

4.7 SOCIOECONOMIC CONDITIONS AND ENVIRONMENTAL JUSTICE

4.7.1 SOCIOECONOMIC CONDITIONS

This section provides an analysis of the socioeconomic effects of each alternative. Effects analyzed include employment impacts from construction and operation, potential population growth from construction and operation, potential social effects including crime and problem gambling, effects to surrounding property values, additional costs and revenues to local governments, and increased pumping costs for neighboring wells. A socioeconomic study was recently completed that analyzes the socioeconomic impacts of each alternative (Innovation Group, 2005). A copy of this study appears in **Appendix R**.

ALTERNATIVE A – PROPOSED PROJECT

Employment

Alternative A's effects on employment would come in both the construction and operational phases. The impacts of construction are only felt for the duration of construction spending so they are necessarily temporary. The operational effects are felt as long as the casino/hotel resort is in operation.

The effects are measured in three ways: direct employment, indirect employment and induced employment. Direct employment includes those employees who are directly employed at the facility either during construction or during operation.

Indirect employment includes those employees who provide services and are employed at least in part due to the facility but are not directly employed at the facility. Generally, these jobs are categorized as those created from project spending.

The third category is induced employment. This category includes all the other jobs that are created due to the ripple effect of spending throughout the economy as a whole. Generally, these jobs are categorized as those that are created through direct and indirect employment spending.

In order to measure these impacts, the Regional Input-Output Modeling System (RIMS II) produced by the Bureau of Economic Analysis, US Department of Commerce was utilized. When provided changes in output in a sector or sectors of economy, this model estimates the direct, indirect and induced changes in the economy's output, employment and earnings. For the purposes of this Environmental Impact Statement (EIS), Madera County is the study area.

As described below, Alternative A would result in the creation of numerous employment opportunities within Madera County, which would be a beneficial effect to the region's unemployment rate and the local economy as a whole.

Construction

Construction employment and spending is temporary, but it can have substantial impacts on the economy. For Alternative A, construction spending is estimated to be almost \$350 million.

Table 4.7-1 details the projected spending.

TABLE 4.7-1
CONSTRUCTION COSTS – ALTERNATIVE A

Construction Phase	Estimated Cost (dollars)
Design	12,060,000
General Construction	227,544,000
Soft Costs	85,905,000
Contingency	23,960,000
<i>Total</i>	<i>349,469,000</i>

NOTE: Soft costs include furniture, fixtures, financing fees, equipment, etc.

SOURCE: Innovation Group, 2005.

Based on the almost \$350 million in spending for construction, RIMS II projects that Alternative A would create 2,441 jobs. Although most of these jobs fall within the construction sector, they are spread out over 20 different segments of the economy because other jobs would be created in the short term to serve the construction employees and construction operation (Innovation Group, 2005). These jobs would be filled by workers that commute to the area and local residents, some of which may currently be unemployed. This would result in a temporary reduction in the unemployed population and in the unemployment rate, a beneficial impact to the local economy.

Operation

Operational employment includes those jobs that are generated from the operation of Alternative A. These impacts would last as long as the casino/hotel resort is in operation. Direct employment includes all positions at the casino and hotel. SC Madera Management, LLC (the Tribe's management/development partner) anticipates that the Alternative A project facilities would employ 1,291 full-time employees and 283 part-time employees or 1,461 full-time equivalent employees (FTEs).

Indirect employment includes those jobs that provide support services to but are not directly paid by the casino/hotel resort. Induced employment calculates the impacts of these direct and indirect jobs on the rest of the economy as spending by direct and indirect employees ripples through the economy. RIMS II projects that Alternative A would create 2,319 jobs in Madera County (**Table**

4.7-2). Of those, 858 are indirect and induced jobs. Most of the direct jobs fall within the arts, entertainment and recreation, and accommodation and food services sectors. Indirect and induced jobs are spread out over 20 different segments of the economy (Innovation Group, 2005).

As stated in **Section 3.7.1**, unemployment in Madera County is somewhat high, with an average unemployed population of approximately 5,600, resulting in an unemployment rate of approximately nine percent in 2004. Most of the 2,319 jobs created by Alternative A are expected to be filled by County residents (between 65 and 73.5 percent – see **Appendix R**) and most of the Madera County residents filling the jobs are expected to be currently unemployed given the availability of unemployed workers in the local labor market (80 percent of jobs would be filled by those currently unemployed – see **Appendix R**), resulting in a reduction in the unemployed population of 1,265 and reducing the unemployment rate to approximately seven percent. This would be a beneficial impact to the local economy.

TABLE 4.7-2
OPERATION IMPACT ON EMPLOYMENT – ALTERNATIVE A

Employment Sector	Jobs Created
Agriculture, Forestry, Fishing and Hunting	4.06
Mining	0.23
Utilities	0.88
Construction	8.21
Manufacturing	23.30
Wholesale Trade	12.03
Retail Trade	88.23
Transportation and Warehousing	14.74
Information	11.69
Finance and Insurance	8.21
Real Estate, Rental, and Leasing	19.34
Professional, Scientific, and Technical Services	9.96
Management of Companies and Enterprises	20.75
Administrative and Waste Management Services	18.14
Educational Services	3.89
Health Care and Social Assistance	48.65
Arts, Entertainment, and Recreation	1,316.82
Accommodation and Food Services	665.26
Other Services	35.11
Households	9.13
<i>Total (rounded to nearest single job)</i>	<i>2,319</i>

SOURCE: Innovation Group, 2005.

Population

Given that Alternative A is projected to increase employment in Madera County by 2,441 temporary positions and 2,319 permanent positions, it is necessary to estimate how that increase in employed persons would affect the population as a whole. An increase in population is not itself an environmental impact. However, an increase in population could lead to impacts such as 1) creating demand for governmental services, which is discussed in more detail below, and 2)

creating growth in housing or other facilities to serve the increase in population, which is discussed in more detail in **Section 4.12**.

Construction

The 2,441 temporary construction jobs would not result in an increase in local population. It is typical for construction workers to travel for employment opportunities during the week and then return home on the weekends. Thus, it is expected that those jobs that can be filled locally would be and those that cannot would be filled by individuals who would travel for the work as opposed to relocating. Therefore, the population would not show any change from the influx of temporary construction jobs.

Operation

The 2,319 permanent jobs created by Alternative A would result in increases in the local population because some of these jobs would be filled by individuals who move into Madera County for employment. In order to project what percentage of people will move into the County, it must be determined what percentage of individuals working at the casino/hotel resort would live in Madera County.

Under the Memorandum of Understanding (MOU) between the Tribe and Madera County, the Tribe has agreed to make a good faith effort to ensure that 50 percent of its employees live in Madera County. The Chukchansi Casino, also in Madera County and of comparable size to the proposed hotel/casino resort, made the same goal when it opened in June 2003. The Chukchansi were able to meet this goal and, in fact, exceeded it. Of the approximately 1,600 Chukchansi casino/hotel employees, 65 percent live in Madera County (Innovation Group, 2005).

Given the still large number of unemployed in Madera County and the experience at Chukchansi, the Tribe is not expected to have a problem meeting the 50 percent goal, and it is projected that 65 percent or 950 of the direct casino/hotel resort jobs would be Madera County residents.

Some of the 858 indirect and induced jobs would also be filled by Madera County residents. According to U.S. Census data from 2000, 26.5% of Madera County's employees commute from outside the County. That means that 73.5% of the jobs in Madera County are held by residents of the County. Assuming that this commute pattern would hold constant for the new casino employees, 631 of these new positions would be filled by Madera County residents.

Internal studies conducted by both the Madera Unified School District and the Madera County Department of Behavioral Health found no significant impact on these departments by the opening of the Chukchansi Casino in 2003 (Innovation Group, 2005). Given this experience and the large number of unemployed in the County, the number of people moving into the County for indirect or induced employment opportunities would be low. It is conservatively estimated that

20 percent of the employees residing in Madera County will be new residents, although the actual percentage may be lower (Innovation Group, 2005).

If 20% of the new employees who live in Madera County are new residents of Madera County, then the number of employees that move into the County would be 316 (**Table 4.7-3**). The 316 figure includes 20% of the 950 direct employees expected to live in the County and 20% of the 631 indirect and induced employees expected to live in the County.

If 316 new employees move into Madera County, these would not be the only new residents in the County who moved in because of the casino. These employees would in some cases bring families. To account for this, an employee per household ratio was calculated for Madera County. Given the 2004 average labor force of 62,200 and a 2004 household estimate of 38,505, there is a 1.6 ratio of laborers to households. To be conservative in the estimate of casino impacts on the County, the ratio of new employees per household was assumed to be 1.2. Using 2000 Census data, the number of persons per household in Madera County was calculated to project the number of new residents in Madera County. As shown in **Table 4.7-3**, a total of 836 new residents would move into Madera County as a result of Alternative A, increasing the population from 141,007 to 141,843.

For developments on the Madera site, it is projected that 50 percent of development-induced residents would move into the City of Madera, and the other 50 percent would live elsewhere in the County. As noted above, approximately 836 new County residents are expected under Alternative A, with 418 expected to settle in the City of Madera, increasing the City population from 50,842 to 51,260. Note that the Socioeconomic Assessment (**Appendix R**) assumes that 8 of the 836 new residents would live in the City of Chowchilla. However, given that these 8 residents are not expected to result in measurable socioeconomic effects to the City of Chowchilla they have been added to the unincorporated County totals for a conservative analysis for unincorporated County, where measurable socioeconomic effects are expected.

TABLE 4.7-3
NEW RESIDENTS IN MADERA COUNTY – ALTERNATIVE A

Direct, indirect, and induced jobs filled by Madera County residents	1,581
New employees moving to Madera County ¹	316
Number of employees per household	1.2
Number of new households ²	263
Number of persons per household	3.18
<i>Total New Residents</i> ³	<i>836</i>

NOTES: ¹20% of jobs filled by Madera County residents
²New employees moving to Madera County divided by number of employees per household
³Number of new households multiplied by number of persons per household

SOURCE: Innovation Group, 2005.

Social Effects**Crime**

To estimate the probable impacts of Alternative A on crime, the following five California communities were surveyed that have had Indian casinos within close proximity or in their jurisdiction for at least the past two years:

- Thunder Valley Casino in Lincoln, Placer County,
- Chumash Casino Resort in Santa Ynez, Santa Barbara County,
- Pala Casino Resort and Spa, in Pala, San Diego County,
- Spa Resort Casino in Palm Springs, Riverside County, and
- Barona Valley Ranch Resort and Casino in Lakeside, San Diego County.

Each of these casinos offers slot machines, gaming tables and hotel accommodations with the exception of Thunder Valley Casino (no hotel accommodations). **Table 4.7-4** summarizes the year in which each casino opened, square footage of the casino, number of slot machines, number of gaming tables, number of hotel rooms and the city population. All of the

TABLE 4.7-4
COMPARATIVE CASINOS

	Location	Year Opened	Casino Square Footage	No. of Slot Machines	No. of Hotel Rooms	Local Population (2000)
Thunder Valley Casino	Lincoln, Placer County, CA	2003	200,000	2,700	0	13,900
Chumash Casino Resort	Santa Ynez, Santa Barbara County, CA	2003 (casino) 2004 (hotel)	94,000	2,000	106	4,584
Pala Casino Resort and Spa	Pala, San Diego County, CA	2001	185,000	2,250	507	133,559
Spa Resort Casino	Palm Springs, Riverside County, CA	2003	45,000	1,000	228	42,807
Barona Valley Ranch Resort and Casino	Lakeside, San Diego County, CA	2003	310,000	2,000	397	19,560

SOURCE: Analytical Environmental Services, 2005; Bay Area Economics, 2005. casinos opened in 2003 except

Pala Casino Report and Spa, which opened in 2001. Spa Resort Casino in Palm Springs has the smallest square footage dedicated to its casino (45,000 square feet) whereas Barona Valley Ranch Casino has the largest casino square footage of 310,000. Each casino offers an average of 2,000

slot machines, an average of 70 gaming tables, and if available, an average of approximately 300 hotel rooms.

Local law enforcement offices were contacted to inquire about the impacts of the casinos and whether the facilities induced a higher incidence of crime. In addition, historical crime statistics were reviewed for a correlation between the presence of casinos and higher than average crime rates. Local social service agencies were also contacted to document any increase in social service demand since the opening of the casinos. Finally, a literature review on the topic of the social impacts of casino gambling was conducted. A brief summary of the general conclusions found in literature on the subject can be found under each issue area below, where applicable. Research was also completed on the Chukchansi Casino in Madera County. The results of this research are discussed specifically for each issue area, where applicable.

Each local law enforcement agency contacted reported an increase in law enforcement service demand as a direct result of the opening of a casino within its jurisdiction. All reported the typical crimes and/or calls for service that have increased are, but are not limited to: driving under the influence, personal robbery, credit card fraud, auto thefts, disorderly conduct, and assault. Although instances of these crimes have increased in all of the casino communities, no department could implicate the casino as the direct cause of the increase in crime. Rather, each department expressed that the increased concentration of people within the local area led to the increase in crime. It was determined that total number of crimes is minimal in comparison to the overall number of crimes in the surrounding communities. Chumash Casino in Santa Ynez had 204 calls for service in 2003, 20 of which were larceny-theft arrests, and one of which resulted in a violent crime arrest, out of 8,536 arrests throughout the host County. Pala Casino Resort and Spa in Pala, California had 181 calls for service in 2003, 21 of which were property crime arrests, 12 of which were larceny-theft arrests, and six of which resulted in violent crime arrests. A total of 110,642 arrests occurred in the Pala host County. All departments reported the largest impact directly attributed to the casino in their community is the increase in traffic and traffic-related accidents.

In addition to the interviews with local law enforcement officials, uniform crime reporting statistics were also compiled for the different host communities and published by the State Attorney General's Office. Crime data for the local jurisdiction as well as the overall county in which each is located were collected. Per capita crime rates were calculated by combining this information with population figures for each area. These data show that crime rates in Lincoln, the community nearest the Thunder Valley Casino, are very similar to the rates in Placer County overall. Crime rates in unincorporated Santa Barbara County, where the Chumash Casino Resort is located, are slightly below the County average. Crime rates in Palm Springs, where the Spa Resort and Casino is located, are higher than in Riverside County overall. Crime rates in unincorporated San Diego County, where the Barona Valley Ranch Resort and Spa and Pala

Casino Resort and Spa are located, are significantly below the crime rates in the County overall. With three local jurisdictions experiencing lower crime rates, one experiencing comparable crime rates, and one jurisdiction experiencing greater crime rates, these data do not show a definitive link between crime rates and the presence of casinos.

In addition to a survey of California communities that contain Indian casinos, a literature review was conducted to determine the relationship of gaming to crime rates. While several studies found an increase in crime within an area after the opening of a new casino, the amount was not much different than from the opening of any other type of tourist attraction. The National Opinion Research Center (NORC), in one of the more comprehensive studies on the link between casinos and crime, found that insufficient data exists to quantify or determine the relationship between casino gambling within a community and crime rates (NORC, 1999).

After surveying similar California casino communities and reviewing relevant literature, no definitive link between casinos and regional crime rates was found. Therefore, although an increase in calls for service is expected, an increase in regional crime rates would not result from Alternative A. Thus, Alternative A's impact to crime would be less than significant.

