



# Section 4.4

## Economic and Fiscal Impacts

This section evaluates potential impacts to local and regional economies during construction and operation of each project alternative. Property tax-related impacts focus on properties that would be acquired under each alternative. Information in this section is based on, and updated where appropriate from, the Economic and Fiscal Impacts Evaluation Technical Memorandum, which is incorporated into this Draft EIS/EIR as Appendix AA.

### 4.4.1 Regulatory Framework/Methodology

#### 4.4.1.1 Regulatory Framework

Pursuant to Section 15131(a) of the *California Environmental Quality Act (CEQA) Guidelines*, economic or social effects of a project shall not be treated as significant impacts on the environment; they are, however, used to determine the significance of physical changes caused by the project. Significant economic impacts under CEQA would occur under the following circumstances:

**Job and Earnings Effects:** Specific numerical thresholds are not provided by CEQA, but an impact would be considered significant if the operation of the project contributes to jobs and earnings in the region in a way that would result in an adverse physical impact on the environment.

**Reduction of Tax Revenue:** Specific numerical thresholds are not provided by CEQA, but an impact would be considered significant if it causes a substantial loss of local tax revenue that would result in less social spending or a reduction in community services, thereby indirectly causing deterioration of the environment. Property tax losses in excess of one percent of the area tax base would be considered a significant impact under CEQA.

In addition, the U.S. Department of Transportation (USDOT) has joined with the U.S. Department of Housing and Urban Development (HUD) and the U.S. Environmental Protection Agency (USEPA) to create the Sustainable Communities Partnership. Of the six principles that guide the Partnership's programs, three were considered in the economic assessment of this project. These are:

- Provide more transportation choices
- Promote equitable and affordable housing
- Enhance economic competitiveness

As described more fully in Appendix AA, Economic and Fiscal Impacts Evaluation Technical Memorandum, of this Draft EIS/EIR, the value of travel time and costs saved is estimated. The value of time saved describes the change in economic competitiveness attributable to the project, as outlined above.

The value of travel costs saved addresses both the principle of providing more transportation choices and the principle of promoting equitable and affordable housing by reducing the combined cost of housing and transportation.

#### 4.4.1.2 Methodology

Construction cost estimates continue to be updated as shown in Chapter 6 to reflect the long term projection for construction (2035); recent estimates represent a less than 1 percent change to the cost estimates used in the analysis included in this section and Appendix AA. The less than 1 percent change in the recent estimates does not result in any change in the impact analysis or conclusions in this EIS/EIR. Costs and analysis for this section will continue to be updated to reflect refinements when the project progresses into a Final EIS/EIS.

**Methodology for Job and Earnings Growth:** The number of jobs and amount of earnings (wages and salaries earned by workers) generated by operation of each alternative were determined by using regional multipliers from the Bureau of Economic Analysis (BEA) within the U.S. Department of Commerce. The multipliers were used to translate the operating and maintenance expenditures for each alternative into associated job and earnings effects.

**Methodology for Additional Tax Base Impacts:** The annual tax revenue associated with the loss of properties due to right-of-way (ROW) purchase, displacement, and relocation was determined by first identifying the actual properties required for each of the alternatives. The estimated assessed value of the required acquisition was then multiplied by the current 2010 real estate tax rates for cities and counties.

The total value of acquisitions removed from the tax base was compared to the total tax base to identify the percentage of properties permanently removed and no longer generating tax revenue for each alternative considered. This comparison was used to determine whether impacts would be significant in magnitude.

## 4.4.2 Affected Environment/Existing Conditions

The project area is located within the much larger Los Angeles-Long Beach-Santa Ana Metropolitan Statistical Area (MSA) (as defined by the U.S. Office of Management and Budget), which is referred to as the “Los Angeles metro area” hereafter. The proposed Eastside Transit Corridor Phase 2 Project is in Los Angeles County; the alternatives under consideration are located within portions of unincorporated Los Angeles County, the city of Los Angeles, and the cities of Commerce, Montebello, Monterey Park, Pico Rivera, Rosemead, Santa Fe Springs, South El Monte, and Whittier.

