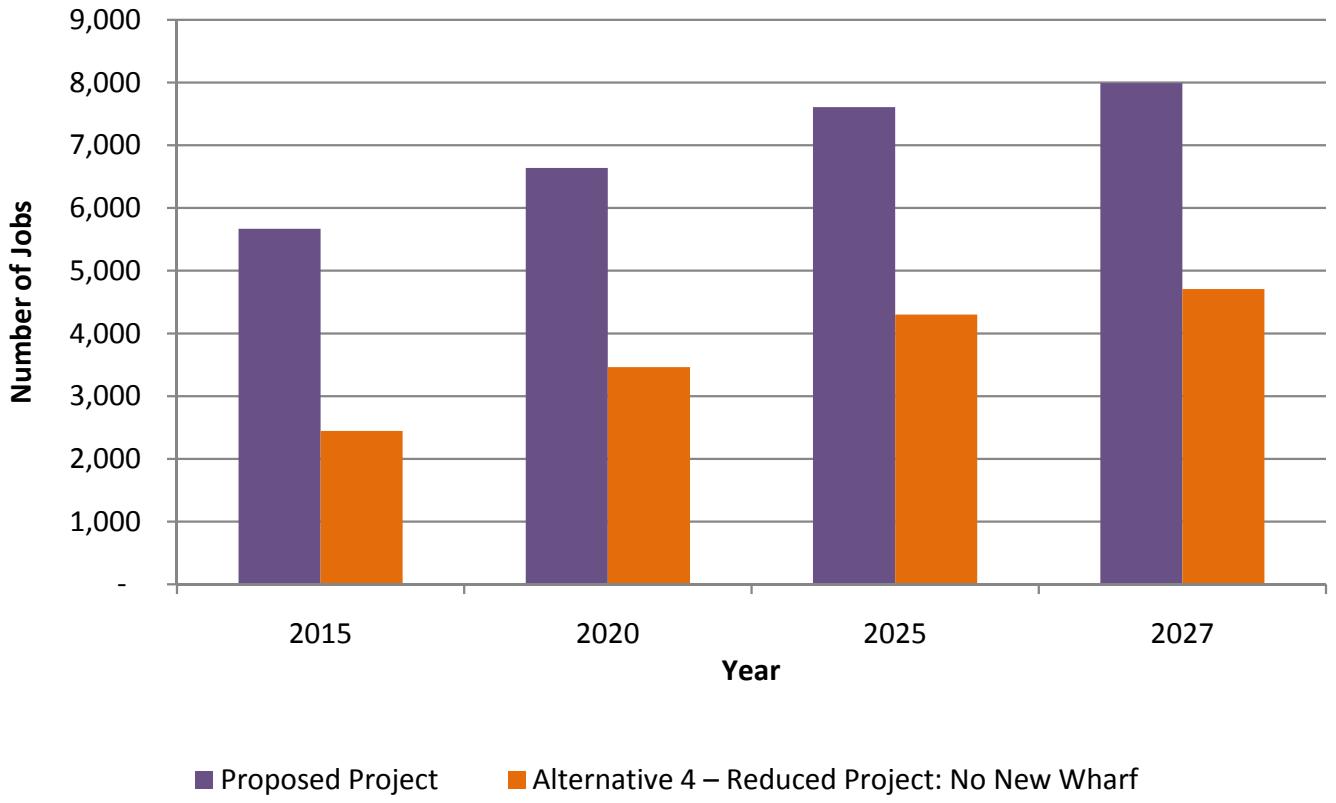
Table 7-48: Alternative 4 – Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	8,544	9,362	10,090	10,417
Secondary	7,610	9,035	9,899	10,670	11,016
Total	14,806	17,579	19,261	20,760	21,433

Therefore, Alternative 4 would provide fewer new job opportunities compared to the proposed Project, and it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, the proposed Project is not anticipated to result in substantial in-migration or relocation of employees.

CEQA Determination

Alternative 4 would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the Alternative 4; therefore, the impact would be less than significant under CEQA.



Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Proposed Project vs.Alternative 4: Operations Employment
Figure 7-8

NEPA Determination

Alternative 4 would not cause substantial change in the local employment or labor force; therefore, the impact would be less than significant under NEPA.