Problem Gambling

In 2004 the Madera County Behavioral Health Services (MCBHS) participated in an study of problem gambling services in California, which was conducted by the State Office of Problem Gambling. The study, entitled *Situational Assessment of Problem Gambling Services in California* (Volberg *et al.*, 2005), determined that the number of problem gamblers in California has risen from 0.8 percent to 1.3 percent since 1993, when casino gambling was relatively rare in California. Given that this is an average percentage, it is assumed that Counties without casinos would have a lower prevalence and those with casinos would have a higher prevalence. The increase from 0.8 to 1.3 percent is assumed to be attributed to the introduction of Tribal casinos within communities, most of which have include no more than one Tribal casino. Thus, it is assumed that the introduction of a large casino would increase the percentage of problem gamblers in the community by 0.5 percent. Although the Chukchansi Casino has recently been opened in Madera County, it is not close to major population centers (City of Madera). Thus, it is assumed that the current percentage of problem gamblers in Madera County is 1.0 percent (1,410 people). It is assumed that Alternative A would result in an increase in the number of problem gamblers of 0.5 percent. Thus, after the implementation of Alternative A, the percentage of problem gamblers is assumed to be 1.5 percent of the adult population in Madera County, an increase of 705 to 2,115.

According to Office of Problem Gambling study, problem gambling may be attenuated, or possibly reversed, through the expansion of problem gambling services. Evidence of this is cited in the study from studies done in Montana, Oregon, North Dakota, and Washington, each with

newly opened tribal casinos and other forms of legal gambling available. According to the Office of Problem Gambling Study (Volberg *et al.*, 2005):

With respect to problem gambling, significant increases in prevalence were found in Montana and North Dakota. Significant decreases were found in Oregon and Washington. The major difference between states with increased and decreased gambling problems was the availability of services for problem gamblers.

The Tribe has agreed in the MOU with Madera County to contribute \$50,000 per annum to the County for the purpose of redistribution to the MCBHS to be used to supplement the budget for alcohol education and the treatment and prevention of problem gambling and gambling disorders. According to Debby Estes, Assistant Director of the MCBHS, between 10 and 20 percent of problem gamblers in Madera County will seek professional help from either the County or private practitioners. That means from 71 to 141 project-induced problem gamblers would seek professional help in Madera County.

Assuming that 15 percent of these problem gamblers would seek professional treatment (106) and that 55 percent of the people seeking professional treatment do so with MCBHS, 59 people would seek treatment with MCBHS. In 2004, MCBHS treated 4,025 patients with 26.5 licensed counselors. The department was understaffed by 8 to 10 employees during this time. Therefore, to err on the side of overestimating the burden to the County, it is assumed that MCBHS treated 4,025 patients with 36.5 licensed counselors. Given this patient-to-counselor ratio and the additional 59 people seeking treatment for problem gambling in Madera County, it is estimated that the County would need to hire a half-time licensed counselor to treat the problem gambler population, which is estimated to cost approximately \$39,000 (see **Table 4.7-8** below). Given that the Tribe has agreed in the County MOU to contribute \$50,000 per year to compensate these service programs, effects to problem gambling would be less than significant.

Effects to Surrounding Property Values

Negative effects to property values from the introduction of a casino into a community are often assumed to occur by the public, especially in areas which currently contain high-value residential properties, due to perceived negative quality of life factors, such as increased noise and activity. High-value residential properties are not present in the vicinity of the Madera site and nuisance effects would be minimized because the developed area is proposed in the middle of the Madera site, with a substantial buffer between the development and surrounding properties. Instead agricultural, industrial, and average-value rural residential uses predominate the area. However, in contrast with the public perception, property values tend to increase on land surrounding casino properties. This is assumed to occur due to the attraction of such land to speculators. However, the preference to live near such amenities may affect land values as well. This increase in land values is supported by data gathered by Michigan State University for the state of Michigan, a

state that has had many established tribal casinos for over a decade. A comparison of State Equalized (land) Valuation (SEV) in five counties with casinos and the state of Michigan is presented in **Table 4.7-5**. The data exhibits that total property values in casino host counties have increased at a rate slightly to substantially above the state average (with the exception of Chippewa County, which is slightly below the state average). While this data does not suggest that casinos alone were the reason for the increase in SEV, it does challenge concerns that a casino lowers area land values. Therefore, land values in the region and in the vicinity of the Madera site would not be significantly affected by Alternative A.

TABLE 4.7-5
TRENDS IN STATE EQUALIZED VALUATION –
CASINO COUNTIES (1997–2003)

Location	1997 Total SEV	2003 Total SEV	% SEV Change 97 – 03
Michigan	216,745,336,185	369,525,297,327	71%
Chippewa County	644,402,869	1,049,586,969	63%
Grand Traverse County	2,174,276,291	4,246,196,554	95%
Isabella County	820,522,688	1,543,631,730	88%
Leelanau County	1,279,124,358	2,686,876,146	110%
Mackinac County	576,515,539	999,148,135	73%

SOURCE: MSU, 2002.

Economic Effects to Local Government

This section provides information on how Alternative A would increase the demand for governmental services in the County and the associated cost to expand these services, so a reduction of the quality of service is not borne by the community. There are two main ways that the project would impact government services. The first is through the demand for services that the casino/hotel resort itself would create. The second is through the demand created by the new residents who would move to Madera County to work in the casino. Governmental services could also be impacted by new visitors drawn to the County by Alternative A.

Casino/Hotel Resort Demand and Costs

The following section describes the demand for services and resulting economic cost created by the casino/hotel resort itself. These services include fire, law enforcement, emergency management and judicial services as well as road improvements and the need for more social services and mental health professionals.

Because the Madera site is located within unincorporated Madera County, most development-induced demands would be borne by the County.

Fire Protection

Fire protection services would be impacted by Alternative A. Large developments such as a casino and hotel that attract large numbers of visitors generate calls for emergency services, since fire departments act as first respondents to all emergencies, not just fires. According to California Department of Forestry and Fire Protection (CDF) Division Chief Paul Helm, the Coarsegold firehouse (#13) that currently responds to the Chukchansi Casino responded to 289 calls in 2004. A substantial portion of these calls were to the casino.

The County currently contracts with the CDF for fire protection services. The contract is for the unincorporated areas of the County; the cities of Madera and Chowchilla provide for their own fire protection. CDF currently maintains 15 stations, 50 apparatus, 24 career firefighters, 180 paid-call firefighters and 10.5 full-time equivalent support staff for Madera County.

According to Chief Helm, the standard goal for a fire department is to be able to respond to any location in its jurisdiction in 4 minutes. Obviously, this may not be possible under all circumstances. Nonetheless, it is the fire department's goal to achieve this level of service for any new development in the County. Currently, however, there is no fire station that can provide this level of response to the Madera site. According to Chief Helm, any development in this area would require the building of a fire station and purchase of a new fire truck in order to maintain the level of service goal.

Due to the multi-story hotel building plan, the fire truck to be purchased would need to be an aerial apparatus in order to adequately protect the facility in the event of a fire. The County only owns one aerial apparatus which services the Chukchansi Casino located 36 miles away. The City of Madera has a smaller aerial apparatus but it is about to be retired due to its restricted capabilities and old age. Neither would provide adequate coverage for a new hotel tower and therefore the County would need to purchase a second aerial apparatus to provide protection for the facility.

Capital costs for a new fire station are estimated to be between \$1.2 and \$2 million. The new aerial apparatus would cost approximately \$750,000. Thus, total capital costs for fire protection demanded by Alternative A would be between \$1.95 and \$2.75 million. The MOU between the County and the Tribe (see **Section 2.2.10**) provides \$1,915,000 for the constructing and equipping a fire station. At the time that the agreement was signed, the County agreed that this amount was sufficient to equip and construct a fire station to serve the proposed development.

The aerial apparatus would require three full-time firefighters to operate it. The department must hire three people to fill one 24-hour position 365 days per year. The needed manpower would require that six fire engineers and three fire captains be hired. In addition to full-time staff, the fire station would need volunteers. The fire stations in Madera County average 12 volunteers per

station. Costs to the County for the volunteers include membership fees in the California State Firemen's Association and equipment. Expected fire personnel costs for Alternative A are displayed in **Table 4.7-6**.

Law Enforcement

An increased demand on local law enforcement services would result after implementation of Alternative A, given the increased public presence on the project site and increased traffic on area roadways. The Sheriff's Department currently employs 116 people, of which 82 are sworn officers. The Department provides protective services for all of the unincorporated areas of the County.

TABLE 4.7-6
FIRE PERSONNEL COSTS – ALTERNATIVE A

	Cost Per Unit (dollars)	Total (dollars)
Fire Engineers Salary and Benefits (6)	71,366	428,196
Fire Captains Salary and Benefits (3)	81,408	244,224
Volunteer Memberships (12)	54	648
Sets of Equipment (21)	1,200	25,200
<i>Total</i>		698,268

SOURCE: Innovation Group, 2005.

According to Sheriff John Anderson, the Department responds to 12 to 15 calls per month at the Chukchansi Casino. The department averages 8 cases per month when the officer actually has to take action once he/she arrives. The types of crime perpetrated include public drunkenness, petty theft, bad checks, identity theft, credit card fraud, and car break-ins. In 2004, the Chukchansi Casino investigated one serious crime where an employee alleged that another employee raped her.

While it is assumed that the same sorts of criminal activity would occur at the proposed casino/hotel resort as at the Chukchansi Casino, it is presumed that the demand for law enforcement services would likely be greater at the proposed Madera casino location. The increase is assumed due to the proximity of the Madera site to an area with much higher population density (City of Madera). The Chukchansi Casino is in an area of relatively low population for the County. The Chukchansi provide funding for five deputy sheriff positions as a result of the demand for services.

To address the criminal activity associated with the operation of the casino/hotel resort, Sheriff John Anderson estimates that the Department would need to hire five deputies and one half sergeant. It takes five people to fill one deputy sheriff position 24 hours/day for 365 days/year. The Department keeps a ratio of 1 sergeant for every 10 deputies, which requires one half sergeant be hired. **Table 4.7-7** details the cost of adding these individuals to the force.

Emergency Medical Services

While typically there are regular calls for emergency medical services at a casino or hotel, emergency medical services or ambulance services are privately provided. The cost for those services is borne by the individual (typically their insurance company) who calls for service. According to Monte Pistorosi, owner of Pistorosi Ambulance, which provides ambulatory services to Madera County, the only time the County pays for the services is when the Sheriff's office places the call for service. The cost of these calls is included in the Sheriff's budget and not separately outlined here.

TABLE 4.7-7
LAW ENFORCEMENT PERSONNEL COSTS – ALTERNATIVE A

	Cost Per Unit (dollars)	Total (dollars)
Deputy Sheriff Salary and Benefits (5)	50,000	250,000
Sheriffs Sergeant Salary and Benefits (0.5)	60,000	30,000
Equipment	10,000	60,000
Retirement	15,844	95,061
Health Insurance	5,118	28,149
Workers' Compensation Insurance	6,951	38,231
Uniform Allowance	900	4,950
<i>Total</i>		<i>506,391</i>

SOURCE: Innovation Group, 2005.

Judicial Services

As crime increases so will the demands on the judicial system. The judicial system includes the District Attorney (DA) who prosecutes the crimes, the Public Defender who defends those accused who are indigent, the court that holds the trials and the grand jury that indicts the accused.

To estimate the likely effects of Alternative A on judicial services, the recent local experience at the Chukchansi Casino was researched as a case study. Discussions with the current Madera County DA revealed that the DA's office did not see an increase in caseload with the opening of the Chukchansi Casino. Generally, the crimes committed by casino clientele were not any different from their normal cases; they included crimes such as public drunkenness, drunk driving and petty theft. Charges against employees, however, included both embezzlement and rape, which are more complex crimes to prosecute. The embezzlement cases, in particular, required that attorneys study the casino's very complex security system in order to be able to understand it and present it to a jury.

While there were some increases in demands on the DA's time, the demands from the Chukchansi Casino were such that they did not require the hiring of a new attorney. Similarly,

we do not believe that the District Attorney will need to hire a new attorney to handle the caseload from the proposed casino/hotel resort.

Department of Corrections

Increased criminal activity resulting from Alternative A would place an added burden on the Madera County Department of Corrections (MCDC). The County has one jail that was originally built to accommodate 316 inmates, but the facility routinely has a population well above that level. The Director of MCDC believes that the County will begin considering a new facility when it consistently has an average inmate population over 395 (Innovation Group, 2005).

The Madera County Sheriff indicates that calls to the Chukchansi Casino result in an average of two arrests per month. The Sheriff believes that the arrest rate would be higher at the new casino because of its proximity to a more dense population; therefore it is estimated that the new casino would result in three arrests per month. The cost to house one inmate for one night is \$53. The average stay is 24 nights. Assuming 36 arrests per year, the total cost per year to house these inmates would be \$45,792.

With 36 additional prisoners staying an average of 24 nights, the prison would have 864 additional cell nights filled. This is the equivalent of having an additional 2.4 prisoners in prison for a year. The additional burden of housing 2.4 prisoners a year would not warrant a capital investment by the County because it would not raise the total prisoner population above or near the 395 level noted above.

Behavioral Health Services

The MCBHS saw 3,025 mental health clients in 2004 and approximately 1,000 alcohol and drug clients. Statistics that measure the typical prevalence of mental health problems in populations indicate that in Madera County the MCBHS should be treating 5,800 clients per year. This figure is based on statistics for those individuals who live in the income bracket between \$0 and 200% above the poverty line. The Director of the MCBHS indicated that one group they are currently under-serving is senior citizens. The MCBHS facility has 143 staff members and is estimated to be understaffed by 8 to 10 FTEs. The last round of budget cuts partially led to the current understaffed situation.

The MCBHS did not see any significant rise in demand for services when the Chukchansi Casino opened (Innovation Group, 2005). The Director of MCBHS is concerned that because they are generally under-serving the older adult population, they may not be treating problem gamblers in the area.

The MOU between the County and the Chukchansi Tribe provides for money for the MCBHS, which is being used to train the staff in recognizing and treating gambling addictions.

As noted previously under *Problem Gambling*, Alternative A is expected to generate an additional 59 people that seek treatment for problem gambling with MCBHS. It is estimated that an additional half-time licensed counselor would be necessary to treat the problem gambler population, as described above. **Table 4.7-8** details the cost of a half-time licensed counselor.

TABLE 4.7-8
BEHAVIORAL HEALTH SERVICES PERSONNEL COSTS – ALTERNATIVE A

	Cost Per Unit (dollars)	Total (dollars)
Licensed Clinician Salary and Benefits (0.5)	54,220	27,110
Retirement	8,311	4,155
Health Insurance	5,324	2,662
Workers' Compensation Insurance	168	84
Equipment	5,000	5,000
<i>Total</i>		<i>39,011</i>

SOURCE: Innovation Group, 2005.

Resource Management Agency

The Resource Management Agency is a unified agency that brings together several different County departments: Roads, Planning, Environmental Health, Sanitation, Engineering, Building Inspection and Fire Marshall. The only department expected to need any investment due to the demands of the casino would be the roads department. Traffic impacts and the need for traffic mitigation are discussed in **Section 4.8**. During discussions with the County regarding the MOU, traffic improvements costs were estimated at \$4.6 to \$15.6 million. According to the MOU, the Tribe agrees to pay its fair share of traffic mitigation, as recommended by the traffic study completed for this EIS.