One of the nation’s largest and most diverse urban economies, the Los Angeles metro area serves as an

international gateway to the industrializing Asian and Latin American regions for both freight will grow by over 37 percent in population between 2000 and 2030. Without meaningful investment in transportation infrastructure to handle this increase in population (and population density), the region’s existing comparative advantages will be eroded by rising travel times and congestion costs, increased disamenities such as air pollutant emissions, and reduced travel reliability.

## 4.4.3 Environmental Impacts/Environmental Consequences

Economic impacts are identified for Los Angeles County and the Los Angeles metro area, which includes Los Angeles and Orange counties. Fiscal impacts are identified for the city of Los Angeles, unincorporated Los Angeles County, and the cities of Commerce, Montebello, Monterey Park, Pico Rivera, Rosemead, Santa Fe Springs, South El Monte, and Whittier. Tax base impacts are determined by the parcels acquired for each alternative. **Table 4.4-1** summarizes the results of the analysis.

### 4.4.3.1 No Build Alternative

#### 4.4.3.1.1 Impact Analysis

**Job and Earnings Effects:** Under the No Build Alternative, by 2035 it is expected that approximately 3,400 jobs in Los Angeles County and 3,700 jobs in the Los Angeles metro area would be created as a result of operation and maintenance expenditures associated with the No Build Alternative, with approximately \$100 million and \$112 million in earnings in Los Angeles County and the Los Angeles metro area, respectively. However, this growth in jobs and earnings is not considered a net new gain for the economy, but rather jobs and earnings that would occur if the project were not implemented (under the No Build Alternative).

**Table 4.4-1 Summary of Potential Economic and Fiscal Impacts**

Alternative	Disruption to Businesses	Job and Earnings Effects	Effect on Tax Base
No Build	None	None	None
TSM	Not adverse after mitigation/Less than significant after mitigation	Not adverse/ Less than significant	None
SR 60 LRT	Not adverse after mitigation/Less than significant after mitigation	Beneficial effect/ Beneficial impact	Not adverse/ Less than significant
SR 60 North Side Design Variation	Not adverse after mitigation/Less than significant after mitigation	Beneficial effect/ Beneficial impact	Not adverse/ Less than significant
Washington Boulevard LRT	Not adverse after mitigation/Less than significant after mitigation	Beneficial effect/Beneficial impact	Not adverse/ Less than significant

The projected jobs and earnings growth under the No Build Alternative reflects a portion of projected growth within Los Angeles County and the Los Angeles metro area. This gain in jobs and earnings is less than the growth in jobs and earnings that would occur under the TSM Alternative and the LRT build alternatives.

**Tax Base Changes:** No property taking is associated with the No Build Alternative; therefore, there would be no tax base changes.

The No Build Alternative would have no adverse effects on the economic and fiscal health of communities in the project area under NEPA. Similarly, this alternative would not result in a significant impact on the economic and fiscal health of communities in the project area under CEQA.

**4.4.3.1.2 Mitigation Measures**

Since the No Build Alternative would not result in an economic or fiscal impact, no mitigation measures are required.

**4.4.3.1.3 Impacts Remaining After Mitigation**

**NEPA Finding**

No construction expenditures are associated with the No Build Alternative; as a result, no construction-related effects (adverse or beneficial) would occur as a result of the No Build Alternative.

The No Build Alternative would not adversely affect the economic and fiscal health of communities in the project area. The No Build Alternative would not result in any direct or indirect adverse effects. It would also not have the economic and fiscal benefits of the build alternatives.

**CEQA Determination**

No construction expenditures are associated with the No Build Alternative; as a result, no construction-related impacts (significant or beneficial) would occur as a result of the No Build Alternative.

The No Build Alternative would not significantly impact the economic and fiscal health of communities in the project area and, therefore, would not result in physical impacts to the environment.