7.3.6.3 Change in Revenue for Local Businesses and Government Agencies

Construction wages associated with Alternative 4 are shown in Table 7-49. Aggregate wages and salaries for the direct and indirect jobs generated by operation of Alternative 4 is to be a total approximately $119.7 million in 2012 and reach $243.3 by 2027 (see Table 7-50). Gross wages would be approximately $727.2 million in 2012 and $1,058.8 million in 2027 (see Table 7-51). Net annual state and local tax revenues would rise from approximately $13.5 million in 2015 to $27.5 million in 2027 and gross annual state and local tax revenues would rise from approximately $82.2 million in 2012 to $119.6 million in 2027 (see Tables 7-52 and 7-53).

Table 7-49: Alternative 4 – Construction Income Over the Construction Period

	Wages ($ million) in 2009 Dollars
Direct	$55
Secondary	$43
Total	**$98**

Table 7-50: Alternative 4 – Net Operations Income

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$59.2	$79.8	$104.4	$120.2
Secondary	–	$60.6	$81.7	$107.0	$123.1
Total	–	**$119.7**	**$161.4**	**$211.4**	**$243.3**

*Alternative 4 would not be operational in 2012 and therefore, would have no net operations income.

Table 7-51: Alternative 4 – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$426.3	$463.0	$503.8	$523.0
Secondary	$368.0	$436.7	$474.3	$516.0	$535.8
Total	**$727.2**	**$863.0**	**$937.3**	**$1,019.8**	**$1,058.8**

Table 7-52: Alternative 4 – Net Operations Tax Revenue Growth

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$6.7	$9.0	$11.8	$13.6
Secondary	–	$6.8	$9.2	$12.1	$13.9
Total	–	**$13.5**	**$18.2**	**$23.9**	**$27.5**

*Alternative 4 would not be operational in 2012 and thus no operations tax revenue would be generated during that period.

Table 7-53: Alternative 4 – Gross Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$48.2	$52.3	$56.9	$59.1
Secondary	$41.6	$49.3	$53.6	$58.3	$60.5
Total	**$82.2**	**$97.5**	**$105.9**	**$115.2**	**$119.6**

Thus, Alternative 4 would result in an increase in wages, income, and state and local taxes, this would provide a benefit to local business and government agencies by increasing revenues, however to a lesser degree than the proposed Project. As with the proposed Project, Alternative 4 would not represent a substantial change in revenue for local businesses, government, or Indian tribes.

CEQA Determination

Alternative 4 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of Alternative 4; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 4 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes; therefore, the impact would be less than significant under NEPA.

7.3.6.4 Property Values

Alternative 4 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 4 would be similar to but reduced from that of the proposed Project. As such, Alternative 4 would not change residential property trends in the areas immediately adjacent to the Port, and thus would not adversely affect property values.

Additionally, as discussed for the proposed Project, Alternative 4 would involve expanding existing container terminal operations over one mile from the nearest residential community within a working port environment. Therefore, it is not

anticipated that Alternative 4 would change residential property trends in the areas immediately adjacent to the Port, nor would it 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

Alternative 4 would not cause substantial change in the local property values, no physical changes are anticipated as a result of Alternative 4; therefore, the impact would be less than significant. under CEQA.

NEPA Determination

Alternative 4 would not cause substantial decrease in the local property values; therefore, the impact would be less than significant under NEPA.

7.3.7 Alternative 5 – Reduced Project: No Space Assignment

Alternative 5 would improve the existing terminal, construct a new wharf (1,250 ft) creating Berth 306, add 12 new cranes to Berths 302-306, add 56 acres for backlands, wharfs, and gates improvements, construct electrification infrastructure in the backlands behind Berths 305-306, and relinquish the 30 acres currently on space assignment. This alternative would be the same as the proposed Project, except that EMS would relinquish the 30 acres of backlands under space assignment. As with the proposed Project, the 41-acre backlands and Berth 306 under Alterative 5 could utilize traditional container operations, electric automated operations, or a combination of the two over time. Dredging of the Pier 300 Channel along the new wharf at Berth 306 (approximately 20,000 cy) would occur, with the dredged material beneficially reused, and/or disposed of at an approved disposal site (such as the CDF at Berths 243-245 and/or Cabrillo shallow water habitat) or, if needed, disposed of at an ocean disposal site (i.e., LA-2).