New Resident Demand and Costs

This section describes the demand for increased governmental services that would be created by new residents in the County (418) and City (418) resulting from Alternative A. These services include a broader range of services than those discussed previously and include everything from animal control to welfare support. For those services that are uniquely offered by the County, we have assumed the entire County population will bear their cost.

Madera County. Costs to the County from the introduction of new residents, based on the present County budget and services provided, include costs to administrative services, fire protection services, law enforcement services, judicial services, prison services, behavioral health services, social services, educational services, and resource management services. **Table 4.7-9** details the amount of spending per capita the County incurs for these services and the cost of providing services to the new residents.

Administrative services include the cost of running the County's government as well as those costs not covered in any other section below. They include the costs of the following departments: the County Board of Supervisors, library, animal control, human resources, information technology, insurance, tax collection, elections, contingency fund and other costs. With each additional resident of the County, these costs increase.

TABLE 4.7-9
PER CAPITA COST OF COUNTY SERVICES – ALTERNATIVE A

Service	2004 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents/ Students under Alternative A	Cost (dollars)
Administrative Services	14,424,302	134,194	107.49	836	89,862
Fire Protection Services	3,514,327	134,194	26.19	418	10,947
Law Enforcement Services	7,531,330	134,194	56.12	418	23,458
Judicial Services	3,967,291	134,194	29.56	418	12,356
Department of Corrections ^a	14,510,159	134,194	108.00	418	45,144
Behavioral Health Services	14,101	134,194	0.11	836	92
Social Services	4,815,277	134,194	35.88	836	29,996
Resource Management Agency	2,993,317	134,194	21.86	836	18,275
Educational Services ^c	27,668,234	27,821 ^b	994.51	175	174,039
<i>Total</i>					<i>404,169</i>

NOTES: ^aIncludes both the adult and juvenile correctional facilities operated by the County.

^bCounty student population for 2004-2005 school year.

^cNote that the Socioeconomic Assessment includes data for the Madera Unified School District (MUSD) rather than the County as a whole. The MUSD is the largest school district in the County and will be most heavily impacted by development on the Madera site. The per capita spending in the MUSD is 888.25, which is lower than that for the County as a whole. For a conservative analysis we have included data for the County as a whole here.

SOURCE: California Department of Education, 2005; Innovation Group, 2005.

As discussed above, emergency medical services are generally paid by the individual being served, but when the County bears the cost it is covered by the sheriff's budget. Therefore, the per capita cost to law enforcement services would include the cost of emergency medical service provision.

Madera County provides numerous social services to its underprivileged citizens. Many of these departments focus on training and employee development. Currently, there are 0.6 social workers for every 1,000 residents of the County. In order to maintain this ratio, the County would need to hire a quarter-time social worker for the 418 new residents in the County. According to Madera County, the cost of a quarter-time social worker is \$13,220, including salary and benefits. As shown in **Table 4.7-9**, the estimated per capita costs for new residents (\$14,998) includes the cost of hiring a quarter-time social worker.

Some of the school districts in Madera County cross County and City lines. Thus, impacts to educational services are discussed Countywide, including the Cities of Madera and Chowchilla and all of the school districts within the County. County school districts are expected to experience an increase in the number of students due to the general population's increase under Alternative A. 20.9 percent of the Madera County population is estimated to be school-age children. Thus, if 836 people are added to the population under Alternative A, it is estimated that 20.9 percent, or 175 people, would be school-age children. As mentioned in **Section 3.9.6**, Madera Unified School District, which includes the Madera site and is expected to accommodate a majority of project-generated students, is currently undergoing a capital development campaign involving new school construction and other improvements.

School district expansion typically occurs to accommodate planned residential growth. As noted in **Section 4.11.1**, residential growth is currently taking place at a rapid pace in Madera County. As noted in **Section 4.12.1**, new Madera County residents induced by Alternative A are expected to utilize currently planned residential units and would not induce additional residential growth. Thus, the school system already has under development more than enough capacity to accommodate the number of students attributable to the casino. However, costs would increase, as detailed in **Table 4.7-9**.

City of Madera. Costs to the City of Madera from the introduction of new residents, based on the present City budget and services provided, include costs to City administration, the finance department, the City attorney, public works, law enforcement services, fire protection services, community development, parks and recreation, and grant oversight. **Table 4.7-10** details the

TABLE 4.7-10
PER CAPITA COST OF CITY OF MADERA SERVICES – ALTERNATIVE A

Service	2004-2005 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents under Alternative A	Cost for New Residents (dollars)
City Administration	1,113,982	47,569	23.42	418	9,790
Finance Department	354,018	47,569	7.44	418	3,110
City Attorney	105,378	47,569	2.22	418	928
Public Works	2,000,000 ^a	47,569	42.04	418	17,573
Law Enforcement Services	5,234,927	47,569	110.05	418	46,001
Fire Protection Services	2,088,297	47,569	43.90	418	18,350
Community Development	567,833	47,569	11.94	418	4,991
Parks and Recreation	1,426,700	47,569	29.99	418	12,536
Grant Oversight	128,349	47,569	2.70	418	1,129
<i>Total</i>					<i>114,408</i>

NOTES: ^aActually 213 in the 2004-2005 budget. \$2,000,000 is assumed to be a reasonable amount for public works for the purposes of determining a per capita cost given the 2003-2004 City public works general fund expenditures of \$1,933,872.

SOURCE: City of Madera, 2004; Innovation Group, 2005.

amount of spending per capita the City incurs for these services and the cost of providing services to the new residents.

Revenues

There are two main sources of revenue the County and the City of Madera can expect under Alternative A: payments under the County and City MOUs and indirect tax revenue. Alternative A would negatively affect County revenue received from property taxes on the Madera site after it is taken into trust by the Federal Government.

Memorandum of Understanding. The MOU with the County was signed August 16, 2004. Among other things, the agreement requires payments to be made to the County and the Cities of Madera and Chowchilla after the implementation of Alternative A. **Table 4.7-11** details the provisions of the County MOU. The MOU with the City was signed on October 18, 2006 and provides for various payments to the City after the implementation of Alternative A (see **Section 2.2.10**). **Table 4.7-12** details the provisions of the City MOU.

TABLE 4.7-11
MADERA COUNTY MEMORANDUM OF UNDERSTANDING REVENUE

Non-Recurring Contributions	
Public Safety Resources Contribution	\$1,915,000
Transportation Resources Contribution	\$4 to \$15 million
Road Contribution Consistent with County Ordinance	\$600,000
Recreation Contribution	\$200,000
School Contribution	\$150,000
Legal Fees Reimbursement	\$50,000
<i>Subtotal</i>	<i>\$6,915,000 - \$17,915,000</i>
Recurring Contributions	
North Fork Rancheria Charitable Foundation Contribution	\$200,000
North Fork Rancheria Economic Development Foundation	\$250,000
North Fork Rancheria Educational Foundation	\$400,000
North Fork Unincorporated Area Foundation	\$250,000
County Services Contributions	
Workforce or Housing programs	\$250,000
Police	\$415,000
Fire	\$1,200,000
Behavioral Health	\$50,000
Open Space/Parks	\$70,000
Public Safety Support	\$100,000
Public Facilities Budget	\$500,000
City of Madera	\$250,000
City of Chowchilla	\$100,000
<i>Subtotal</i>	<i>\$4,035,000</i>

SOURCE: MOU, 2004; Innovation Group, 2005.

TABLE 4.7-12
CITY OF MADERA MEMORANDUM OF UNDERSTANDING REVENUE

Non-Recurring Contributions	
Law Enforcement Contribution	\$200,000
Transportation Resources Contribution	\$885,000 to \$4 million
Planning Contribution	\$200,000
Golf Course Contribution	\$2,500,000
Recreation Contribution	\$2,000,000
Police/Fire Training Feasibility Study Contribution	\$500,000
<i>Subtotal</i>	<i>\$6,285,000 - \$9,400,000</i>
Recurring Contributions	
Police Services Contribution	\$675,000 ^a
Downtown Madera Reinvestment Fund Contribution	\$100,000
Public Transit Contribution	\$50,000
General Fund Contribution (\$250,000) ^b	
<i>Subtotal</i>	<i>\$825,000</i>

^aNote that the contribution is \$640,000 for the first year and \$675,000 each year thereafter.

^bUnder the MOU the Tribe is allowed to deduct the amount of this contribution, which the City receives from the County pursuant to the County MOU. We assume that the full \$250,000 will be deducted and therefore do not include the amount in this table.

SOURCE: MOU, 2006; AES, 2006.

Taxes. Under Alternative A, the Madera site would go through a process by which it is placed into trust, which is a requirement before gaming is allowed under the Indian Gaming Regulatory Act (IGRA). By placing the land in trust, it would no longer be subject to property taxes. **Table 4.7-13** displays the loss in taxes that would occur if the Madera site is placed into trust. As shown, total property tax losses would be approximately \$12,500.

The increase in County sales and use tax after the implementation of Alternative A was calculated using RIMS II. By inputting changes to the output in a sector or sectors of the economy, RIMS II estimates the direct, indirect and induced changes to output in all sectors of the economy. **Table 4.7-14** details the output in terms of off-site dollars spent in the retail sector and the sales and use tax associated with that spending for both the one-time construction spending and the recurring operations spending. Currently, a 1% sales tax provides revenue to the locality. The rest of the 7.25% in sales tax charged goes to the State.

In addition to taxes resulting from construction and patron spending at the proposed Alternative A developments, new residents would pay property and sales taxes. Even if a new resident decides to rent, a portion of the rent payment is used to pay property taxes. **Tables 4.7-15** and **4.7-16** calculate the per capita revenue received by the City and County from sales and property taxes.

TABLE 4.7-13
PROPERTY TAX LOSSES – ALTERNATIVE A

Parcel Number	Acreage	Assessed Value			Property Tax ^a
		Land	Structure	Total	
033-030-010	36.01	\$112,552	\$0	\$112,552	\$1,238
033-030-011	40.66	\$128,880	\$14,003	\$142,883	\$1,572
033-030-012	38.26	\$121,373	\$21,092	\$142,465	\$1,567
033-030-013	42.23	\$134,956	\$16,386	\$151,342	\$1,665
033-030-014	38.92	\$123,441	\$110,392	\$233,833	\$2,572
033-030-015	56.44	\$176,403	\$10,475	\$186,878	\$2,056
033-030-017	52.97	\$165,170	\$2,786	\$167,956	\$1,848
<i>Total</i>	<i>305.49</i>	<i>\$962,775</i>	<i>\$175,134</i>	<i>\$1,137,909</i>	<i>\$12,518</i>

NOTES: ^aThe property tax rate is estimated at 1.1%. The exact tax rate of any given year cannot be definitely projected.

SOURCE: Innovation Group, 2005.

TABLE 4.7-14
SALES AND USE TAX REVENUE – ALTERNATIVE A

Retail Sector Output for Construction Spending (one-time)	\$21,680,914
Retail Sector Output for Operational Spending (annual)	\$8,353,046
Sales Tax Rate for Madera County	1.0%
Sales Tax on Construction Spending (one-time)	\$216,809
Sales Tax on Operational Spending (annual)	\$83,530

SOURCE: Innovation Group, 2005.

TABLE 4.7-15
MADERA COUNTY NEW RESIDENT REVENUE – ALTERNATIVE A

2002-2003 Madera County Property Tax and Sales and Use Tax Revenues	\$14,225,000
2002 Madera County Population	128,416
Per Capita Madera County Property and Sales and Use Tax Revenue	\$110.77
New Residents	418
Expected Madera County Revenue from New Residents	\$46,302

SOURCE: California Department of Finance, 2005; Innovation Group, 2005.

TABLE 4.7-16
CITY OF MADERA NEW RESIDENT REVENUE – ALTERNATIVE A

2004-2005 City of Madera Property Tax and Sales and Use Tax Revenues	\$5,255,239
2004 City of Madera Population	47,569
Per Capita City of Madera Property and Sales and Use Tax Revenue	\$110.48
New Residents	418
Expected City of Madera Revenue from New Residents	\$46,179

SOURCE: Innovation Group, 2005.

As shown, new residents to the County and City of Madera are expected to generate \$46,302 and \$46,179 in revenue under Alternative A.

Most overnight casino patrons are expected to stay at the proposed hotel. The proposed hotel development itself would not contribute to the tax rolls because it would be located on trust land and not subject to local jurisdiction. It is possible that some patrons will stay at local hotels, leading to additional hotel tax revenue for Madera County. However, these stays are expected to be minimal and to avoid overestimation, no additional revenue has been assumed from this source.

Costs vs. Revenue

This section provides a comparison of the costs and revenues estimated as a result of Alternative A. **Table 4.7-17** compares one-time costs and revenue for Madera County. As shown, under Alternative A, total revenues would exceed total costs by \$131,809. While County MOU revenues specifically allotted for fire protection would be slightly lower than expected costs, the shortfall would be more than offset by revenue from sales and use taxes.

TABLE 4.7-17
COMPARISON OF ONE-TIME MADERA COUNTY
COSTS AND REVENUES – ALTERNATIVE A

Category	Cost	Revenue
Sales and Use Taxes	\$0	\$216,809
Fire Protection	\$2,350,000 ⁶	\$1,915,000 ^{1,2}
Roads ³	NA	NA
Recreation ⁴	\$0	\$200,000 ¹
Schools ⁴	\$0	\$150,000 ¹
MOU Legal Fees ⁵	\$50,000	\$50,000 ¹
<i>Total</i>	<i>\$2,400,000</i>	<i>\$2,531,809</i>

NOTES: ¹MOU payment.

²Covered in excess of taxes.

³A cost estimate has not been made. However, the Tribe agrees in the County MOU to pay its fair share of traffic mitigation as noted in the traffic study for this EIS, which is estimated in the MOU to range between \$4.6 and 15.6 million.

⁴Although one-time impacts are not expected in these areas, the County MOU provided revenues, which could be used for these areas or at the County's discretion.

⁵The MOU calls for a contribution of this amount and it is assumed the County has used the entire amount in negotiating the MOU.

⁶The estimate for a new fire station is between \$1.2 and \$2 million. An average cost of \$1.6 million is used here.

SOURCE: Innovation Group, 2005.

Table 4.7-18 compares annual costs (both development-induced and resident-induced) and revenue for Madera County. As shown, under Alternative A, total revenues would exceed total costs by \$1,008,683. While County MOU revenues specifically allotted for law enforcement and other services would be lower than expected costs or not specifically allotted, the shortfall would be more than accounted for by revenue from excess MOU contributions, property taxes, and sales and use taxes. In addition, annual contributions of \$1,100,000 would be provided to four foundations created by the County MOU, including an Educational Foundation. These foundations would be controlled by a board, not entirely within the control of the County. Thus, they were conservatively not included in the calculations below. Nonetheless, the funds in these foundations would likely be used, at least in part, for various County services, facilities, and programs.

TABLE 4.7-18
COMPARISON OF MADERA COUNTY ANNUAL COSTS AND REVENUES
- ALTERNATIVE A

Category	Cost	Revenue
Open Space/Parks ⁴	\$0	\$70,000 ¹
General Fund Public Facilities Budget ⁴	\$0	\$500,000 ¹
Property and Sales and Use Taxes	\$12,518	\$129,832
Administrative Services	\$89,862	²
Fire Protection	\$709,215	\$1,200,000 ¹
Law Enforcement	\$529,849	\$515,000 ¹²
Judicial Services	\$12,356	²
Department of Corrections	\$90,936	²
Behavioral Health Services	\$39,103	\$50,000 ¹
Social Services	\$29,996	\$250,000 ¹
Resources Management Agency	\$18,275	²
Educational Services	\$174,039	³
Total	\$1,706,149	\$2,714,832

NOTES: ¹MOU payment.