**4.4.3.2 TSM Alternative**

**4.4.3.2.1 Impact Analysis**

**Construction Impacts**

Construction would have temporary impacts on commercial and industrial businesses, particularly those near or adjacent to construction sites. Sidewalk space might be taken temporarily for construction of bus stops, thereby reducing access to businesses. Business impacts would include reduced visibility of commercial signs and businesses. These construction impacts would be more limited than those of the build alternatives and generally would be short in duration. However, they would in turn produce minor economic impacts to commercial establishments.

Job and earnings impacts associated with construction of the TSM Alternative would result in the creation of 655 jobs in Los Angeles County and 767 for the MSA. This is the equivalent of \$28.9

million for Los Angeles County and \$33.8 million for the MSA. These figures apply to one-time impacts that would last for the duration of the project's construction. This would represent a beneficial impact.

Construction impacts for the TSM Alternative represent a net increase over the No Build Alternative. They are, however, substantially lower than those estimated for each of the build alternatives.

Construction of the TSM Alternative would have temporary adverse impacts on commercial and industrial businesses, particularly those near or adjacent to construction sites. Mitigation has been included to address these temporary adverse impacts. Similarly, construction of the TSM Alternative would have less than significant impacts with the incorporation of mitigation measures under CEQA. Construction-related effects/impacts would be not adverse/less than significant after the implementation of mitigation measures.

### Operational Impacts

**Job and Earnings Effects:** Job and earnings impacts associated with the TSM Alternative were estimated for Los Angeles County and the Los Angeles metro area. The net difference between the TSM Alternative and the No Build Alternative is 651 jobs and \$19.1 million in earnings for Los Angeles County. The net difference between the TSM Alternative and the No Build Alternative is 710 jobs and \$21.4 million in earnings for the Los Angeles metro area as a whole. These estimates include both direct and indirect impacts associated with the operations and maintenance spending. These are long-term annual impacts that would continue for the life of the TSM Alternative service. These expenditures would be funded with a mix of local sources, including fares and local subsidy. As a result, the jobs and earnings associated with these operations and maintenance activities would not be net new gains for the economy, but rather jobs and earnings supported by the project alternative selected. The assumption is that the local funds would be used for transportation, if not for this project then for another with similar results. Thus,

the jobs are sustained by the transportation spending but are not a net increase to the economy. The jobs and earnings created due to operation and maintenance of the TSM Alternative would be substantially lower than those under the rail build alternatives.

The TSM Alternative would not have an adverse effect on jobs and earnings under NEPA and would have a less than significant impact on jobs and earnings under CEQA.

**Tax Base Changes:** No acquisitions or displacements would occur under the TSM Alternative. Therefore, no tax base changes would occur.

The TSM Alternative would not have an adverse effect on the tax base under NEPA and would have a less than significant impact on the tax base under CEQA.

### 4.4.3.2.2 Mitigation Measures

- 4.4-i. Notify property owners, businesses, and residences of major construction activities (e.g., utility relocation or disruption and milestones; re-routing of delivery trucks).
- 4.4-ii. Whenever possible Metro, working with the construction contractor, would develop detours for any roads or sidewalks to be closed during construction; post signs (in appropriate languages) alerting pedestrians, bicyclists, and motorists of road and sidewalk closures and detours; ensure that pedestrian detours are accessible to seniors and disabled persons; and develop Worksite Traffic Control Plans in conjunction with the county and municipal departments of transportation to accommodate automobile, bicycle, and pedestrian traffic.
- 4.4-iii. Metro would maintain access to community facilities affected by construction activities.
- 4.4-iv. Metro would provide early notification to emergency service providers of any road closures or detours.

- 4.4-v. Metro would provide crossing guards as needed in the vicinity of construction sites, haul routes, and other relevant sites as proposed in the California Department of Transportation (Caltrans) Traffic Manual, Chapter 10-07.3, Warrants for Adult Crossing Guards.
- 4.4-vi. The construction contractor would erect barriers or fencing as needed during construction to minimize trespassing and vandalism.
- 4.4-vii. Metro would forewarn the public of any anticipated road closures or detours due to construction activity.