Under Alternative 5, the total gross terminal acreage would be 317 acres, which is less than the proposed Project. TEU throughput would be the same as the proposed Project, with an expected throughput of approximately 3.2 million TEUs by 2027. This would translate into 390 annual ship calls at Berths 302-306. In addition, this alternative would result in up to 11,361 peak daily truck trips (3,003,157 annual) including drayage, and up to 2,953 annual one-way rail trip movements. Configuration of all other landside terminal components would be identical to the existing terminal.

7.3.7.1 Direct or Indirect Inducement of Substantial Population Growth

Under Alternative 5, increases in direct and indirect employment would be the same as under the proposed project as described in Section 7.3.7.2 below. Like the proposed Project, new employees are expected to be hired from the local area and thus 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 at the same level as the proposed Project. As with the proposed Project, the long-term effects in

population growth would be small relative to the size of the regional economy and it would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 5 would not be associated with substantial population growth.

CEQA Determination

Alternative 5 would not induce substantial population growth directly or indirectly, no physical changes are anticipated as a result of Alternative 5; therefore, the impact would be less than significant under CEQA.

NEPA Determination

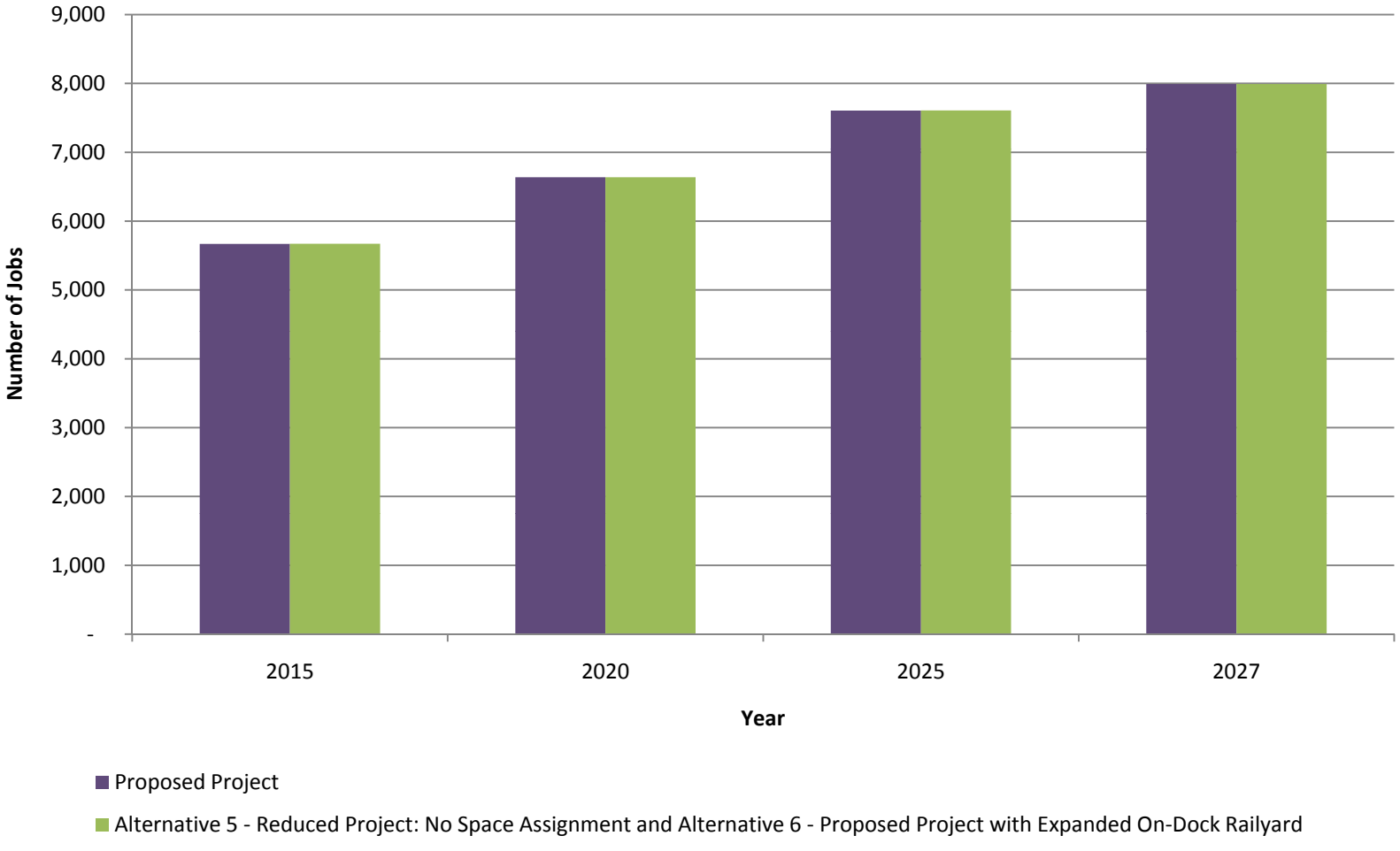
Alternative 5 would not induce substantial population growth, directly or indirectly; therefore, the impact would be less than significant under NEPA.