²Covered in excess of MOU payments and taxes.

³Covered in excess of MOU payments and taxes. Also could use the recurring \$400,000 for the Educational Foundation created by the County MOU. However, since this Foundation would be governed by a board that includes members of the Tribe, it was conservatively not considered as offsetting costs of Alternative A.

⁴Although one-time impacts are not expected in these areas, the County MOU provided revenues, which could be used for these areas or at the County's discretion.

SOURCE: Innovation Group, 2005.

Table 4.7-19 compares annual costs (both development-induced and resident-induced) and revenue for the City of Madera. As shown, under Alternative A, total revenues would exceed total costs by \$856,771. While County MOU revenues were not specifically allotted for any City of Madera programs, they can be used at the City's discretion.

TABLE 4.7-19
COMPARISON OF CITY OF MADERA ANNUAL COSTS AND REVENUES
- ALTERNATIVE A

Category	Cost	Revenue
General MOU Contribution	\$0	\$250,000 ¹
Property and Sales and Use Taxes	\$0	\$46,179
City Administration	\$9,790	²
Finance Department	\$3,110	²
City Attorney	\$928	²
Public Works	\$17,573	²
Law Enforcement Services	\$46,001	\$675,000 ¹
Fire Protection Services	\$18,350	²
Community Development	\$4,991	²
Parks and Recreation	\$12,536	²
Grant Oversight	\$1,129	²
<i>Total</i>	\$114,408	\$971,179

NOTES: ¹MOU Payment. City MOU payments that cannot be applied to expected costs are not listed in this table.

²Covered in excess of MOU payments and taxes.

SOURCE: Innovation Group, 2005.

Overall, MOU contributions and tax revenues generated by Alternative A by far outweigh any negative fiscal impacts to either the City of Madera or Madera County. Thus, a beneficial fiscal impact would result.

Economic Effects to the Madera Irrigation District (MID)

As noted above, if the Madera site is taken into trust, local taxes and assessments would no longer apply. The seven parcels comprising the Madera site are currently within the MID service area and are therefore subject to various assessments which MID uses to fund its operations. The Madera site MID assessments currently total approximately \$6,800. A loss of assessment fees would affect MID's ongoing regional efforts to address groundwater overdraft and operate its water supply facilities. However, the Madera site would no longer be within the MID service area and MID would not accrue costs related to the site. Therefore, this would be a less than significant effect. Nonetheless, the Tribe has negotiated a MOU with MID that includes annual payments to MID of \$11,500 in lieu of any fees, assessments, or taxes.

Increased Pumping Costs for Neighboring Wells

As discussed in **Section 4.3.1**, on-site groundwater pumping would lead to drawdown of the groundwater table, resulting in effects to neighboring wells. These effects could include increased pumping and maintenance costs caused from pumping water from lower depths. As described in detail in **Appendix L**, lower capacity (mostly residential) wells would not be noticeably affected by these increased costs (costs of a few dollars per year would be expected).

Costs would be measurable for water wells pumping at higher rates, but the percentage increase of pumping and electrical costs would still be very small. Thus, significant effects to pumping costs for neighboring wells would not occur. Nonetheless, mitigation measures are contained in **Section 5.2.6** that would reduce less than significant effects to pumping costs.

ALTERNATIVE B – REDUCED INTENSITY

Employment

Alternative B's effects on construction and operation employment would be similar to those of Alternative A, but reduced given the reduced size and scope of development proposed.

The effects are measured in three ways: direct employment, indirect employment and induced employment. Direct employment includes those employees who are directly employed at the facility either during construction or during operation. Indirect employment includes those employees who provide services and are employed at least in part due to the facility but are not directly employed at the facility. The third category is induced employment. This category includes all the other jobs that are created due to the ripple effect of spending throughout the economy as a whole. As described under Alternative A, the RIMS II model was used to predict the direct, indirect, and induced employment created by this alternative.

As described below, Alternative B would result in the creation of numerous employment opportunities within Madera County, which would be a beneficial effect to the region's unemployment rate and the local economy as a whole.

Construction

Construction employment and spending is temporary, but it can have substantial impacts on the economy. For Alternative B, construction spending is estimated to be approximately \$212 million. Based on the almost \$212 million in spending for construction, RIMS II projects that Alternative B would create 1,802 direct, indirect, and induced jobs. Although most of these jobs fall within the construction sector, they are spread out over 20 different segments of the economy (Innovation Group, 2005). These jobs would be filled by workers that commute to the area and local residents, some of which may currently be unemployed. This would result in a temporary reduction in the unemployed population and in the unemployment rate, a beneficial impact to the local economy.

Operation

Operational employment includes those jobs that are generated from the operation of Alternative B. These impacts would last as long as the casino is in operation. Direct employment includes all positions at the casino. SC Madera Management, LLC anticipates that the Alternative B

project facilities would employ 879 full-time employees and 139 part-time employees or 962 FTEs.

Indirect employment includes those jobs that provide support services to but are not directly paid by the casino. Induced employment calculates the impacts of these direct and indirect jobs on the rest of the economy as spending by direct and indirect employees ripples through the economy. RIMS II projects that Alternative B would create 1,485 jobs in Madera County (**Table 4.7-20**). Of those, 523 are indirect and induced jobs. Most of the direct jobs fall within the arts, entertainment and recreation, and accommodation and food services sectors. Indirect and induced jobs are spread out over 20 different segments of the economy (Innovation Group, 2005).

As stated in **Section 3.7.1**, unemployment in Madera County is somewhat high, with an average unemployed population of approximately 5,600, resulting in an unemployment rate of approximately nine percent in 2004. Most of the 1,485 jobs created by Alternative B are expected to be filled by County residents (between 65 and 73.5 percent – see **Appendix R**) and most of the Madera County residents filling the jobs are expected to be currently unemployed given the availability of unemployed workers in the local labor market (80 percent of jobs would be filled by those currently unemployed – see **Appendix R**), resulting in a reduction in the unemployed population of 807 and reducing the unemployment rate to approximately 7.5 percent. This would be a beneficial impact to the local economy.

TABLE 4.7-20
OPERATION IMPACT ON EMPLOYMENT – ALTERNATIVE B

Employment Sector	Jobs Created
Agriculture, Forestry, Fishing and Hunting	2.72
Mining	0.15
Utilities	0.55
Construction	5.16
Manufacturing	15.12
Wholesale Trade	7.86
Retail Trade	58.26
Transportation and Warehousing	9.34
Information	7.08
Finance and Insurance	5.24
Real Estate, Rental, and Leasing	12.30
Professional, Scientific, and Technical Services	6.36
Management of Companies and Enterprises	12.57
Administrative and Waste Management Services	11.30
Educational Services	2.47
Health Care and Social Assistance	30.88
Arts, Entertainment, and Recreation	879.61
Accommodation and Food Services	388.82
Other Services	23.04
Households	5.80
<i>Total (rounded to nearest single job)</i>	<i>1,485</i>

SOURCE: Innovation Group, 2005.

Population

Given that Alternative B is projected to increase employment in Madera County by 1,802 temporary positions and 1,485 permanent positions, it is necessary to estimate how that increase in employed persons would affect the population as a whole. An increase in population is not itself an environmental impact. However, an increase in population could lead to impacts such as 1) creating demand for governmental services, which is discussed in more detail below, and 2) creating growth in housing or other facilities to serve the increase in population, which is discussed in more detail in **Section 4.12**.

Construction

The temporary construction jobs would not result in an increase in local population. It is typical for construction workers to travel for employment opportunities during the week and then return home on the weekends. Thus, it is expected that those jobs that can be filled locally would be and those that cannot would be filled by individuals who would travel for the work as opposed to relocating. Therefore, the population would not show any change from the influx of temporary construction jobs.

Operation

The 1,485 permanent jobs created by Alternative B would result in increases in the local population because some of these jobs would be filled by individuals who move into Madera County for permanent employment. In order to project what percentage of people will move into the County, it must be determined what percentage of individuals working at the casino would live in Madera County. As with Alternative A, Alternative B development would occur on the Madera site. Thus, the same assumption applies, that 65 percent or 625 of the direct casino jobs would be Madera County residents.

Some of the indirect and induced jobs would also be filled by Madera County residents. Applying the same commuting ratio (73.5%) as for Alternative A, the casino would yield a Madera County resident pool of 384. As with Alternative A, it is projected that the number of new employees who would actually move into Madera County would be low. Again we conservatively project that up to 20 percent of employees would move to the County from other areas. If 20% of the new employees who live in Madera County are new residents of Madera County, then the number of employees that move into the County would be 202 (**Table 4.7-21**). The 202 figure includes 20% of the 625 direct employees expected to live in the County and 20% of the 384 indirect and induced employees expected to live in the County.

If 202 new employees move into Madera County, these would not be the only new residents in the County who moved in because of the casino. These employees would in some cases bring families. Using the same employee per household ratio used for Alternative A, a total of 534 new

County residents would be expected under Alternative B, increasing the population from 141,007 to 141,541 (**Table 4.7-21**).

As described under Alternative A, for developments on the Madera site, it is projected that 50 percent of development-induced residents would move into the City of Madera, and the other 50 percent would live elsewhere in the County. As noted above, approximately 534 new County residents are expected under Alternative B, with 267 expected to settle in the City of Madera, increasing the City population from 50,842 to 51,109. Note that the Socioeconomic Assessment (**Appendix R**) assumes that 5 of the 534 new residents would live in the City of Chowchilla. However, given that these 5 residents are not expected to result in measurable socioeconomic effects to the City of Chowchilla they have been added to the unincorporated County totals for a conservative analysis for unincorporated County, where measurable socioeconomic effects are expected.

TABLE 4.7-21
NEW RESIDENTS IN MADERA COUNTY – ALTERNATIVE B

Direct, indirect, and induced jobs filled by Madera County residents	1,009
New employees moving to Madera County ¹	202
Number of employees per household	1.2
Number of new households ²	168
Number of persons per household	3.18
<i>Total New Residents</i> ³	534

NOTES: ¹20% of jobs filled by Madera County residents

²New employees moving to Madera County divided by number of employees per household

³Number of new households multiplied by number of persons per household

SOURCE: Innovation Group, 2005.

Social Effects

Crime

As noted under Alternative A, no definitive link between casinos and regional crime rates was found. Therefore, although an increase in calls for service is expected, an increase in regional crime rates is not expected to result from Alternative B. Thus, Alternative B's impact to crime would be less than significant.

Problem Gambling

Although the Alternative B casino would be reduced in size when compared to Alternative A, the effects to problem gambling are conservatively not assumed to differ. However, under Alternative B, the County MOU would not apply and annual funds would not be provided for problem gambling services. Thus, a potentially significant effect would result. Mitigation measures in **Section 5.2.6** would mitigate this effect to a less than significant level.

Effects to Surrounding Property Values

As discussed under Alternative A, it is not expected that the operation of a casino on the Madera site would have a negative effect on surrounding or regional property values. Thus a less than significant effect to property values would result.

Economic Effects to Local Government

This section provides information on how Alternative B would increase the demand for governmental services in the County and the associated cost to expand these services, so a reduction of the quality of service is not borne by the community. There are two main ways that the project would impact government services. The first is through the demand for services that the casino itself would create. The second is through the demand created by the new residents who would move to Madera County to work in the casino. Governmental services could also be impacted by new visitors drawn to the County by Alternative B.

Casino Demand and Costs

The following section describes the demand for services and resulting economic cost created by the casino itself. These services include fire, law enforcement, medical services and judicial services as well as road improvements and the need for more social services and mental health professionals. Although the demands are similar to those of Alternative A, they are generally smaller, given the reduced intensity size and scope of the Alternative B casino.

Because the Madera site is located within unincorporated Madera County, most development-induced demands would be borne by the County.

Fire Protection

Fire protection services would be slightly less impacted by Alternative B than by Alternative A. According to Division Chief Paul Helm, Alternative B would still require a new fire station and that cost is estimated to be \$1.6 million. The new fire engine would not need to be an aerial apparatus as there is no hotel tower component in this alternative. A regular fire engine is half the cost of an aerial apparatus at \$375,000.

Because the fire engine would not be an aerial apparatus, the staffing needs of the station would decrease relative to Alternative A. The County has a goal of filling two fire fighter positions per station, which requires that six persons be hired. The station would also recruit 12 volunteers to assist with fires. Expected fire personnel costs for Alternative B are displayed in **Table 4.7-22**.

TABLE 4.7-22
FIRE PERSONNEL COSTS – ALTERNATIVE B

	Cost Per Unit (dollars)	Total (dollars)
Fire Engineers Salary and Benefits (3)	71,366	214,098
Fire Captains Salary and Benefits (3)	81,408	244,224
Volunteer Memberships (12)	54	648
Sets of Equipment (18)	1,200	21,600
<i>Total</i>		<i>480,570</i>

SOURCE: Innovation Group, 2005.

Law Enforcement

An increased demand on local law enforcement services would result after implementation of Alternative B, given the increased public presence on the project site and increased traffic on area roadways. It is estimated that the demands for law enforcement services would be the same as with Alternative A, since the size of the casino is similar to that of Alternative A (five deputies and a half-time sergeant position). One position requires 5 sheriff deputies to fill and for every 10 deputies there is a sheriff's sergeant to oversee them. **Table 4.7-23** details the cost of filling both the five deputy positions and a half-time sergeant position.

TABLE 4.7-23
LAW ENFORCEMENT PERSONNEL COSTS – ALTERNATIVE B

	Cost Per Unit (dollars)	Total (dollars)
Deputy Sheriff Salary and Benefits (5)	50,000	250,000
Sheriffs Sergeant Salary and Benefits (.5)	60,000	30,000
Equipment	10,000	60,000
Retirement	15,844	95,061
Health Insurance	5,118	28,149
Workers' Compensation Insurance	6,951	38,231
Uniform Allowance	900	4,950
<i>Total</i>		<i>506,391</i>

SOURCE: Innovation Group, 2005.

Emergency Medical Services

As noted under Alternative A, the cost for emergency medical services is borne by the individual (typically their insurance company) who calls for service and the cost of calls from law enforcement is outlined in the Sheriff's budget rather than separately here.

Judicial Services

The level of criminal activity would be lower at the smaller Alternative B facility than at the larger one in Alternative A, so that even less work is projected to be generated for the judicial system. As such, there would be no measurable impact to judicial services under Alternative B.

Department of Corrections

Increased criminal activity resulting from Alternative B would place an added burden on the Madera County Department of Corrections (MCDC). A description of County correctional facilities can be found under Alternative A.

As with Alternative A, it is conservatively assumed that the casino would create three arrests per month. The cost to house one inmate for one night is \$53. This figure includes food, clothing, staff salaries, building, utilities, etc. The average stay is 24 nights. Assuming 36 arrests per year, the total cost per year to house these inmates would be \$45,792.