#### *4.4.3.2.3 Impacts Remaining After Mitigation*

##### **NEPA Finding**

Construction of the TSM Alternative would not adversely affect the economic and fiscal health of communities in the project area. It would have minor and temporary effects (limited to the duration of construction) on businesses during construction, but would also result in temporary, limited increases in employment. As a result, no adverse construction-related effects would occur as a result of the TSM Alternative.

The TSM Alternative would not adversely affect the economic and fiscal health of communities in the project area. It would not result in any direct or indirect adverse effects.

##### **CEQA Determination**

Construction of the TSM Alternative would not significantly impact the economic and fiscal health of communities in the project area. It would have minor and temporary impacts (limited to the duration of construction) on businesses during construction, which would be mitigated; but it would also result in temporary, limited increases in employment. As a result, no significant construction-related impacts would occur as a result of the TSM Alternative.

The TSM Alternative would not significantly impact the economic and fiscal health of communities in

the project area. In addition, these economic and fiscal impacts would not result in physical impacts on the environment.

### **4.4.3.3 SR 60 LRT Alternative**

#### *4.4.3.3.1 Impact Analysis*

##### **Construction Impacts**

Construction would have temporary impacts on commercial and industrial businesses, particularly those near or adjacent to construction sites. Sidewalk space might be taken temporarily for station and alignment construction, thereby reducing access to businesses. Business impacts could include reduced visibility of commercial signs and businesses. These construction impacts could in turn produce economic impacts to commercial establishments. However, mitigation measures have been incorporated as part of the project to reduce these impacts to less than significant.

Job and earnings impacts associated with construction of the SR 60 LRT Alternative would result in the creation of 14,540 jobs in Los Angeles County (14,191 with the North Side Design Variation) and 16,928 for the MSA (16,522 with the North Side Design Variation). This is the equivalent of \$667.3 million in earnings (\$651.2 million with the North Side Variation) for Los Angeles County and \$771.5 million for the MSA (\$753.0 million with the North Side Design Variation). These figures apply to one-time impacts that would last for the duration of the project's construction. Nonetheless, this would represent a beneficial impact.

There are no long-term adverse effects associated with the economic impacts generated by construction-related capital expenditures, which includes construction and continued spending on vehicles and facilities when service is operating. Construction-related spending and job creation would last for the duration of the project's construction cycle.

Construction-related effects would not be adverse under NEPA and would be less than significant under CEQA after implementation of mitigation measures.

## Operational Impacts

**Job and Earnings Effects:** Job and earnings impacts associated with the SR 60 LRT Alternative were estimated for Los Angeles County and the Los Angeles metro area. The net difference between the SR 60 LRT Alternative and the No Build Alternative is 1,082 jobs and \$31.8 million in earnings for Los Angeles County, or 1,084 jobs and \$31.8 million in earnings with the SR 60 North Side Design Variation. This would represent a beneficial impact. The net difference between the SR 60 LRT Alternative and the No Build Alternative is 1,180 jobs and \$35.6 million in earnings for the Los Angeles metro area as a whole, or 1,183 jobs and \$35.7 million in earnings with the North Side Design Variation.

These beneficial impacts are significantly greater than those for the TSM Alternative and somewhat less than those for the Washington Boulevard LRT Alternative. Jobs and earnings would be less for this Alternative than for the Washington Boulevard LRT Alternative due to the shorter route and fewer stops, which would generate slightly less economic activity.

These estimates include both direct and indirect impacts associated with the operation and maintenance spending. These are long-term impacts; they would begin on the first day of operation and continue for the life of the project. These expenditures would be funded with a mix of local sources, including fares and local subsidy. As a result, the jobs and earnings associated with these operation and maintenance activities would not be net new gains for the economy, but rather jobs and earnings supported by the project alternative selected.

The SR 60 LRT Alternative would not have an adverse effect on jobs and earnings under NEPA and would have a beneficial impact on jobs and earnings under CEQA.