7.3.7.2 Change in the Local Employment or Labor Force

As shown in Table 7-51, under Alternative 5 construction expenditures would be approximately $225.8 million, construction activities would result in approximately 1,769 direct jobs and 1,601 secondary jobs (3,370 total). During operations, 2,756 direct jobs and 2,914 secondary jobs (5,670 total) would be added to the regional economy in 2015 and 3,885 direct jobs and 4,108 secondary jobs (7,993 total) would be added in 2027 under Alternative 5 (see Table 7-56). Total gross jobs would number 14,806 in 2012 and 24,718 in 2027 (see Table 7-56). This is the same number of jobs as would be created under the proposed Project (see Figure 7-9). As with the proposed Project, the operations employment was modeled based on the assumption that the backlands would be operated conventionally, versus fully automated. As discussed for the proposed Project, under full automation, the number of direct and secondary jobs is not anticipated to be substantially different from that presented in Tables 7-55 and 7-56.

Table 7-54: Alternative 5 – Direct and Secondary Construction Employment Over the Construction Period

	Employment (Number of Jobs)
Direct	1,769
Secondary	1,601
Total	**3,370**



Port of Los Angeles
Berths 302 - 306 [APL]
Container Terminal Project
Proposed Project vs. Alternative 5 and 6: Operations Employment
Figure 7-9

CDM

Table 7-55: Alternative 5 – Net Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	-	2,756	3,226	3,697	3,885
Secondary	-	2,914	3,412	3,910	4,108
Total	-	**5,670**	**6,638**	**7,607**	**7,993**

*Alternative 5 would not be operational in 2012 and therefore, would have no net operations employment.

Table 7-56: Alternative 5 – Gross Direct and Secondary Operations Employment

	Employment (Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	10,111	10,904	11,697	12,014
Secondary	7,610	10,692	11,531	12,369	12,704
Total	**14,806**	**20,803**	**22,435**	**24,066**	**24,718**

Therefore, Alternative 5 would provide new job opportunities at the same levels as the proposed Project, and it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, the proposed Project is not anticipated to result in substantial in-migration or relocation of employees.

CEQA Determination

Alternative 5 would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the Alternative 5; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 5 would not cause substantial change in the local employment or labor force; therefore, the impact would be less than significant under NEPA.

7.3.7.3 Change in Revenue for Local Businesses and Government Agencies

Under Alternative 5, throughput would be the same as under the proposed Project (approximately 3.2 million TEUs). The aggregate wages and salaries and the state and local tax revenue under Alternative 5 also would be the same as proposed Project. The construction wages associated with improvements under Alternative 5 are shown in Table 7-57. Aggregate wages and salaries for the direct and indirect jobs generated by operation of Alternative 5 are anticipated to be approximately $278.9 million in 2015 and reach $406.7 by 2027 (see Table 7-58). Gross wages would be approximately $727.2 million in 2012 and $1,218 million in 2027 (see Table 7-59). This would result in net tax revenues of $31.5 in 2015 and $46 in 2027 and gross tax revenues of $82.2 million in 2012 and $137.6 million in 2027 (see Tables 7-60 and 7-61).