With 36 additional prisoners staying an average of 24 nights, the prison would have 864 additional cell nights filled. This is the equivalent of having an additional 2.4 prisoners in prison for a year. The additional burden of housing 2.4 prisoners a year would not warrant a capital investment by the County because it would not raise the total prisoner population above or near the 395 level noted above under Alternative A (**Appendix R**).

Behavioral Health Services

As the number of problem gamblers in the County is assumed to be the same as Alternative A, the number of new licensed counselors remains the same as in Alternative A. **Table 4.7-24** details the cost of a half-time licensed counselor.

TABLE 4.7-24
BEHAVIORAL HEALTH SERVICES PERSONNEL COSTS – ALTERNATIVE B

	Cost Per Unit (dollars)	Total (dollars)
Licensed Clinician Salary and Benefits (0.5)	54,220	27,110
Retirement	8,311	4,155
Health Insurance	5,324	2,662
Workers' Compensation Insurance	168	84
Equipment	5,000	5,000
<i>Total</i>		<i>39,011</i>

SOURCE: Innovation Group, 2005.

Resource Management Agency

The Resource Management Agency is a unified agency that brings together several different County departments: Roads, Planning, Environmental Health, Sanitation, Engineering, Building

Inspection and Fire Marshall. The only department expected to need any investment due to the demands of the casino would be the roads department. Traffic impacts and the need for traffic mitigation are discussed in **Section 4.8**.

New Resident Demand and Costs

This section describes the demand for increased governmental services that would be created by new residents in the County (267) and City (267) resulting from Alternative B. These services include a broader range of services than those discussed previously and include everything from animal control to welfare support. For those services that are uniquely offered by the County, we have assumed the entire County population will bear their cost.

Madera County. Costs to the County from the introduction of new residents, based on the present County budget and services provided, include costs to administrative services, fire protection services, law enforcement services, judicial services, prison services, behavioral health services, social services, educational services, and resource management services. **Table 4.7-25** details the amount of spending per capita the County incurs for these services and the cost of providing services to the new residents, which is less than for Alternative A since fewer residents would be generated by Alternative B.

TABLE 4.7-25
PER CAPITA COST OF COUNTY SERVICES – ALTERNATIVE B

Service	2004 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents/ Students under Alternative B	Cost (dollars)
Administrative Services	14,424,302	134,194	107.49	534	57,400
Fire Protection Services	3,514,327	134,194	26.19	267	6,993
Law Enforcement Services	7,531,330	134,194	56.12	267	14,984
Judicial Services	3,967,291	134,194	29.56	267	7,893
Department of Corrections ^a	14,510,159	134,194	108.00	267	28,836
Behavioral Health Services	14,101	134,194	0.11	534	59
Social Services	4,815,277	134,194	35.88	534	19,160
Resource Management Agency	2,993,317	134,194	21.86	534	11,673
Educational Services ^c	27,668,234	27,821 ^b	994.51	112	111,385
<i>Total</i>					258,383

NOTES: ^aIncludes both the adult and juvenile correctional facilities operated by the County.

^bCounty student population for 2004-2005 school year.

^cNote that the Socioeconomic Assessment includes data for the Madera Unified School District (MUSD) rather than the County as a whole. The MUSD is the largest school district in the County and will be most heavily impacted by development on the Madera site. The per capita spending in the MUSD is 888.25, which is lower than that for the County as a whole. For a conservative analysis we have included data for the County as a whole here.

SOURCE: California Department of Education, 2005; Innovation Group, 2005.

Administrative services include the cost of running the County's government as well as those costs not covered in any other section below. It includes the costs of the following departments: the County Board of Supervisors, library, animal control, human resources, information technology, insurance, tax collection, elections, contingency fund and other costs. With each additional resident of the County, these costs increase.

Some of the school districts in Madera County cross County and City lines. Thus, impacts to educational services are discussed Countywide, including the Cities of Madera and Chowchilla and all of the school districts within the County. County school districts are expected to experience an increase in the number of students due to the general population's increase under Alternative B. 20.9 percent of the Madera County population is estimated to be school-age children. Thus, if 534 people are added to the population under Alternative B, it is estimated that 20.9 percent, or 112 people would be school-age children. As noted in **Section 3.9.6**, Madera Unified School District, which includes the Madera site and is expected to accommodate a majority of project-generated students, is currently undergoing a capital development campaign involving new school construction and other improvements.

School district expansion typically occurs to accommodate planned residential growth. As noted in **Section 4.11.1**, residential growth is currently taking place at a rapid pace in Madera County. As noted in **Section 4.12.1**, new Madera County residents induced by Alternative B are expected to utilize currently planned residential units but would not induce additional residential growth. Thus, as the school system already has under development more than enough capacity to accommodate the number of students attributable to the casino, Alternative B would not result in the demand for a new school to accommodate the 112 new students that would be added to the system. However, costs would increase, as detailed in **Table 4.7-25**.

City of Madera. Costs to the City of Madera from the introduction of new residents, based on the present City budget and services provided, include costs to City administration, the finance department, the City attorney, public works, law enforcement services, fire protection services, community development, parks and recreation, and grant oversight. **Table 4.7-26** details the amount of spending per capita the City incurs for these services and the cost of providing services to the new residents.

TABLE 4.7-26
PER CAPITA COST OF CITY OF MADERA SERVICES – ALTERNATIVE B

Service	2004-2005 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents under Alternative B	Cost for New Residents (dollars)
City Administration	1,113,982	47,569	23.42	267	6,253
Finance Department	354,018	47,569	7.44	267	1,986
City Attorney	105,378	47,569	2.22	267	593
Public Works	2,000,000 ^a	47,569	42.04	267	11,225
Law Enforcement Services	5,234,927	47,569	110.05	267	29,383
Fire Protection Services	2,088,297	47,569	43.90	267	11,721
Community Development	567,833	47,569	11.94	267	3,188
Parks and Recreation	1,426,700	47,569	29.99	267	8,007
Grant Oversight	128,349	47,569	2.70	267	721
<i>Total</i>					<i>73,077</i>

NOTES: ^aActually 213 in the 2004-2005 budget. \$2,000,000 is assumed to be a reasonable amount for public works for the purposes of determining a per capita cost given the 2003-2004 City public works general fund expenditures of \$1,933,872.

SOURCE: City of Madera, 2004; Innovation Group, 2005.

Revenues

The MOU negotiated between the County and Tribe applies only to Alternative A. Thus, MOU revenues are not expected under Alternative B unless the County and the Tribe renegotiate the existing MOU. Thus, only one source of revenue is expected under Alternative B: indirect tax revenue. Alternative B would negatively affect County revenue received from property taxes on the Madera site after it is taken into trust by the Federal Government.

Taxes. Under Alternative B, the Madera site would go through a process by which it is placed into trust, which is a requirement before gaming is allowed under IGRA. By placing the land in trust, it would no longer be subject to property taxes. As shown above in **Table 4.7-13**, total property tax losses would be \$12,518.

The increase in County sales and use tax after the implementation of Alternative B was calculated using RIMS II. **Table 4.7-27** details the output in terms of off-site dollars spent in the retail

TABLE 4.7-27
SALES AND USE TAX REVENUE – ALTERNATIVE B

Retail Sector Output for Construction Spending (one-time)	\$18,459,233
Retail Sector Output for Operational Spending (annual)	\$5,509,972
Sales Tax Rate for Madera County	1.0%
Sales Tax on Construction Spending (one-time)	\$184,592
Sales Tax on Operational Spending (annual)	\$55,100

SOURCE: Innovation Group, 2005.

sector and the sales and use tax associated with that spending for both the one-time construction spending and the recurring operations spending. Currently, a 1% sales tax provides revenue to the locality. The rest of the 7.25% in sales tax charged goes to the State.

In addition to taxes resulting from construction and patron spending at the proposed Alternative B developments, new residents would pay property and sales taxes. Even if a new resident decides to rent, a portion of the rent payment is used to pay property taxes. **Tables 4.7-28 and 4.7-29** calculate the per capita revenue received by the City and County from sales and property taxes. As shown, new residents to the County and City of Madera are expected to generate \$29,576 and \$29,498 in revenue under Alternative B.

Given that Alternative B does not include a hotel component, overnight visitors would need to stay at nearby hotels. Although overnight visitors are less likely for Alternative B when compared with Alternative A because the Alternative B casino would have fewer amenities and be less attractive for visitors desiring to stay overnight, some number of overnight visitors is expected. It is difficult to predict the number of overnight visitors expected, however. Thus, for a conservative analysis of fiscal impacts, no increase in hotel tax revenue is calculated.

TABLE 4.7-28
MADERA COUNTY NEW RESIDENT REVENUE – ALTERNATIVE B

2002-2003 Madera County Property Tax and Sales and Use Tax Revenues	\$14,225,000
2002 Madera County Population	128,416
Per Capita Madera County Property and Sales and Use Tax Revenue	\$110.77
New Residents	267
Expected Madera County Revenue from New Residents	\$29,576

SOURCE: California Department of Finance, 2005; Innovation Group, 2005.

TABLE 4.7-29
CITY OF MADERA NEW RESIDENT REVENUE – ALTERNATIVE B

2004-2005 City of Madera Property Tax and Sales and Use Tax Revenues	\$5,255,239
2004 City of Madera Population*	47,569
Per Capita City of Madera Property and Sales and Use Tax Revenue	\$110.48
New Residents	267
Expected City of Madera Revenue from New Residents	\$29,498

SOURCE: Innovation Group, 2005.

Costs vs. Revenue

This section provides a comparison of the costs and revenues estimated as a result of Alternative B. **Table 4.7-30** compares one-time costs and revenue for Madera County. As shown, under

Alternative B, total costs would exceed total revenues by \$1,790,191 for one-time fire protection capital costs.

TABLE 4.7-30
COMPARISON OF ONE-TIME MADERA COUNTY
COSTS AND REVENUES – ALTERNATIVE B

Category	Cost	Revenue
Sales and Use Taxes	\$0	\$184,592
Fire Protection	\$1,975,000	\$0
Roads ¹	NA	NA
<i>Total</i>	<i>\$1,975,000</i>	<i>\$184,809</i>

NOTES: ¹A cost estimate has not been made. However, in order to mitigate traffic impacts to a less than significant level, the Tribe would need to pay its fair share of traffic mitigation as noted in the traffic study for this EIS.

SOURCE: Innovation Group, 2005.

Table 4.7-31 compares annual costs (both development-induced and resident-induced) and revenue for Madera County. As shown, under Alternative B, total costs would exceed total revenues by \$1,257,989.

Table 4.7-32 compares annual costs (both development-induced and resident-induced) and revenue for the City of Madera. As shown, under Alternative B, total costs would exceed total revenues by \$43,579.

TABLE 4.7-31
COMPARISON OF MADERA COUNTY ANNUAL COSTS AND REVENUES
- ALTERNATIVE B

Category	Cost	Revenue
Property and Sales and Use Taxes	\$12,518	\$84,676
Administrative Services	\$57,400	\$0
Fire Protection	\$487,563	\$0
Law Enforcement	\$521,375	\$0
Judicial Services	\$7,893	\$0
Department of Corrections	\$74,628	\$0
Behavioral Health Services	\$39,070	\$0
Social Services	\$19,160	\$0
Resources Management Agency	\$11,673	\$0
Educational Services	\$111,385	\$0
<i>Total</i>	<i>\$1,342,665</i>	<i>\$84,676</i>

SOURCE: Innovation Group, 2005.

Overall, County costs exceed revenues by \$1,790,191 (one-time) and \$1,257,989 (annual) under Alternative B. City of Madera costs exceed revenues by \$43,579 (annual). These additional

costs would require either that the City and County raise taxes or provide a lower quality of services to the casino (where applicable) and its residents, resulting in a potentially significant effect. Mitigation measures have been identified in **Section 5.2.6** that would mitigate this impact to a less than significant level.

TABLE 4.7-32
COMPARISON OF CITY OF MADERA ANNUAL COSTS AND REVENUES
- ALTERNATIVE B

Category	Cost	Revenue
Property and Sales and Use Taxes	\$0	\$29,498
City Administration	\$6,253	\$0
Finance Department	\$1,986	\$0
City Attorney	\$593	\$0
Public Works	\$11,225	\$0
Law Enforcement Services	\$29,383	\$0
Fire Protection Services	\$11,721	\$0
Community Development	\$3,188	\$0
Parks and Recreation	\$8,007	\$0
Grant Oversight	\$721	\$0
<i>Total</i>	<i>\$73,077</i>	<i>\$29,498</i>

SOURCE: Innovation Group, 2005.

Economic Effects to the MID

Fiscal effects to the MID would be the same as Alternative A, given that the same Madera site would be taken into trust under Alternative B (except that the terms of the MID MOU would not apply). As noted under Alternative A, a less than significant effect would result. Nonetheless, mitigation measures are included in **Section 5.2.6** that recommend that the Tribe compensate MID for the loss of assessments after the site is taken into trust.

Increased Pumping Costs for Neighboring Wells

As discussed in **Section 4.3.2**, on-site groundwater pumping would lead to drawdown of the groundwater table, resulting in effects to neighboring wells. These effects could include increased pumping and maintenance costs caused from pumping water from lower depths. As described in detail in **Appendix L**, lower capacity (mostly residential) wells would not be noticeably affected by these increased costs (costs of a few dollars per year would be expected). Costs would be measurable for water wells pumping at higher rates, but the percentage increase of pumping and electrical costs would still be very small. Thus, significant effects to pumping costs for neighboring wells would not occur. Nonetheless, mitigation measures are contained in **Section 5.2.6** that would reduce less than significant effects to pumping costs.

ALTERNATIVE C – NON-GAMING USE

Employment

Alternative C's beneficial effects on construction and operation employment would be much lower than those of Alternative A, given that Alternative C does not include a casino or hotel component, but retail stores and restaurants, both of which are typically expensive to construct (for large-scale facilities) and require large numbers of employees to staff the facilities.

The effects are measured in three ways: direct employment, indirect employment and induced employment. Direct employment includes those employees who are directly employed at the facility either during construction or operation. Indirect employment includes those employees who provide services and are employed at least in part due to the facility but are not directly employed at the facility. The third category is induced employment. This category includes all the other jobs that are created due to the ripple effect of spending throughout the economy as a whole. As described under Alternative A, the RIMS II model was used to predict the direct, indirect, and induced employment created by this alternative.

As detailed below, Alternative C would result in the creation of numerous employment opportunities within Madera County, which would be a beneficial effect to the region's unemployment rate and the economy as a whole.

Construction

Construction employment and spending is temporary, but it can have substantial impacts on the economy. For Alternative C, construction spending is estimated to be approximately \$31 million, which is substantially less than for Alternatives A and B. Based on \$31 million in spending for construction, RIMS II projects that Alternative C would create 271 direct, indirect, and induced jobs. Although most of these jobs fall within the construction sector, they are spread out over 20 different segments of the economy (Innovation Group, 2005). These jobs would be filled by workers that commute to the area and local residents, some of which may currently be unemployed. This would result in a temporary reduction in the unemployed population and in the unemployment rate, a beneficial impact to the local economy.

Operation

Operational employment includes those jobs that are generated from the operation of Alternative C. These impacts would last as long as the Alternative C developments are in operation. Direct employment includes all positions at the Alternative C businesses. Indirect employment includes those jobs that provide support services to but are not directly paid by the retail development. Induced employment calculates the impacts of these direct and indirect jobs on the rest of the economy as spending by direct and indirect employees ripples through the economy. RIMS II

projects that Alternative C would create 995 direct, indirect, and induced jobs in Madera County (Table 4.7-33).