**Tax Base Changes:** The SR 60 LRT Alternative would result in 23 full or partial acquisitions, while the SR 60 North Side Design Variation would result in one additional partial acquisition. Since many of the acquisitions would be partial acquisitions, the

estimate of tax base and revenue loss takes into account the portion of each parcel acquired and whether it is land only, or land and buildings. Acquisitions for the SR 60 LRT Alternative, with or without the North Side Design Variation, would remove property from the tax base and would thereby reduce the tax revenue generated in the cities of Montebello and South El Monte where the acquisitions would occur. One partial acquisition for the SR 60 North Side Variation is located in Monterey Park; however, the assessed value of the property required is essentially zero. In addition, a big box retail project is proposed for this site; however, even with this development the impact would still not be significant, as the partial taking would be limited to the loss of approximately 12 parking spaces from an inventory of over 2,000.

The total assessed value of acquisitions would be \$9.77 million (in 2010 dollars), resulting in a loss of revenue of \$127,418 for the SR 60 LRT Alternative. Meanwhile, with the SR 60 North Side Design Variation, the total assessed value of acquisitions would be \$9.81 million (in 2010 dollars), resulting in a loss of revenue of \$128,079. Of the property acquisitions, \$1.8 million would take place in Montebello and the remaining \$7.9 million would be in South El Monte. With the SR 60 North Side Design Variation, \$1.9 million in property acquisition would occur in Montebello and \$7.9 million would occur in South El Monte.

While these would be adverse impacts, they would be less than significant in every jurisdiction. The total value of all assessed property required in the city of Montebello would be \$4,611.06 million and in the city of South El Monte the total value would be \$1,713.59 million, according to Los Angeles County Assessor's records. The total value of acquisitions in each jurisdiction is substantially less than one percent of its tax base, the threshold typically applied to determine whether an impact is significant.

For the SR 60 LRT Alternative, the potential maintenance yard option (Mission Junction Maintenance Yard Option) is located at the intersection of Mission Road and Cesar Chavez

Avenue, adjacent to the existing Mission Junction rail facility. This maintenance yard option would require the full acquisition of six private parcels located entirely within the city of Los Angeles. The total value of acquisitions for the maintenance yard option is approximately \$3.7 million. The magnitude of acquisitions, even combined with those required for the SR 60 LRT Alternative described above, remains well below the one percent threshold for determining the significance of tax base changes. There is no significant tax impact associated with the Mission Junction Maintenance Yard Option.

As indicated in Section 4.3, Displacement and Relocation, an estimated 69 jobs would be displaced or relocated due to the property acquisitions needed for the SR 60 LRT Alternative, with or without the North Side Design Variation. An additional 30 jobs would be displaced or relocated due to the property acquisitions needed for the maintenance yard option. However, jobs could be retained with relocation and reestablished in other available locations in the jurisdiction or the project area (possibly as a transit oriented development or TOD). This would result in no net loss of jobs overall. Moreover, to the extent that rail transit investment has been shown to be an economic development catalyst in other communities, the net effect may be positive. (Refer to Section 4.3, Displacement and Relocation, for additional details.)

While the SR 60 LRT Alternative would result in minor losses to the tax base, these effects are not significant. Similarly, this alternative would have a less than significant impact on the tax base under CEQA.

#### ***4.4.3.3.2 Mitigation Measures***

In addition to the mitigation measures identified below, mitigation measures 4.5-i through 4.5-iv and 4.5-vi through 4.5-ix from Section 4.5, Community and Neighborhood Impacts and mitigation measures 3.0-ii through 3.0-xiii from Chapter 3, Transportation Impacts would be implemented. (Refer to the specific section for the detailed mitigation measure.)