Table 7-57: Alternative 5 – Construction Income Over the Construction Period

	Wages ($ million) in 2009 Dollars
Direct	$81
Secondary	$63
Total	**$144**

Table 7-58: Alternative 5 – Net Operations Income

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$137.8	$161.2	$184.6	$200.9
Secondary	–	$141.1	$165.2	$189.1	$205.8
Total	–	$278.9	$326.4	$373.7	$406.7

*Alternative 5 would not be operational in 2012 and therefore, would have no net operations income.

Table 7-59: Alternative 5 – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$504.9	$544.5	$584.0	$601.7
Secondary	$368.0	$517.2	$557.8	$598.2	$616.3
Total	**$727.2**	**$1,022.1**	**$1,102.3**	**$1,182.2**	**$1,218.0**

Table 7-60: Alternative 5 – Net Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$15.6	$18.2	$20.9	$22.7
Secondary	–	$15.9	$18.7	$21.4	$23.3
Total	–	–	**$36.9**	**$42.3**	**$46.0**

*Alternative 5 would not be operational in 2012 and thus no operations tax revenue would be generated during that period.

Table 7-61: Alternative 5 – Gross Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$57.1	$61.5	$66.0	$68.0
Secondary	$41.6	$58.4	$63.0	$67.6	$69.6
Total	**$82.2**	**$115.5**	**$124.5**	**$133.6**	**$137.6**

Thus, Alternative 5 would result in an increase in wages, income, and state and local taxes, which would provide a benefit to local business and government agencies by increasing revenue equivalent to the proposed Project. As with the proposed Project, Alternative 5 would not represent substantial change in revenue for local businesses, government, or Indian tribes.

CEQA Determination

Since the Alternative 5 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of Alternative 5; therefore, the impact would be less than under CEQA.

NEPA Determination

Alternative 5 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes; therefore, the impact would be less than significant under NEPA.

7.3.7.4 Property Values

Alternative 5 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 5 would be the same as that of the proposed Project. As such, Alternative 5 would not change residential property trends in the areas immediately adjacent to the Port, and thus would not adversely affect property values.

Additionally, as discussed for the proposed Project, Alternative 5 would involve expanding existing container terminal operations over one mile from the nearest residential community within a working port environment. Therefore, it is not anticipated that Alternative 5 would change residential property trends in the areas immediately adjacent to the Port, nor would it 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

Alternative 5 would not cause substantial change in the local property values, no physical changes are anticipated as a result of Alternative 5; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 5 would not cause substantial decrease in the local property values; therefore, the impact would be less than significant under NEPA.

7.3.8 Alternative 6 - Proposed Project with Expanded On-Dock Railyard

Alternative 6 would be the same as the proposed Project; however, the existing on-dock railyard on the terminal would be redeveloped and expanded. Under this alternative, approximately 10 acres of backlands would be removed from container storage for the railyard expansion. Alternative 6 would improve the existing terminal, develop the existing 41-acre fill area as backlands, add 1,250 ft of new wharf creating Berth 306, and dredge the Pier 300 Channel along Berth 306. Under this alternative, 12 new cranes would be added to the wharves along Berths 302-306, for a total of 24 cranes. As with the proposed Project, the 41-acre backlands and Berth 306 under Alterative 6 could utilize traditional container operations, electric automated operations, or a combination of the two over time. Dredging of the Pier 300 Channel along Berth 306 would occur (removal of approximately 20,000 cy of material), with the dredged material beneficially reused and/or disposed of at an approved disposal site (such as the CDF at Berths 243-245 and/or Cabrillo shallow water habitat) or, if needed, disposed of at an ocean disposal site (i.e., LA-2). Total terminal acreage (347) would be the same as the proposed Project.

Based on the throughput projections, TEU throughput would be the same as the proposed Project, with an expected throughput of approximately 3.2 million TEUs by 2027. This would translate into 390 annual ship calls at Berths 302-306. In addition, Alternative 6 would result in up to 10,830 peak daily truck trips (2,862,760 annual), and up to 2,953 annual rail trip movements. Configuration of all other landside terminal components would be identical to the existing terminal.