As stated in Section 3.7.1, unemployment in Madera County is somewhat high, with an average unemployed population of approximately 5,600, resulting in an unemployment rate of approximately nine percent in 2004. Most of the 995 jobs created by Alternative C are expected to be filled by County residents (approximately 73.5 percent – see Appendix R) and most of the Madera County residents filling the jobs are expected to be currently unemployed given the availability of unemployed workers in the local labor market (90 percent of jobs would be filled by those currently unemployed – see Appendix R), resulting in a reduction in the unemployed population of 658 and reducing the unemployment rate to approximately eight percent. This would be a beneficial impact to the local economy.

TABLE 4.7-33
OPERATION IMPACT ON EMPLOYMENT – ALTERNATIVE C

Employment Sector	Jobs Created
Agriculture, Forestry, Fishing and Hunting	1.18
Mining	0.08
Utilities	0.39
Construction	2.94
Manufacturing	14.01
Wholesale Trade	4.69
Retail Trade	729.57
Transportation and Warehousing	11.05
Information	7.95
Finance and Insurance	4.16
Real Estate, Rental, and Leasing	12.08
Professional, Scientific, and Technical Services	4.37
Management of Companies and Enterprises	41.82
Administrative and Waste Management Services	11.50
Educational Services	1.79
Health Care and Social Assistance	22.31
Arts, Entertainment, and Recreation	2.72
Accommodation and Food Services	106.62
Other Services	11.54
Households	4.19
<i>Total (rounded to nearest single job)</i>	995

SOURCE: Innovation Group, 2005.

Population

Given that Alternative C is projected to increase employment in Madera County, it is necessary to estimate how that increase in employed persons would affect the population as a whole. An increase in population is not itself an environmental impact. However, an increase in population could lead to impacts such as 1) creating demand for governmental services, which is discussed in more detail below, and 2) creating growth in housing or other facilities to serve the increase in population, which is discussed in more detail in Section 4.12.

Construction

The temporary construction jobs would not result in an increase in local population. It is typical for construction workers to travel for employment opportunities during the week and then return home on the weekends. Thus, it is expected that those jobs that can be filled locally would be and those that cannot would be filled by individuals who would travel for the work as opposed to relocating. Therefore, the population would not show any change from the influx of temporary construction jobs.

Operation

The 995 permanent jobs created by Alternative C would result in increases in the local population because some of these jobs would be filled by individuals who move into Madera County for permanent employment. In order to project what percentage of people will move into the County, it must be determined what percentage of individuals working at the Alternative C businesses would live in Madera County.

Unlike Alternative A, Alternative C does not contain a casino component. Thus, a comparison cannot easily be made with the experience of the Chuckchansi casino. Therefore, typical commuter ratios were utilized for all of the permanent jobs created by Alternative C to estimate the number of direct, indirect, and induced employees that would live in Madera County. Thus, applying a 73.5 percent commuting ratio to the total employment estimate of 995 would result in a Madera County resident pool of 732. As with Alternative A, it is projected that the number of new employees who would actually move into Madera County would be low. Given that retail and restaurant employment opportunities are much more pervasive than casino employment, it is projected that even fewer residents would move into the County under Alternative C. To be conservative it is projected that 10 percent of employees would move to the County from other areas. If 20% of the new employees who live in Madera County are new residents of Madera County, then the number of employees that move into the County would be 73 (**Table 4.7-34**).

If 73 new employees move into Madera County, these would not be the only new residents in the County who moved in because of Alternative C. These employees would in some cases bring families. Using the same employee per household ratio used for Alternative A, a total of 194 new County residents would be expected under Alternative C, increasing the population from 141,007 to 141,201 (**Table 4.7-34**).

For developments on the Madera site, it is projected that 50 percent of development-induced residents would move into the City of Madera, and the other 50 percent would live elsewhere in the County. As noted above, approximately 194 new County residents are expected under Alternative C, with 97 expected to settle in the City of Madera, increasing the City population from 50,842 to 50,939. Note that the Socioeconomic Assessment (**Appendix R**) assumes that 2 of the 194 new residents would live in the City of Chowchilla. However, given that these 2

residents are not expected to result in measurable socioeconomic effects to the City of Chowchilla they have been added to the unincorporated County totals for a conservative analysis for unincorporated County, where measurable socioeconomic effects are expected.

TABLE 4.7-34
NEW RESIDENTS IN MADERA COUNTY – ALTERNATIVE C

Direct, indirect, and induced jobs filled by Madera County residents	732
New employees moving to Madera County ¹	73
Number of employees per household	1.2
Number of new households ²	61
Number of persons per household	3.18
<i>Total New Residents</i> ³	<i>194</i>

NOTES: ¹20% of jobs filled by Madera County residents
²New employees moving to Madera County divided by number of employees per household
³Number of new households multiplied by number of persons per household

SOURCE: Innovation Group, 2005.

Social Effects

Crime

The potential concerns regarding effects to crime that are associated with operation of a casino would not be present with the retail development proposed for Alternative C. Commercial uses associated with a shopping center and restaurants are not expected to characteristically result in increased crime rates in the region. Thus, Alternative C's impact to crime would be less than significant.

Problem Gambling

Given that a casino is not proposed for Alternative C, no additional problem gamblers would be generated.

Effects to Surrounding Property Values

Some of the same concerns with lowering property values may be present with respect to Alternative C, given that it proposes a large retail development. However, some of the same assumptions to increasing property values due to speculation would also apply. Therefore, land values in the region and in the vicinity of the Madera site would not be significantly affected by Alternative C.

Economic Effects to Local Government

This section provides information on how Alternative C would increase the demand for governmental services in the County and the associated cost to expand these services, so a reduction of the quality of service is not bore by the community. There are two main ways that

the project would impact government services. The first is through the demand for services that the Alternative C developments would create. The second is through the demand created by the new residents who would move to Madera County to work in the Alternative C developments. Governmental services could also be impacted by new visitors drawn to the County by Alternative C.

Shopping Center Demand and Costs

The following section describes the demand for services and resulting economic cost created by the shopping center development itself. These services include fire, law enforcement, medical services and judicial services as well as road improvements and the need for more social services and mental health professionals.

Because the Madera site is located within unincorporated Madera County, most development-induced demands would be borne by the County.

Fire Protection

Fire protection services would be slightly less impacted by Alternative C than by Alternative A. According to Division Chief Paul Helm, Alternative C would still require a new fire station and that cost is estimated to be \$1.6 million. The new fire engine would not need to be an aerial apparatus as there is no hotel tower component in this alternative. A regular fire engine is half the cost of an aerial apparatus at \$375,000.

Because the fire engine would not be an aerial apparatus, the staffing needs of the station would decrease relative to Alternative A. The County has a goal of filling two fire fighter positions per station, which requires that six persons be hired. The station would also recruit 12 volunteers to assist with fires. Expected fire personnel costs for Alternative C are displayed in **Table 4.7-35**.

TABLE 4.7-35
FIRE PERSONNEL COSTS – ALTERNATIVE C

	Cost Per Unit (dollars)	Total (dollars)
Fire Engineers Salary and Benefits (3)	71,366	214,098
Fire Captains Salary and Benefits (3)	81,408	244,224
Volunteer Memberships (12)	54	648
Sets of Equipment (18)	1,200	21,600
<i>Total</i>		480,570

SOURCE: Innovation Group, 2005.

Law Enforcement

An increased demand on local law enforcement services would result after implementation of Alternative C, given the increased public presence on the project site and increased traffic on area

roadways. Unlike Alternative A, Alternative C developments are not expected to provide private security services on the site. Experience with other shopping centers reveals that sheriff departments often station a deputy at a retail location on a full-time basis because of the amount of crime that is perpetrated on the premises. Common criminal activities include breaking into cars, car theft, shoplifting and disorderly conduct. In addition to preventing criminal activity, sheriffs assist with emergency situations and traffic incidents at the shopping center. Given this information, it is estimated that the Sheriff's department will need to hire 5 deputies and a half-time sergeant to accommodate the shopping center's demand for services. One position requires 5 sheriff deputies to fill and for every 10 deputies there is a sheriff's sergeant to oversee them. **Table 4.7-36** details the cost of filling both the five deputy positions and a half-time sergeant position.

TABLE 4.7-36
LAW ENFORCEMENT PERSONNEL COSTS – ALTERNATIVE C

	Cost Per Unit (dollars)	Total (dollars)
Deputy Sheriff Salary and Benefits (5)	50,000	250,000
Sheriff's Sergeant Salary and Benefits (0.5)	60,000	30,000
Equipment	10,000	60,000
Retirement	15,844	95,061
Health Insurance	5,118	28,149
Workers' Compensation Insurance	6,951	38,231
Uniform Allowance	900	4,950
<i>Total</i>		<i>506,391</i>

SOURCE: Innovation Group, 2005.

Emergency Medical Services

As noted under Alternative A, the cost for emergency medical services is borne by the individual (typically their insurance company) who calls for service and the cost of calls from law enforcement is outlined in the Sheriff's budget rather than separately here.

Judicial Services

The level of criminal activity would be lower at the retail facility than at the casino in Alternative A and the types of crimes committed would not be expected to be particularly complex, so that even less work is projected to be generated for the judicial system. As such, there would be no measurable impact to judicial services under Alternative C.

Department of Corrections

Increased criminal activity would place an added burden on the Madera County Department of Corrections (MCDC). A description of County correctional facilities can be found under Alternative A.

As with Alternative A, it is conservatively assumed that the Alternative C developments would create three arrests per month. The cost to house one inmate for one night is \$53. This figure includes food, clothing, staff salaries, building, utilities, etc. The average stay is 24 nights. Assuming 36 arrests per year, the total cost per year to house these inmates would be \$45,792.

With 36 additional prisoners staying an average of 24 nights, the prison would have 864 additional cell nights filled. This is the equivalent of having an additional 2.4 prisoners in prison for a year. The additional burden of housing 2.4 prisoners a year would not warrant a capital investment by the County because it would not raise the total prisoner population above or near the 395 level noted above under Alternative A (**Appendix R**).

Behavioral Health Services

No additional problem gamblers or specific development-related effects to behavioral health services would occur.

Resource Management Agency

The Resource Management Agency is a unified agency that brings together several different County departments: Roads, Planning, Environmental Health, Sanitation, Engineering, Building Inspection and Fire Marshall. The only department expected to need any investment due to the demands of the retail development would be the roads department. Traffic impacts and the need for traffic mitigation are discussed in **Section 4.8**.

New Resident Demand and Costs

This section describes the demand for increased governmental services that would be created by new residents in the County (97) and City (97) resulting from Alternative C. These services include a broader range of services than those discussed previously and include everything from animal control to welfare support. For those services that are uniquely offered by the County, we have assumed the entire County population will bear their cost.

Madera County. Costs to the County from the introduction of new residents, based on the present County budget and services provided, include costs to administrative services, fire protection services, law enforcement services, judicial services, prison services, behavioral health services, social services, educational services, and resource management services. **Table 4.7-37** details the amount of spending per capita the County would incur for these services and the cost of providing services to the new residents, which is less than for Alternative A since fewer residents would be generated by Alternative C.

TABLE 4.7-37
PER CAPITA COST OF COUNTY SERVICES – ALTERNATIVE C

Service	2004 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents/ Students under Alternative C	Cost (dollars)
Administrative Services	14,424,302	134,194	107.49	194	20,853
Fire Protection Services	3,514,327	134,194	26.19	97	2,540
Law Enforcement Services	7,531,330	134,194	56.12	97	5,444
Judicial Services	3,967,291	134,194	29.56	97	2,867
Department of Corrections ^a	14,510,159	134,194	108.00	97	10,476
Behavioral Health Services	14,101	134,194	0.11	194	21
Social Services	4,815,277	134,194	35.88	194	6,961
Resource Management Agency	2,993,317	134,194	21.86	194	4,241
Educational Services ^c	27,668,234	27,821 ^b	994.51	41	40,775
<i>Total</i>					<i>94,178</i>

NOTES: ^aIncludes both the adult and juvenile correctional facilities operated by the County.

^bCounty student population for 2004-2005 school year.

^cNote that the Socioeconomic Assessment includes data for the Madera Unified School District (MUSD) rather than the County as a whole. The MUSD is the largest school district in the County and will be most heavily impacted by development on the Madera site. The per capita spending in the MUSD is 888.25, which is lower than that for the County as a whole. For a conservative analysis we have included data for the County as a whole here.

SOURCE: California Department of Education, 2005; Innovation Group, 2005.

Administrative services include the cost of running the County's government as well as those costs not covered in any other section below. It includes the costs of the following departments: the County Board of Supervisors, library, animal control, human resources, information technology, insurance, tax collection, elections, contingency fund and other costs. With each additional resident of the County, these costs increase.

Madera County provides numerous social services to its underprivileged citizens as detailed above under Alternative A. Currently, there are 0.6 social workers for every 1,000 residents of the County. In order to maintain this ratio, the County would need to hire 0.06 social workers for the 97 new residents in the County. This is too low to justify hiring a new social worker, even on a part-time basis, and could be accommodated by improved efficiencies or overtime pay, which account for the estimated per capita costs shown in **Table 4.7-37**.

Some of the school districts in Madera County cross County/City lines. Thus, impacts to educational services are discussed Countywide, including the Cities of Madera and Chowchilla and all of the school districts within the County. County school districts are expected to experience an increase in the number of students due to the general population's increase under Alternative C. 20.9 percent of the Madera County population is estimated to be school-age children. Thus, if 194 people are added to the population under Alternative C, it is estimated that

20.9 percent, or 41 people would be school-age children. As noted in **Section 3.9.6**, Madera Unified School District, which includes the Madera site and is expected to accommodate a majority of Alternative C generated students, is currently undergoing a capital development campaign involving new school construction and other improvements.

School district expansion typically occurs to accommodate planned residential growth. As noted in **Section 4.11.1**, residential growth is currently taking place at a rapid pace in Madera County. As noted in **Section 4.12.1**, new Madera County residents induced by Alternative C are expected to utilize currently planned residential units and would not induce additional residential growth. Thus, as the school system already has under development more than enough capacity to accommodate the number of students attributable to the casino, Alternative C would not result in the demand for a new school to accommodate the 41 new students that would be added to the system. However, costs would increase, as detailed in **Table 4.7-37**.

City of Madera. Costs to the City of Madera from the introduction of new residents, based on the present City budget and services provided, include costs to City administration, the finance department, the City attorney, public works, law enforcement services, fire protection services, community development, parks and recreation, and grant oversight. **Table 4.7-38** details the amount of spending per capita the City incurs for these services and the cost of providing services to the new residents.

TABLE 4.7-38
PER CAPITA COST OF CITY OF MADERA SERVICES – ALTERNATIVE C

Service	2004-2005 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents under Alternative C	Cost for New Residents (dollars)
City Administration	1,113,982	47,569	23.42	97	2,272
Finance Department	354,018	47,569	7.44	97	722
City Attorney	105,378	47,569	2.22	97	215
Public Works	2,000,000 ^a	47,569	42.04	97	4,078
Law Enforcement Services	5,234,927	47,569	110.05	97	10,675
Fire Protection Services	2,088,297	47,569	43.90	97	4,258
Community Development	567,833	47,569	11.94	97	1,158
Parks and Recreation	1,426,700	47,569	29.99	97	2,909
Grant Oversight	128,349	47,569	2.70	97	262
<i>Total</i>					26,549

NOTES: ^aActually 213 in the 2004-2005 budget. \$2,000,000 is assumed to be a reasonable amount for public works for the purposes of determining a per capita cost given the 2003-2004 City public works general fund expenditures of \$1,933,872.