### **Construction Mitigation Measures**

- 4.4-viii. Metro Construction Relations staff and construction personnel would contact and interview individual businesses to identify business usage, delivery, and shipping patterns, as well as critical times of the day or year for business activities, to aid in developing Worksite Traffic Control Plans and to ensure that critical business activities are not disrupted.
- 4.4-ix. During construction Metro would develop, fund, and maintain a telephone hotline, and one or more Metro field offices would be developed and maintained to address community issues and concerns as they arise. The office should be open on weekdays and on any weekends when work occurs. The office would provide a physical location where information pertaining to construction can be exchanged. Metro would ensure that all potentially affected persons know the name and telephone number(s) of public affairs staff whom they can contact if needed. The contractor staffing plan would be subject to Metro review.
- 4.4-x. Metro would participate in local events to promote awareness of the project.
- 4.4-xi. Metro would notify property owners, businesses, and residences of major construction activities (e.g., utility relocation or disruption and milestones and re-routing of delivery trucks).
- 4.4-xii. Metro would provide literature to the public and news media, schedule promotional displays, participate on community committees, and make presentations, as needed, about the project.
- 4.4-xiii. Metro would coordinate business outreach programs and implement promotions for businesses most affected by the construction.

4.4xiv. Upon completion of construction, property needed for construction but not required to maintain the physical infrastructure or necessary for access would be included in a Metro Joint Development Program for possible development, and also in a report to FTA on Excess Property Management. Any joint development project would be environmentally cleared separately from this project and would undergo its own community input process. Until a development is approved, the remaining underutilized property may be used for operations-related purposes, and maintained to a standard that reflects the community’s identity and character.

**Operational Mitigation Measures**

The SR 60 LRT Alternative, with or without the SR 60 North Side Design Variation, would not result in a significant impact or adverse effect to the regional or local economy. Therefore, no mitigation measures are required.

**4.4.3.3.3 Impacts Remaining After Mitigation**

**NEPA Finding**

Construction of the SR 60 LRT Alternative would not adversely affect the economic and fiscal health of communities in the project area beyond the temporary disruption associated with construction. Temporary disruption associated with construction would not result in an adverse effect with implementation of mitigation measures.

Construction of the SR 60 LRT Alternative would generate slightly more jobs and earnings than the Washington Boulevard Alternative. However, all beneficial construction effects are temporary, and would last only as long as the construction cycle.

With implementation of mitigation measures, no adverse construction-related effects would occur as a result of the SR 60 LRT Alternative.

The SR 60 LRT Alternative, with or without the SR 60 North Side Design Variation, would not adversely

affect the economic and fiscal health of communities in the project area.

While the SR 60 LRT Alternative alignment would result in minor losses to the tax base and associated revenue, these effects would not be adverse. In addition, the creation of jobs and earnings associated with operation of this alternative would have a beneficial effect on the economic and fiscal health of communities in the project area.

**CEQA Determination**

Construction of the SR 60 LRT Alternative would not significantly impact the economic and fiscal health of communities in the project area beyond the temporary disruption associated with construction, which with mitigation would be less than significant.

Construction of the SR 60 LRT Alternative would generate slightly more jobs and earnings than the Washington Boulevard Alternative. However, all beneficial construction impacts are temporary, and would last only as long as the construction cycle.

With implementation of mitigation measures, construction-related impacts would be less than significant as a result of the SR 60 LRT Alternative.

The SR 60 LRT Alternative, with or without the North Side Design Variation, would not significantly affect the economic and fiscal health of communities in the project area. Any economic and fiscal effects would not result in physical impacts to the environment. In addition, the creation of jobs and earnings associated with operation of this alternative would have a beneficial effect on the economic and fiscal health of communities in the project area.

**4.4.3.4 Washington Boulevard LRT Alternative**

**4.4.3.4.1 Impact Analysis**

**Construction Impacts**

Construction would have temporary impacts on commercial and industrial businesses, particularly those near or adjacent to construction sites. Sidewalk space might be taken temporarily for station and alignment construction, thereby reducing access to businesses. Business impacts

could include reduced visibility of commercial signs and businesses. These construction impacts could in turn produce economic impacts to commercial establishments. However, mitigation measures have been incorporated to reduce these impacts to less than significant.

