

CHAPTER 15. INDUCED SOCIOECONOMIC IMPACTS

1. INTRODUCTION AND DEFINITIONS.

a. **General.** FAA must evaluate a proposed airport project to determine the project's potential to cause induced or secondary socioeconomic impacts on surrounding communities. When FAA determines a potential for such impacts exists, the environmental document should describe how the proposed project would affect communities by addressing the following factors, as needed.

- (1) shifts in patterns of population movement and growth;
- (2) public service demands;
- (3) changes in business and economic activities; or
- (4) other factors identified by the public.

b. **Examples of the induced socioeconomic impacts due to airport development.** Certain airport development projects could have impacts on an affected area's socioeconomic characteristics. Socioeconomic impacts are linked to impacts to other resource categories through cause-and-effect relationships. Induced socioeconomic impacts can be significant when significant impacts in resource categories linked to socioeconomic impacts occur. For example, airport projects causing noise changes or requiring more land could cause local land use changes. As a result, the changes in the distribution of residents and their housing requirements could occur. These changes could, in turn, cause impacts that alter demands on fire and police protection, educational or utility services, businesses, and job opportunities in the airport area and other areas to which the residents relocate.

2. APPLICABLE STATUTES AND IMPLEMENTING REGULATIONS.

APPLICABLE STATUTES AND IMPLEMENTING REGULATIONS	SUMMARY DESCRIPTION	OVERSIGHT AGENCY
Council on Environmental Quality (CEQ) Regulations Implementing NEPA, 40 CFR Part 1500 <i>et seq.</i>	Section 1508.27(b) requires Federal agencies to consider a proposed action's impact significance by considering the impact's intensity and context. Section 1508.8 addresses indirect impacts (effects), which are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. Indirect effects may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water	CEQ

	and other natural systems, including ecosystems.	
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3. APPLICABILITY TO AIRPORT DEVELOPMENT ACTIONS. Typical airport actions which could cause direct or indirect social and economic impacts include: airside/landside expansion such as new or expanded terminal and hangar facilities; new or extended runways and taxiways; navigational aids [NAVAIDS], etc.); land acquisition for aviation-related use; new or relocated access roadways; remote parking facilities; rental car lots; a significant increase or change in aircraft operations; and significant amounts of construction/demolition activity.

4. PERMITS, CERTIFICATIONS, AND APPROVALS.

This impact category does not require Federal permits, certifications, or approvals. But the environmental document should contain evidence of coordination with potentially-affected jurisdictions and other interested parties located in the affected area. The evidence should provide information, substantive comments, or opinions concerning the existing and projected socioeconomic environment in the affected area. It should provide meaningful data on existing local population distributions, infrastructure, utilities, and economic factors that will form the basis for analysis.

5. ENVIRONMENTAL COMPLIANCE PROCEDURES – ENVIRONMENTAL ANALYSIS.

When preparing an environmental document for an airport project having the potential to cause social and economic effects, the following entities often provide important information that facilitates socioeconomic evaluations.

a. Local planning commission's housing departments and business organizations. Examples include the Chamber of Commerce and Economic Development Agency.

b. Public service utilities or local departments responsible for maintaining water, gas, and electrical supplies and infrastructure improvements.

6. DETERMINING IMPACTS.

a. General. Airport projects may require the acquisition of land or cause effects that alter existing land uses. For example, noise effects may cause the relocation of housing or other noncompatible land uses. Effects due to that relocation may cause substantial changes in the area's tax base and the relocation of businesses due to reduced sales levels. In addition, increases in utility demands may occur in the areas to which the displaced families move.

b. Document content. If needed, the environmental assessment should contain a chapter addressing induced socioeconomic impacts. It should focus on project-induced shifts in population movement patterns, public service demands, and business and

economic activities. Often, impacts discussed in chapters addressing noise impacts, changes in land uses, and social impacts lead to induced socioeconomic impacts. As a result, the induced socioeconomic impacts chapter should summarize information in chapters on other resource categories linked to socioeconomic impacts. The socioeconomic chapter should also summarize information from the entities noted in sections 5.a. and b. of this chapter and contain an appendix providing the correspondence from them. Determining project-induced secondary impacts will typically require the following steps:

- (a) identifying effects due to changed land use, noise levels, and direct social impacts (see Chapters 5, 17, and 18, respectively, of this Desk Reference);
- (b) setting up the geographic scope and time frame for the analysis;
- (c) identifying and characterizing project-induced effects and affected people, businesses, or other entities (i.e. neighborhoods, services, businesses and other economic activities).
- (d) defining a baseline condition for those affected.

7. DETERMINING IMPACT SIGNIFICANCE.

a. General. Environmental document chapters addressing noise, land use, and social impacts are useful in determining the severity of induced socioeconomic impacts. If those chapters identify significant impacts, significant induced socioeconomic impacts could also occur. Determining the significance of induced impacts will typically require the following steps:

ORDER 1050.1E THRESHOLD	FACTORS TO CONSIDER
None.	Induced impacts will normally not be significant, except where there are also significant impacts in other categories, especially noise, land use, or direct social impacts. In such instances an EIS may be needed.

From Table 7-1, Order 5050.4B

b. Potential mitigation measures. During the environmental review process, Federal, state, or local agencies may provide letters recommending measures to mitigate induced socioeconomic impacts. Potential mitigation may include:

- (1) working with local officials to promote the economic vitality of the area;
- (2) assisting local businesses with relocations; or

(3) helping to meet changed public service demands.

FAA and the sponsor should fully consider mitigation recommendations and balance their benefits against those of the proposed action. If FAA or the sponsor does not adopt any mitigation recommended, the environmental assessment (EA) should explain why the recommendation was not adopted. If feasible, the EA should provide an estimated schedule for undertaking accepted mitigation.

8. ENVIRONMENTAL IMPACT STATEMENT CONTENT.

a. General. Refer to the information analyzed in completing other sections of this chapter. In addition, evaluate the respective chapters dealing with noise, land use, social impacts, or other impacts causing induced socioeconomic effects. If a significant impact in one or more of these areas occurs, discuss how these impacts would affect the project area's economic and social characteristics. For example, if airport operations would cause noise impacts requiring the relocation of residential areas, describe how changes in the neighborhood would affect local businesses, public services and taxes in the area where people now live and the area(s) to which they will move.

b. Mitigation. The EIS should describe proposed mitigation when agencies provide that information. FAA and the sponsor should fully consider the mitigation and balance its benefits against those of the proposed action. If FAA or the sponsor does not adopt any mitigation recommended, the EIS should explain why the recommendation was not adopted. If feasible, provide an estimated schedule for undertaking accepted mitigation.

NEPA requires a Federal agency preparing an EIS to discuss mitigation in sufficient detail to disclose that environmental consequences have been fairly evaluated (*Robertson vs. Methow Valley*, 490 U.S. 332 (1989)). In addition, under 49 USC Section 47106 (c)(1)(B), FAA may not approve a Federal funding for major airport development projects, unless the agency determines that no possible and prudent alternative to the project exists and that every reasonable step has been taken to minimize the adverse effect. Major airport development projects are those that involve the location of a runway, new airport, or major runway extension. For more information about the mitigation required, see FAA Order 5050.4B, paragraph 1203(b)(4). The EIS must discuss and adopt mitigation measures agencies recommend in accordance with NEPA and 49 USC Section 47106(c)(1)(B). If feasible, provide an estimated schedule for undertaking accepted mitigation.