SOURCE: City of Madera, 2004; Innovation Group, 2005.

Revenues

The MOU negotiated between the County and Tribe applies only to Alternative A. Thus, MOU revenues are not expected under Alternative C unless the County and the Tribe were to renegotiate the existing MOU. Thus, only one source of revenue is expected under Alternative C: indirect tax revenue. Alternative C would negatively affect County revenue received from property taxes on the Madera site after it is taken into trust by the Federal Government.

Taxes. Under Alternative C, the Madera site would go through a process by which it is placed into trust. By placing the land in trust, it would no longer be subject to property taxes. As shown above in **Table 4.7-13**, total property tax losses would be \$12,518.

The increase in County sales and use tax after the implementation of Alternative C was calculated using RIMS II. **Table 4.7-39** details the output in terms of off-site dollars spent in the retail sector and the sales and use tax associated with that spending for both the one-time construction spending and the recurring operations spending. Currently, a 1% sales tax provides revenue to the locality. The rest of the 7.25% in sales tax charged goes to the state.

In addition to taxes resulting from construction and patron spending at the proposed Alternative C developments, new residents would pay property and sales taxes. Even if a new resident decides to rent, a portion of the rent payment is used to pay property taxes. **Tables 4.7-40** and **4.7-41** calculate the per-capita revenue received by the City and County from sales and property taxes.

TABLE 4.7-39
SALES AND USE TAX REVENUE – ALTERNATIVE C

Retail Sector Output for Construction Spending (one-time)	\$2,774,395
Retail Sector Output for Operational Spending (annual)	\$69,840,504
Sales Tax Rate for Madera County	1.0%
Sales Tax on Construction Spending (one-time)	\$27,744
Sales Tax on Operational Spending (annual)	\$698,405

SOURCE: Innovation Group, 2005.

TABLE 4.7-40
MADERA COUNTY NEW RESIDENT REVENUE – ALTERNATIVE C

2002-2003 Madera County Property Tax and Sales and Use Tax Revenues	\$14,225,000
2002 Madera County Population	128,416
Per Capita Madera County Property and Sales and Use Tax Revenue	\$110.77
New Residents	97
Expected Madera County Revenue from New Residents	\$10,745

SOURCE: California Department of Finance, 2005; Innovation Group, 2005.

TABLE 4.7-41
CITY OF MADERA NEW RESIDENT REVENUE – ALTERNATIVE C

2004-2005 City of Madera Property Tax and Sales and Use Tax Revenues	\$5,255,239
2004 City of Madera Population	47,569
Per Capita City of Madera Property and Sales and Use Tax Revenue	\$110.48
New Residents	97
Expected City of Madera Revenue from New Residents	\$10,717

SOURCE: Innovation Group, 2005.

As shown, new residents to the County and City of Madera are expected to generate \$10,745 and \$10,717 in revenue under Alternative C.

Given that Alternative C does not include a hotel component, overnight visitors would need to stay at nearby hotels, although overnight visitors are much less likely for Alternative C when compared with Alternative A, because typically shopping center customers are drawn from the surrounding region only. Thus, a very limited increase in hotel tax revenue is expected.

Costs vs. Revenue

This section provides a comparison of the costs and revenues estimated as a result of Alternative C. **Table 4.7-42** compares one-time costs and revenue for Madera County. As shown, under Alternative C, total costs would exceed total revenues by \$1,947,256 for one-time fire protection capital costs.

Table 4.7-43 compares annual costs (both development-induced and resident-induced) and revenue for Madera County. As shown, under Alternative C, total costs would exceed total revenues by \$430,299.

TABLE 4.7-42
COMPARISON OF ONE-TIME MADERA COUNTY
COSTS AND REVENUES – ALTERNATIVE C

Category	Cost	Revenue
Sales and Use Taxes	\$0	\$27,744
Fire Protection	\$1,975,000	\$0
Roads ¹	NA	NA
<i>Total</i>	<i>\$1,975,000</i>	<i>\$27,744</i>

NOTES: ¹A cost estimate has not been made. However, in order to mitigate traffic impacts to a less than significant level, the Tribe would need to pay its fair share of traffic mitigation as noted in the traffic study for this EIS.

SOURCE: Innovation Group, 2005.

TABLE 4.7-43
COMPARISON OF MADERA COUNTY ANNUAL COSTS AND REVENUES
- ALTERNATIVE C

Category	Cost	Revenue
Property and Sales and Use Taxes	\$12,518	\$709,150
Administrative Services	\$20,853	\$0
Fire Protection	\$483,110	\$0
Law Enforcement	\$511,835	\$0
Judicial Services	\$2,867	\$0
Department of Corrections	\$56,268	\$0
Behavioral Health Services	\$21	\$0
Social Services	\$6,961	\$0
Resources Management Agency	\$4,241	\$0
Educational Services	\$40,775	\$0
<i>Total</i>	<i>\$1,139,449</i>	<i>\$709,150</i>

SOURCE: Innovation Group, 2005.

Table 4.7-44 compares annual costs (both development-induced and resident-induced) and revenue for the City of Madera. As shown, under Alternative C, total costs would exceed total revenues by \$15,832.

TABLE 4.7-44
COMPARISON OF CITY OF MADERA ANNUAL COSTS AND REVENUES
- ALTERNATIVE C

Category	Cost	Revenue
Property and Sales and Use Taxes	\$0	\$10,717
City Administration	\$2,272	\$0
Finance Department	\$722	\$0
City Attorney	\$215	\$0
Public Works	\$4,078	\$0
Law Enforcement Services	\$10,675	\$0
Fire Protection Services	\$4,258	\$0
Community Development	\$1,158	\$0
Parks and Recreation	\$2,909	\$0
Grant Oversight	\$262	\$0
<i>Total</i>	<i>\$26,549</i>	<i>\$10,717</i>

SOURCE: Innovation Group, 2005.

Overall, County costs exceed revenues by \$1,947,256 (one-time) and \$432,299 (annual) under Alternative C. City of Madera costs exceed revenues by \$15,832 (annual). These additional costs would require that the City and County raise taxes or provide a lower quality of services to the Madera site (where applicable) and its residents, resulting in a potentially significant effect.

Mitigation measures have been identified in **Section 5.2.6** that would mitigate this impact to a less than significant level.

Economic Effects to the MID

Fiscal effects to the MID would be the same as Alternative A, given that the same Madera site would be taken into trust under Alternative C (except that the terms of the MID MOU would not apply). As noted under Alternative A, a less than significant effect would result. Nonetheless, mitigation measures are included in **Section 5.2.6** that recommend that the Tribe compensate MID for the loss of assessments after the site is taken into trust.

Increased Pumping Costs for Neighboring Wells

As discussed in **Section 4.3.3**, on-site groundwater pumping would lead to drawdown of the groundwater table, resulting in effects to neighboring wells. These effects could include increased pumping and maintenance costs caused from pumping water from lower depths. As described in detail in **Appendix L**, lower capacity (mostly residential) wells would not be noticeably affected by these increased costs (costs of a few dollars per year would be expected). Costs would be measurable for water wells pumping at higher rates, but the percentage increase of pumping and electrical costs would still be very small. Thus, significant effects to pumping costs for neighboring wells would not occur. Nonetheless, mitigation measures are contained in **Section 5.2.6** that would reduce less than significant effects to pumping costs.

ALTERNATIVE D – NORTH FORK LOCATION

Employment

Alternative D's effects on construction and operation employment would be substantially reduced when compared to those of Alternative A, given that Alternative D would not include a hotel component, would include a much smaller casino, and would be located in a competitively disadvantageous area.

The effects are measured in three ways: direct employment, indirect employment and induced employment. Direct employment includes those employees who are directly employed at the facility either during construction or during operation. Indirect employment includes those employees who provide services and are employed at least in part due to the facility but are not directly employed at the facility. The third category is induced employment. This category includes all the other jobs that are created due to the ripple effect of spending throughout the economy as a whole. As described under Alternative A, the RIMS II model was used to predict the direct, indirect, and induced employment created by this alternative.

As detailed below, Alternative D would result in the creation of numerous employment opportunities within Madera County, which would be a beneficial effect to the region's unemployment rate and the economy as a whole.

Construction

Construction employment and spending is temporary, but it can have substantial impacts on the economy. For Alternative D, construction spending is estimated to be approximately \$41 million. Based on the \$41 million in spending for construction, RIMS II projects that Alternative D would create 351 jobs, including 226 direct and 125 indirect or induced jobs. Although most of these jobs fall within the construction sector, they are spread out over 20 different segments of the economy (Innovation Group, 2005). These jobs would be filled by workers that commute to the area and local residents, some of which may currently be unemployed. This would result in a temporary reduction in the unemployed population and in the unemployment rate, a beneficial impact to the local economy.

Operation

Operational employment includes those jobs that are generated from the operation of Alternative D. These impacts would last as long as the casino is in operation. Direct employment includes all positions at the casino. It is anticipated that the Alternative D project facilities would employ 139 full-time employees and 23 part-time employees or 153 FTEs.

Indirect employment includes those jobs that provide support services to but are not directly paid by the casino. Induced employment calculates the impacts of these direct and indirect jobs on the rest of the economy as spending by direct and indirect employees ripples through the economy. RIMS II projects that Alternative D would create 167 jobs in Madera County (**Table 4.7-45**). Of those, 14 are indirect and induced jobs. Most of the direct jobs fall within the arts, entertainment and recreation, and accommodation and food services sectors. Indirect and induced jobs are spread out over 20 different segments of the economy (Innovation Group, 2005).

As stated in **Section 3.7.1**, unemployment in Madera County is somewhat high, with an average unemployed population of approximately 5,600, resulting in an unemployment rate of approximately nine percent in 2004. Most of the 167 jobs created by Alternative D are expected to be filled by County residents (approximately 73.5 percent – see **Appendix R**) and most of the Madera County residents filling the jobs are expected to be currently unemployed given the availability of unemployed workers in the local labor market (90 percent of jobs would be filled by those currently unemployed – see **Appendix R**), resulting in a reduction in the unemployed population of 111 and reducing the unemployment rate slightly to approximately 8.7 percent. This would be a beneficial impact to the local economy.

Population

Given that Alternative D is projected to increase employment in Madera County by 351 temporary positions and 167 permanent positions, it is necessary to estimate how that increase in employed persons would affect the population as a whole. An increase in population is not itself an environmental impact. However, an increase in population could lead to impacts such as 1) creating demand for governmental services, which is discussed in more detail below, and 2) creating growth in housing or other facilities to serve the increase in population, which is discussed in more detail in **Section 4.12**.

Construction

The temporary construction jobs would not result in an increase in local population. It is typical for construction workers to travel for employment opportunities during the week and then return home on the weekends. Thus, it is expected that those jobs that can be filled locally would be and those that cannot would be filled by individuals who would travel for the work as opposed to relocating. Therefore, the population would not show any change from the temporary influx of construction jobs.

TABLE 4.7-45
OPERATION IMPACT ON EMPLOYMENT – ALTERNATIVE D

Employment Sector	Jobs Created
Agriculture, Forestry, Fishing and Hunting	0.29
Mining	0.02
Utilities	0.07
Construction	0.79
Manufacturing	1.78
Wholesale Trade	0.90
Retail Trade	5.18
Transportation and Warehousing	1.11
Information	0.83
Finance and Insurance	0.62
Real Estate, Rental, and Leasing	1.43
Professional, Scientific, and Technical Services	0.84
Management of Companies and Enterprises	1.43
Administrative and Waste Management Services	1.37
Educational Services	0.29
Health Care and Social Assistance	3.59
Arts, Entertainment, and Recreation	108.74
Accommodation and Food Services	32.58
Other Services	4.56
Households	0.67
<i>Total (rounded to nearest single job)</i>	<i>167</i>

SOURCE: Innovation Group, 2005.

Operation

The 167 direct, indirect, and induced permanent jobs created by Alternative A would result in increases in the local population because some of these jobs would be filled by individuals who

move into Madera County for employment. In order to project what percentage of people will move into the County, it must be determined what percentage of individuals working at the casino would live in Madera County. As noted above under Alternative A, approximately 65 percent of Chukchansi's employees are Madera County residents. General commuting patterns indicate that 73.5 percent of Madera County jobs are filled by Madera County residents. Given the small size of the Alternative D casino and the high level of unemployment in the County, it is assumed that a greater percentage of direct, indirect, and induced employees (73.5 percent) would come from Madera County for Alternative D, when compared to Alternative A.

Of the 73.5 percent or 123 of employees that would live in Madera County, it is projected that very few would move in from other areas given the large number of unemployed persons in the County compared to the number of jobs available. Of course, some employees would undoubtedly move in from other areas. For this reason, it is conservatively projected that 10 percent of the employees that live in Madera County would move in from other areas. Using this 10 percent figure, it is expected that 12 direct, indirect, and induced employees would move into the County under Alternative D (**Table 4.7-46**).

If 12 new employees move into Madera County, these would not be the only new residents in the County who moved in because of the casino. These employees would in some cases bring families. Using the same employee per household ration used for Alternative A, a total of 32 new County residents would be expected under Alternative D, increasing the population from 141,007 to 141,039 (**Table 4.7-46**).

TABLE 4.7-46
NEW RESIDENTS IN MADERA COUNTY – ALTERNATIVE D

Direct, indirect, and induced jobs filled by Madera County residents	123
New employees moving to Madera County ¹	12
Number of employees per household	1.2
Number of new households ²	10
Number of persons per household	3.18
<i>Total New Residents</i> ³	32

NOTES: ¹10% of jobs filled by Madera County residents

²New employees moving to Madera County divided by number of employees per household

³Number of new households multiplied by number of persons per household

SOURCE: Innovation Group, 2005.

For Alternative D, it is projected that 38 percent of development-induced residents would move into the City of Madera, and the other 62 percent would live elsewhere in the County. As noted above, 32 new County residents are expected under Alternative D, with 12 expected to settle in the City of Madera. Note that the Socioeconomic Assessment (**Appendix R**) assumes that at most 1 of the 32 new residents would live in the City of Chowchilla. However, given that this 1

resident is not expected to result in measurable socioeconomic effects to the City of Chowchilla they have been added to the unincorporated County totals for a conservative analysis for unincorporated County, where measurable socioeconomic effects are expected.

Social Effects

Crime

As noted under Alternative A, no definitive link between casinos and regional crime rates was found. Therefore, although an increase in calls for service is expected, an increase in regional crime rates is not expected to result from Alternative D. Thus, Alternative D's impact to crime would be less than significant.

Problem Gambling

Although the Alternative D casino would be reduced in size when compared to Alternative A, the effects to problem gambling are conservatively not assumed to differ. However, under Alternative D, the County MOU would not apply and annual funds would not be provided for problem gambling services. Thus, a potentially significant effect would result. Mitigation measures in **Section 5.2.6** would mitigate this effect to a less than significant level.