7.3.8.1 Direct or Indirect Inducement of Substantial Population Growth

Under Alternative 6, there would be an increase in container terminal operations as throughput demands increase. As discussed in greater detail under Section 7.3.8.2 below, this would be accompanied by increases in direct and indirect employment. Like the proposed Project, new employees are expected to be hired from the local area and thus 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, the long-term effects in population growth would be small relative to the size of the regional economy and it would not significantly affect population distribution in the local area and region as a whole. Therefore, Alternative 6 would not be associated with substantial population growth.

7.3.8.2 Change in the Local Employment or Labor Force

As shown on Table 7-62, under Alternative 6 construction expenditures would be approximately $227.8 million, and construction activities would result in approximately 1,785 direct jobs and 1,616 secondary jobs (3,401 total). This is slightly greater than the number of construction jobs associated with the proposed Project. During operations, under Alternative 6, 2,756 direct jobs and 2,914 secondary jobs (5,670 total) would be added to the regional economy in 2015; and 3,885 direct jobs and 4,108 secondary jobs (7,993 total) would be added in 2027 (see Table 7-63). Total gross jobs would number 14,806 in 2012 and 24,718 in 2027 (see Table 7-64). This is the same number of net jobs as would be created under the proposed Project (see Figure 7-9). As with the proposed

Project, the operations employment was modeled based on the assumption that the backlands would be operated conventionally, versus fully automated. As discussed for the proposed Project, under full automation, the number of direct and secondary jobs is not anticipated to be substantially different from that presented in Tables 7-55 and 7-56.

Table 7-62: Alternative 6 – Direct and Secondary Construction Employment Over the Two-Year Construction Period

	Employment (Number of Jobs)
Direct	1,785
Secondary	1,616
Total	3,401

Table 7-63: Alternative 6 – Net Direct and Secondary Operations Employment

	Employment (Total Number of Jobs)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	2,756	3,226	3,697	3,885
Secondary	–	2,914	3,412	3,910	4,108
Total	–	**5,670**	**6,638**	**7,607**	**7,993**

*Alternative 6 would not be operational in 2012 and therefore, would have no net operations employment.

Table 7-64: Alternative 6 – Gross Direct and Secondary Operations Employment

	Employment (Total Number of Jobs)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	7,196	10,111	10,904	11,697	12,014
Secondary	7,610	10,692	11,531	12,369	12,704
Total	**14,806**	**20,803**	**22,435**	**24,066**	**24,718**

Therefore, Alternative 6 would provide new job opportunities at the same levels as the proposed Project, and it represents a very small portion (less than 0.1 percent) of overall regional employment. Given the large labor pool throughout the region, the proposed Project is not anticipated to result in substantial in-migration or relocation of employees.

CEQA Determination

Alternative 6 would not cause substantial change in the local employment or labor force, no physical changes are anticipated as a result of the Alternative 6; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 6 would not cause substantial change in the local employment or labor force; therefore, the impact would be less than significant under NEPA.

7.3.8.3 Change in Revenue for Local Businesses and Government Agencies

Throughput also would be the same as under the proposed Project (approximately 3.2 million TEUs). The aggregate wages and salaries and the state and local tax revenue under Alternative 6 for construction would be slightly greater than for proposed Project and for operations would be the same. Therefore, economic benefits, such as jobs, income, and tax revenue associated with both construction and operation, would be similar to that of the proposed Project, but slightly greater.

The construction income associated improvements under Alternative 6 are shown in Table 7-65. Aggregate wages and salaries for the direct and indirect jobs generated by operation of Alternative 6 are anticipated to be approximately $279 million in 2015 and reach $406.7 by 2027 (see Table 7-66). Gross wages would be approximately $727.2 million in 2012 and $1,218 million in 2027 (see Table 7-67). This would result in net tax revenues of $31.5 in 2015 and $46 in 2027 and gross tax revenues of $115.5 million in 2015 and $137.6 million in 2027 (see Tables 7-68 and 7-69).