Job and earnings impacts associated with construction of the Washington Boulevard LRT Alternative would result in the creation of 14,320 jobs in Los Angeles County (14,857 with the Aerial Crossings Option) and 16,673 for the MSA (17,299 with the Aerial Crossings Option). This is the equivalent of \$656.8 million in earnings (\$681.0 million for the Aerial Crossings Option) for Los Angeles County and \$759.5 for the MSA (\$787.6 million for the Aerial Crossings Option). These figures apply to one-time impacts that would last for the duration of the project's construction. Nonetheless, this would represent a beneficial impact.

There are no long-term effects associated with the economic impacts generated by capital expenditures, which include construction and continued spending on vehicles and facilities when service is operating. Construction-related spending and job creation would last for the duration of the project's construction cycle.

Construction-related effects would not be adverse under NEPA and would be less than significant under CEQA after implementation of mitigation measures.

### Operational Impacts

**Job and Earnings Effects:** Job and earnings impacts associated with the Washington Boulevard LRT Alternative were estimated for Los Angeles County and the Los Angeles metro area. The Washington Boulevard LRT Alternative would result in an additional 1,394 jobs and \$40.9 million in earnings over the No Build Alternative for Los Angeles County. For the metro area as a whole, the Washington Boulevard LRT Alternative would result in an additional 1,521 jobs and \$45.9 million in earnings over the No Build Alternative. This would represent a beneficial impact.

These beneficial impacts are significantly greater than those for the TSM Alternative and somewhat greater than those for the SR 60 LRT Alternative. Jobs and earnings would be higher for this Alternative compared to the SR 60 LRT Alternative due to the longer route and greater number of stops, which would generate more economic activity. The Rosemead Boulevard and I-605/San Gabriel River aerial crossing options would have no impact on operation and maintenance spending; therefore, the impacts would be the same for these two crossing options despite a slightly different construction cost.

These estimates include both direct and indirect impacts associated with the operations and maintenance spending. These are long-term impacts; they would begin on the first day of operation and continue for the life of the project. These expenditures would be funded with a mix of local sources—fares and local subsidy. As a result, the jobs and earnings associated with these operations and maintenance activities would not be net new gains for the economy, but rather jobs and earnings supported by the project alternative selected.

The Washington Boulevard LRT Alternative would not have an adverse effect on jobs and earnings under NEPA and would have a beneficial impact on jobs and earnings under CEQA.

**Tax Base Changes:** Construction of the Washington Boulevard LRT Alternative would result in 65 full or partial acquisitions, which would remove property from the tax base and thereby reduce the tax revenue generated in the cities of Montebello, Commerce, Pico Rivera, Santa Fe Springs, and Whittier, where the acquisitions would occur. Since many of the acquisitions would be partial, the estimate of tax base and revenue loss takes into account the portion of each parcel acquired and whether it is land only or land and buildings. The total assessed value of acquisitions would be \$40.2 million (in 2010 dollars), resulting in a tax loss of \$485,626 across all jurisdictions including \$214,704 in Montebello, \$21,060 in Commerce, \$121,890 in

Pico Rivera, \$25,703 in Santa Fe Springs, and \$102,270 in Whittier.

While these would be adverse impacts, they would be less than significant in every jurisdiction. The total value of all assessed property being acquired is \$16.0 million in Montebello, \$1.8 million in Commerce, \$10.8 million in Pico Rivera, \$2.3 million in Santa Fe Springs, and \$9.2 million in Whittier, according to Los Angeles County Assessor's records. The total value of acquisitions in each jurisdiction is less than one percent of the total tax base, the threshold typically applied to determine whether an impact is significant.

Three maintenance yard options are being analyzed for the Washington Boulevard LRT Alternative: the Mission Junction Maintenance Yard Option, Commerce Maintenance Yard Option, and Santa Fe Springs Maintenance Yard Option. The following lists the total value of acquisitions for each maintenance yard option:

- Mission Junction Maintenance Yard Option: Approximately \$3.7 million, located entirely within the city of Los Angeles.
- Commerce Maintenance Yard Option: Approximately \$283,000, located entirely within the city of Commerce.
- Santa Fe Springs Maintenance Yard Option: Approximately \$7.7 million, divided among the cities of Santa Fe Springs and Whittier. The value of acquired property is \$5.6 million in Santa Fe Springs and \$2.1 million in Whittier.

