

## **22G - ECONOMIC STUDIES**

### **Overview**

Socio-economic studies will be concerned with national economic efficiency effects and issues, and regional socio-economic impacts. Since the primary plan formulation focus of attention is expected to be oriented to non-monetary ecosystem restoration, the focus of socio-economic study efforts will be to address National Economic Development (NED) and regional impacts, to the extent expected to result from potential plans. Issues expected to be addressed include navigation, recreation, fishing, costs and construction impacts of implementation, flooding, and water supply (urban and agricultural). Potential opportunities for life cycle cost effectiveness in plan formulation and design may arise during the Feasibility Study, and socio-economic team participation will be available for consultation regarding such issues as they arise. Socio-economic team involvement is also expected in public involvement and outreach activities, including environmental justice issues and appropriate Feasibility Study documentation.

### **National Economic Efficiency Effects**

#### General

The impacts of the IRLN FS plan implementation will most likely include effects on ecosystem restoration, navigation, recreation, fishing, and hurricane evacuation and damage control. All of these effects will be addressed to the extent identifiable. An important role of economic evaluation will consist of properly expressing costs of alternatives under consideration. Costs must be calculated as the difference between costs incurred with the plan and costs that would have been incurred in the “without-project” condition. Other potential national economic efficiency issues include cost effectiveness in design, construction impacts and costs, and environmental justice.

#### Costs, Incremental/Cost Effectiveness, and Construction Impacts

Costs for construction; Operation, Maintenance, Rehabilitation, Repair and Replacement (OMRR&R); and land acquisition will need to be translated into proper units to assist in the comparison of alternatives. Careful attention will be necessary for the issues of price levels, timing, and present worth calculations. Proper application of engineering economy principles can help to assure that economically prudent features will be incorporated into plan design. Plan formulation and economic evaluation will also incorporate impacts during construction, e.g., consequences for traffic and effects on potential hurricane evacuation because of temporary traffic delays. Plan formulation and economic evaluation should incorporate such concerns.

### Recreation, Navigation and Fishing

Long term effects of IRLN FS project implementation will most likely be improved ecosystem health for the Lagoon. The specifics of ecosystem-economic system linkages are difficult to evaluate, especially since there exists great uncertainty regarding specific ecosystem responses to project implementation. Nevertheless, the changes will most likely be positive, and the resulting effects on recreation, fishing (both recreational and commercial) and associated navigation will most likely also be positive. To the extent identifiable, these issues will be explored and documented.

### Water Supply and Flood Control

Eventual plan implementation could have water supply impacts. This issue will be included in economic evaluation work, to the extent necessary. Any hurricane flooding damage effects brought about by implementation of the recommended plan will also be addressed and included in the evaluation.

### **Regional Impacts**

Effects on the regional economy from construction spending and other project-caused impacts will be evaluated. Such impacts are expected to include changes (increases) in sales, earnings, and employment in the regional economy. The potential always exists for there to be impacts on minorities, those living in poverty, etc. Potential negative effects such as displacement of individuals, and other impacts will be addressed and documented. There will be documentation of the findings and results of environmental justice and public outreach efforts.

### **Participation in Meetings, Conferences, Field Trips, and Site Visits**

Team meetings will be held throughout the study process. It will not be necessary for socio-economics team members to attend all such events, but regular attendance at major team meetings will be required to maintain a level of familiarity with project issues. Additional travel for purposes of site visits and special data collection will be done on an as needed basis.