Table 7-65: Alternative 6 – Construction Income Over the Two-Year Construction Period

	Wages ($ million) in 2009 Dollars
Direct	$82
Secondary	$64
Total	**$146**

Table 7-66: Alternative 6 – Net Operations Income

	Wages in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$137.8	$161.2	$184.6	$200.9
Secondary	–	$141.1	$165.2	$189.1	$205.8
Total	–	$278.9	$326.4	$373.7	$406.7

*Alternative 6 would not be operational in 2012 and therefore , would have no net operations income.

Table 7-67: Alternative 6 – Gross Operations Income

	Wages in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$359.2	$504.9	$544.5	$584.0	$601.7
Secondary	$368.0	$517.2	$557.8	$598.2	$616.3
Total	**$727.2**	**$1,022.1**	**$1,102.3**	**$1,182.2**	**$1,218.0**

Table 7-68: Alternative 6 – Net Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012*	**2015**	**2020**	**2025**	**2027**
Direct	–	$15.6	$18.2	$20.9	$22.7
Secondary	–	$15.9	$18.7	$21.4	$23.3
Total	–	**$31.5**	**$36.9**	**$42.3**	**$46.0**

*The proposed Project would not be operational in 2012 and thus no operations tax revenue would be generated during that period.

Table 7-69: Alternative 6 – Gross Operations Tax Revenue

	State and Local Taxes in 2009 Dollars ($ million)				
	2012	**2015**	**2020**	**2025**	**2027**
Direct	$40.6	$57.1	$61.5	$66.0	$68.0
Secondary	$41.6	$58.4	$63.0	$67.6	$69.6
Total	**$82.2**	**$115.5**	**$124.5**	**$133.6**	**$137.6**

Thus, Alternative 6 would result in an increase in wages, income, and state and local taxes, which would provide a benefit to local business and government agencies by increasing revenue equivalent to that of proposed Project. As with the proposed Project, Alternative 6 would not represent substantial change in revenue for local businesses, government, or Indian tribes.

CEQA Determination

Alternative 6 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes, no physical changes are anticipated as a result of Alternative 6; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 6 would not cause substantial change in revenues for local businesses, government agencies, or Indian tribes; therefore, the impact would be less than significant under NEPA.

7.3.8.4 Property Values

Alternative 6 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 6 would be similar to that of the proposed Project. As such, Alternative 6 would not change residential property trends in the areas immediately adjacent to the Port, and thus would not adversely affect property values.

Additionally, as discussed for the proposed Project, Alternative 6 would involve expanding existing container terminal operations over one mile from the nearest residential community within a working port environment. Therefore, it is not

anticipated that Alternative 2 would change residential property trends in the areas immediately adjacent to the Port, nor would it 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

Alternative 6 would not cause substantial change in the local property values, no physical changes are anticipated as a result of Alternative 6; therefore, the impact would be less than significant under CEQA.

NEPA Determination

Alternative 6 would not cause substantial decrease in the local property values; therefore, the impact would be less than significant under NEPA.

7.3.9 Proposed Project and Alternatives Summary Tables

A comparison of employment effects for construction of the proposed Project and each alternative is presented in Table 7-70. Employment effects for operation of the proposed Project and alternatives are presented in Table 7-71 (net jobs) and Table 7-72 (gross jobs).

The proposed Project and each alternative would increase the number of direct, secondary jobs and income in the region and result in other economic benefits to varying degrees. While the economic impacts are beneficial, the increase in jobs attributable to the proposed Project or an alternative would be relatively small compared to current and projected future employment in the larger economic region. When these Project-induced employment effects are compared to regional employment levels expected to occur at the corresponding times, their contribution accounts for less than 0.1 percent.

Table 7-70: Comparison of Alternatives: Construction Employment Over Two-Year Construction Period (Proposed Project and Alternatives)

	Construction Employment (Number of Direct and Secondary Jobs)	Construction Expenditure in 2009 Dollars ($ million)
Proposed Project	3,370	225.8
Alternative 1: No Project	-	-
Alternative 2: No Federal Action	392	26.3
Alternative 3: Reduced Project – Four New Cranes	1,214	81.3
Alternative 4: Reduced Project – No New Wharf	2,266	151.8
Alternative 5: Reduced Project – No Space Assignment	3,370	225.8
Alternative 6: Proposed Project with Expanded On-Dock Railyard	3,401	227.8