The acquisitions for each maintenance yard option, even combined with those required for the Washington Boulevard LRT Alternative described above, remain well below the one percent threshold for determining the significance of tax base changes. There is no significant tax impact associated with any of the maintenance yard options.

As indicated in Section 4.3, Displacement and Relocation, an estimated 633 jobs would be displaced or relocated due to the property acquisitions needed for the Washington Boulevard LRT Alternative. Depending on the maintenance

yard option chosen, between zero and 140 additional jobs would be displaced or relocated due to the property acquisitions needed for a maintenance yard. However, jobs could be retained with relocation and reestablished in other available locations in the jurisdiction or the project area. Therefore, there would be no net loss of jobs overall.

While the Washington Boulevard LRT Alternative would result in minor losses to the tax base, these effects would not be adverse. Similarly, this alternative would have a less than significant impact on the tax base under CEQA.

#### *4.4.3.4.2 Mitigation Measures*

##### **Construction Mitigation Measures**

The same mitigation measures (mitigation measures 4.4-viii. through 4.4-xiv.) identified above in Section 4.4.3.3.2 for the SR 60 LRT Alternative and summarized in Table ES-2 would apply to this alternative. In addition, mitigation measures 4.5-i through 4.5-iv and 4.5-vi through 4.5-ix from Section 4.5, Community and Neighborhood Impacts and mitigation measures 3.0-ii through 3.0-xiii from Chapter 3, Transportation Impacts would be implemented. (Refer to the specific section for the detailed mitigation measure.)

##### **Operational Mitigation Measures**

The Washington Boulevard LRT Alternative would not result in a significant impact to the regional or local economy. Therefore, no mitigation measures would be required.

#### *4.4.3.4.3 Impacts Remaining After Mitigation*

##### **NEPA Finding**

Construction of the Washington Boulevard LRT Alternative would not adversely affect the economic and fiscal health of communities in the project area beyond the temporary disruption associated with construction. Temporary disruption associated with construction would not result in an adverse effect with implementation of mitigation measures.

Construction of the Washington Boulevard LRT Alternative would generate slightly fewer jobs and lower earnings than construction of the SR 60 LRT

Alternative. However, all beneficial construction effects are temporary, and would last only as long as the construction cycle.

With implementation of mitigation measures, no adverse construction-related effects would occur as a result of the Washington Boulevard LRT Alternative.

The Washington Boulevard LRT Alternative would not adversely affect the economic and fiscal health of communities in the project area. In addition, the creation of jobs and earnings associated with operation of this alternative would have a beneficial effect on the economic and fiscal health of communities in the project area. While the Washington Boulevard LRT Alternative would result in minor losses to the tax base and associated revenue, these effects would not be adverse.

#### **CEQA Determination**

Construction of the Washington Boulevard LRT Alternative would not significantly impact the economic and fiscal health of communities in the project area beyond the temporary disruption associated with construction, which would be mitigated to less than significant. Construction of the Washington Boulevard LRT Alternative would generate slightly fewer jobs and lower earnings than the SR 60 LRT Alternative. However, all beneficial

construction impacts are temporary, and would only last as long as the construction cycle.

With implementation of mitigation measures, construction-related impacts would be less than significant as a result of the Washington Boulevard LRT Alternative.

The Washington Boulevard LRT Alternative would not significantly affect the economic and fiscal health of communities in the project area. Any economic and fiscal effects would not result in physical impacts to the environment.

While the Washington Boulevard LRT Alternative would result in minor losses in the tax base and associated revenue, these impacts would not be significant.

The Washington Boulevard LRT Alternative would not result in any significant direct or indirect impacts. In addition, the creation of jobs and earnings associated with operation of this alternative would have a beneficial effect on the economic and fiscal health of communities in the project area.

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