Table 7-71: Comparison of Alternatives: Net Operations Employment

	Net Effects (Total Number of Direct and Secondary Jobs)					Throughput Percent (%) of Proposed Project (2027)	2027 Maximum Annual Cargo in TEUs
	2012	2015	2020	2025	2027		
Proposed Project	-	5,670	6,638	7,607	7,993	NA	3,206,000
Alternative 1: No Project	-	-	-	-	-	67	2,150,000
Alternative 2: No Federal Action	-	-	-	-	-	67	2,150,000
Alternative 3: Reduced Project – Four New Cranes	-	1,195	2,088	2,982	3,154	80	2,580,000
Alternative 4: Reduced Project – No New Wharf	-	2,446	3,464	4,301	4,708	87	2,780,000
Alternative 5: Reduced Project – No Space Assignment	-	5,670	6,638	7,607	7,993	100	3,206,000
Alternative 6: Proposed Project with Expanded On-Dock Railyard	-	5,670	6,638	7,607	7,993	100	3,206,000

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Table 7-72: Comparison of Alternatives: Gross Operations Employment

	Gross Effects (Number of Jobs)					Throughput Percent (%) of Proposed Project (2027)	2027 Maximum Annual Cargo in TEUs
	2012	2015	2020	2025	2027		
Proposed Project	14,806	20,803	22,434	24,066	24,717	NA	3,206,000
Alternative 1: No Project	14,806	15,133	15,796	16,459	16,724	67	2,150,000
Alternative 2: No Federal Action	14,806	15,133	15,796	16,459	16,724	67	2,150,000
Alternative 3: Reduced Project – Four New Cranes	14,806	16,328	17,884	19,441	19,878	80	2,580,000
Alternative 4: Reduced Project – No New Wharf	14,806	17,579	19,260	20,760	21,432	87	2,780,000
Alternative 5: Reduced Project – No Space Assignment	14,806	20,803	22,434	24,066	24,717	100	3,206,000
Alternative 6: Proposed Project with Expanded On-Dock Railyard	14,806	20,803	22,434	24,066	24,717	100	3,206,000

7.3.10 Other Economic Benefits

The foregoing analysis of the proposed Project and alternatives focused on expenditures from construction activities and Port Industry operations, and associated jobs, output, and tax revenues related to cargo movement and handling, and economic effects from construction and capital investment related to the proposed Project or an alternative. Economic activities (expenditures, jobs, and tax revenues) associated with Related Users, including port users and retail sales, were not included in the foregoing analysis. Examples of Port users are local manufacturers who ship products to foreign markets, local wholesalers and distributors who receive foreign goods for resale or final assembly (such as in warehouse customization of automobiles with accessories or options), petroleum producers/crude oil processors, and import retailers.

When compared to Port Industry, Related Users typically represent a much larger contribution to the economy. A study for the Port of Los Angeles in the late 1990s suggests five jobs are created in Port users and retail sales in the five-county region for every direct or secondary job attributable to the Port Industry (LAHD, not dated). A more recent study at the Port of Long Beach suggests a higher number, 6.7 jobs in Port users and retail sales industries in the five-county region for every job attributable to the Port Industry (POLB, 2005). Other Port economic studies have identified different ratios depending on how analysts define the various categories and what activities take place at an individual port.

If the 5 to 1 ratio for the Port from the late 1990s holds for the proposed Project, the 3,975 direct jobs (net of proposed Project over No Project Alternative) in 2027 would imply an additional 19,875 jobs among Port users and retail sales, and the indirect and induced effect from those industries. If the 6.7 to 1 ratio from the more recent Port of Long Beach study holds, the net gain of 3,975 direct jobs in 2027 would imply the addition of 26,633 jobs in the five-county region.

It is important to note that while Port Industry activities are clearly dependent on the Port, as they involve handling Port cargo, jobs in the Port user and retail sales sectors would probably continue to exist with or without the Port so long as domestic consumption remains the same (although some of the jobs may move from the five-county region). This is the reason for distinguishing “Port-dependent” industries (or Port Industry) from “Port-related” industries (Related Users), as was done for the Port of Long Beach study (POLB, 2005).