Effects to Surrounding Property Values

As with Alternative A, high-value residential properties are not present in the immediate vicinity of the North Fork site and nuisance effects would be minimized because of the heavy tree cover and varied terrain within and surrounding the North Fork site. Thus, as analyzed above under Alternative A, land values in the region and in the vicinity of the North Fork site would not be significantly affected by Alternative D.

Economic Effects to Local Government

This section provides information on how Alternative D would increase demand for governmental services in the County and the associated cost to expand these services, so a reduction of the quality of service is not bore by the community. There are two main ways that the project would impact government services. The first is through the demand for services that the casino itself would create. The second is through the demand created by the new residents who would move to Madera County to work in the casino. Governmental services could also be impacted by new visitors drawn to the County by Alternative D.

Casino Demand and Costs

The following section describes the demand for services and resulting economic cost created by the casino itself. These services include fire, law enforcement, medical services and judicial services as well as road improvements and the need for more social services and mental health professionals. The demands are much smaller than for Alternative A, given the reduced size and

scope of the Alternative D casino. Because the North Fork Site is located within unincorporated Madera County and not near any incorporated cities, all development-induced demands would be borne by the County.

Fire Protection

The demand for fire protection services would include typical structure fire risks (which are similar to those of Alternative A) and risks associated with forest fires. The latest nearby forest fire was in July 2005. Although the annual probability and the cost of such wildfires are difficult to estimate because of the human and weather factors related to fires, the expected cost is certainly greater than zero. Given the remote location of Alternative D, the expected cost would be greater than for the other alternatives, which are located in a semi-developed/agricultural area of Madera County with better access to fire prevention and fighting capabilities. The existence of a casino in the Alternative D location would make firefighting there more complicated and costly while increased human activity in the area would raise the probability of fire.

According to Division Chief Paul Helm, the Chukchansi fire station might be able to provide service to the Alternative D casino without exceeding the 4-minute level of service standard. Given the uncertainty of the situation, the likelihood that the one station would not adequately serve both casinos, and the added risk of forest fires, it is assumed that a new fire station and truck would be necessary to serve the Alternative D developments. Unlike with Alternative A, the new fire engine would not need to be an aerial apparatus as there is no high-rise component in this alternative. A regular fire engine is half the cost of an aerial apparatus at \$375,000. The fire station is expected to cost \$1,200,000.

Because the fire engine would not be an aerial apparatus, the staffing needs of the station would decrease relative to Alternative A. The County has a goal of filling two firefighter positions per station, which requires that six persons be hired. The station would also recruit 12 volunteers to assist with fires. Expected fire personnel costs for Alternative D are displayed in **Table 4.7-47**.

TABLE 4.7-47
FIRE PERSONNEL COSTS – ALTERNATIVE D

	Cost Per Unit (dollars)	Total (dollars)
Fire Engineers Salary and Benefits (3)	71,366	214,098
Fire Captains Salary and Benefits (3)	81,408	244,224
Volunteer Memberships (12)	54	648
Sets of Equipment (18)	1,200	21,600
<i>Total</i>		<i>480,570</i>

SOURCE: Innovation Group, 2005.

Law Enforcement

An increased demand on local law enforcement services would result after implementation of Alternative D, given the increased public presence on the project site and increased traffic on area roadways. Assuming that the rate of calls is proportional to the size of the facility, the Alternative D casino would make fewer calls for sheriff assistance than the Chukchansi Casino or the Alternative A casino/hotel resort. Fewer calls require fewer officers to respond to those calls. It is therefore assumed that the Sheriff's office will need to increase its deputies by a half-time position (**Appendix R**). A position requires five sheriff deputies to fill. **Table 4.7-48** details the cost of adding these individuals to the force.

TABLE 4.7-48
LAW ENFORCEMENT PERSONNEL COSTS – ALTERNATIVE D

	Cost Per Unit (dollars)	Total (dollars)
Deputy Sheriff Salary and Benefits (3)	50,000	150,000
Sheriff's Sergeant Salary and Benefits (0.5)	60,000	30,000
Equipment	10,000	40,000
Retirement	15,844	61,111
Health Insurance	5,118	17,913
Workers' Compensation Insurance	6,951	24,329
Uniform Allowance	900	3,150
<i>Total</i>		<i>326,503</i>

SOURCE: Innovation Group, 2005.

Emergency Medical Services

As noted under Alternative A, the cost for emergency medical services is borne by the individual (typically their insurance company) who calls for service and the cost of calls from law enforcement is included in the Sheriff's budget rather than separately here.

Judicial Services

The level of criminal activity would be lower at the smaller Alternative D facility than at the larger one in Alternative A, so that even less work is projected to be generated for the judicial system. As such, there would be no measurable impact to judicial services under Alternative D.

Department of Corrections

Increased criminal activity resulting from Alternative D would place an added burden on the MCDC. A description of County correctional facilities can be found under Alternative A.

Assuming the number of arrests per year is proportional to the size of the facility, the North Fork facility would have 3.5 arrests per year, given the 24 arrests per year experienced at the Chukchansi facility. To be conservative, it is assumed that the Alternative D facility experiences half the number of arrests as the Chukchansi Casino. The cost to house one inmate for one night

is \$53. This figure includes food, clothing, staff salaries, building, utilities, etc. The average stay is 24 nights. Assuming 12 arrests per year, the total cost per year to house these inmates would be \$15,264.

With 12 additional prisoners staying an average of 24 nights, the prison would have 288 additional cell nights filled. This is the equivalent of having an additional one prisoner in prison for approximately ten months. The additional burden of housing one prisoner a year (or less) would not warrant a capital investment by the County because it would not raise the total prisoner population above or near the 395 level noted above under Alternative A (**Appendix R**).

Behavioral Health Services

As the number of problem gamblers in the County is assumed to be the same as Alternative A, the number of new licensed counselors remains the same as for Alternative A. **Table 4.7-49** details the cost of a half-time licensed counselor.

TABLE 4.7-49
BEHAVIORAL HEALTH SERVICES PERSONNEL COSTS – ALTERNATIVE D

	Cost Per Unit (dollars)	Total (dollars)
Licensed Clinician Salary and Benefits (0.5)	54,220	27,110
Retirement	8,311	4,155
Health Insurance	5,324	2,662
Workers' Compensation Insurance	168	84
Equipment	5,000	5,000
<i>Total</i>		<i>39,011</i>

SOURCE: Innovation Group, 2005.

Resource Management Agency

The Resource Management Agency is a unified agency that brings together several different County departments: Roads, Planning, Environmental Health, Sanitation, Engineering, Building Inspection and Fire Marshall.

New Resident Demand and Costs

This section describes the demand for increased governmental services that would be created by new residents in the County (20) and City (12) resulting from Alternative D. These services include a broader range of services than those discussed previously and include everything from animal control to welfare support. For those services that are uniquely offered by the County, we have assumed the entire County population will bear their cost.

Madera County. Costs to the County from the introduction of new residents, based on the present County budget and services provided, include costs to administrative services, fire protection services, law enforcement services, judicial services, prison services, behavioral health services, social services, educational services, and resource management services. **Table 4.7-50**

details the amount of spending per capita the County incurs for these services and the cost of providing services to the new residents.

Administrative services include the cost of running the County's government as well as those costs not covered in any other section below. It includes the costs of the following departments: the County Board of Supervisors, library, animal control, human resources, information technology, insurance, tax collection, elections, contingency fund and other costs. With each additional resident of the County, these costs increase.

Due to the influx of new people to the County under Alternative D, the demand for social services would increase. Madera County provides numerous social services to its underprivileged citizens as described under Alternative A. Currently, there are 0.6 social workers for every 1,000 residents of the County. The projected number of new residents under Alternative D is so low that it would have a miniscule effect on this ratio and an additional full or part-time social worker would not be required.

TABLE 4.7-50
PER CAPITA COST OF COUNTY SERVICES – ALTERNATIVE D

Service	2004 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents/ Students under Alternative D	Cost (dollars)
Administrative Services	14,424,302	134,194	107.49	32	3,440
Fire Protection Services	3,514,327	134,194	26.19	20	524
Law Enforcement Services	7,531,330	134,194	56.12	20	1,122
Judicial Services	3,967,291	134,194	29.56	20	591
Department of Corrections ^a	14,510,159	134,194	108.00	20	2,160
Behavioral Health Services	14,101	134,194	0.11	32	4
Social Services	4,815,277	134,194	35.88	32	1,148
Resource Management Agency	2,993,317	134,194	21.86	32	700
Educational Services	27,668,234	27,821 ^b	994.51	7	6,962
<i>Total</i>					<i>16,651</i>

NOTES: ^aIncludes both the adult and juvenile correctional facilities operated by the County.

^bCounty student population for 2004-2005 school year.

SOURCE: California Department of Education, 2005; Innovation Group, 2005.

Some of the school districts in Madera County cross County and City lines. Thus, impacts to educational services are discussed Countywide, including the Cities of Madera and Chowchilla and all of the school districts within the County. County school districts are expected to experience an increase in the number of students due to the general population's increase under Alternative D. 20.9 percent of the Madera County population is estimated to be school-age children. Thus, if 32 people are added to the population under Alternative D, it is estimated that 20.9 percent, or 7 people would be school-age children. As mentioned in **Section 3.9.6**, the North

Fork site is located within the Chawanakee Unified School District, which currently has substantially lower student-to-teacher ratios than Madera County as a whole. Most of the seven school-age children would be housed by the Chawanakee Unified School District, which is expected to accommodate these few additional students without the need for any physical expansion of facilities. However, costs would increase, as detailed in **Table 4.7-50**.

City of Madera. Costs to the City of Madera from the introduction of new residents, based on the present City budget and services provided, include costs to City administration, the finance department, the City attorney, public works, law enforcement services, fire protection services, community development, parks and recreation, and grant oversight. **Table 4.7-51** details the amount of spending per capita the City incurs for these services and the cost of providing services to the new residents.

TABLE 4.7-51
PER CAPITA COST OF CITY OF MADERA SERVICES – ALTERNATIVE D

Service	2004-2005 Budget (dollars)	2004 Population	Per Capita Spending (dollars)	Number of New Residents under Alternative D	Cost for New Residents (dollars)
City Administration	1,113,982	47,569	23.42	12	281
Finance Department	354,018	47,569	7.44	12	89
City Attorney	105,378	47,569	2.22	12	27
Public Works	2,000,000 ^a	47,569	42.04	12	505
Law Enforcement Services	5,234,927	47,569	110.05	12	1,321
Fire Protection Services	2,088,297	47,569	43.90	12	527
Community Development	567,833	47,569	11.94	12	143
Parks and Recreation	1,426,700	47,569	29.99	12	360
Grant Oversight	128,349	47,569	2.70	12	32
<i>Total</i>					3,285

NOTES: ^aActually 213 in the 2004-2005 budget. \$2,000,000 is assumed to be a reasonable amount for public works for the purposes of determining a per capita cost given the 2003-2004 City public works general fund expenditures of \$1,933,872.

SOURCE: City of Madera, 2004; Innovation Group, 2005.

Revenues

The MOU negotiated between the County and the Tribe applies only to Alternative A. Thus, MOU revenues are not expected under Alternative D unless the County and the Tribe were to renegotiate the existing MOU. Thus, only one source of revenue is expected under Alternative D: indirect tax revenue. Unlike the Madera site, the North Fork site is already held in trust by the Federal Government. Therefore, property taxes currently do not apply to this site and would not apply after the implementation of Alternative D. Thus, unlike Alternative A, Alternative D would not negatively affect County revenue received from property taxes.

Taxes. The increase in County sales and use tax after the implementation of Alternative D was calculated using RIMS II. **Table 4.7-52** details the output in terms of off-site dollars spent in the retail sector and the sales and use tax associated with that spending for both the one-time construction spending and the recurring operations spending. Currently, a 1% sales tax provides revenue to the locality. The rest of the 7.25% in sales tax charged goes to the State.

In addition to taxes resulting from construction and patron spending at the proposed Alternative D developments, new residents would pay property and sales taxes. Even if a new resident decides to rent, a portion of the rent payment is used to pay property taxes. **Tables 4.7-53** and **4.7-54** calculate the per capita revenue received by the City and County from sales and property taxes. As shown, new residents to the County and City of Madera are expected to generate \$2,215 and \$1,326 in revenue under Alternative D.

TABLE 4.7-52
SALES AND USE TAX REVENUE – ALTERNATIVE D

Retail Sector Output for Construction Spending (one-time)	\$3,593,494
Retail Sector Output for Operational Spending (annual)	\$452,822
Sales Tax Rate for Madera County	1.0%
Sales Tax on Construction Spending (one-time)	\$35,935
Sales Tax on Operational Spending (annual)	\$4,528

SOURCE: Innovation Group, 2005.

TABLE 4.7-53
MADERA COUNTY NEW RESIDENT REVENUE – ALTERNATIVE D

2002-2003 Madera County Property Tax and Sales and Use Tax Revenues	\$14,225,000
2002 Madera County Population	128,416
Per Capita Madera County Property and Sales and Use Tax Revenue	\$110.77
New Residents	20
Expected Madera County Revenue from New Residents	\$2,215

SOURCE: California Department of Finance, 2005; Innovation Group, 2005.

TABLE 4.7-54
CITY OF MADERA NEW RESIDENT REVENUE – ALTERNATIVE D

2004-2005 City of Madera Property Tax and Sales and Use Tax Revenues	\$5,255,239
2004 City of Madera Population	47,569
Per Capita City of Madera Property and Sales and Use Tax Revenue	\$110.48
New Residents	12
Expected City of Madera Revenue from New Residents	\$1,326

SOURCE: Innovation Group, 2005.

Given that Alternative D does not include a hotel component, overnight visitors would need to stay at nearby hotels. Although overnight visitors are less likely for Alternative D when

compared with Alternative A because the Alternative D casino would have fewer amenities and be less attractive for visitors desiring to stay overnight, some number of overnight visitors is expected. It is difficult to predict the number of overnight visitors expected, however. Thus, for a conservative analysis of fiscal impacts, no increase in hotel tax revenue is calculated.

Costs vs. Revenue

This section provides a comparison of the costs and revenues estimated as a result of Alternative D. **Table 4.7-55** compares one-time costs and revenue for Madera County. As shown, under Alternative D, total costs would exceed total revenues by \$1,539,065 for one-time fire protection costs.

TABLE 4.7-55
COMPARISON OF ONE-TIME MADERA COUNTY
COSTS AND REVENUES – ALTERNATIVE D

Category	Cost	Revenue
Sales and Use Taxes	\$0	\$35,935
Fire Protection	\$1,575,000	\$0
Roads ¹	NA	NA
<i>Total</i>	<i>\$1,575,000</i>	<i>\$35,935</i>

NOTES: ¹A cost estimate has not been made. However, in order to mitigate traffic impacts to a less than significant level, the Tribe would need to pay its fair share of traffic mitigation as noted in the traffic study for this EIS.

SOURCE: Innovation Group, 2005.

Table 4.7-56 compares annual costs (both development-induced and resident-induced) and

TABLE 4.7-56
COMPARISON OF MADERA COUNTY ANNUAL COSTS AND REVENUES
- ALTERNATIVE D

Category	Cost	Revenue
Property and Sales and Use Taxes	\$0	\$6,743
Administrative Services	\$3,440	\$0
Fire Protection	\$481,094	\$0
Law Enforcement	\$327,625	\$0
Judicial Services	\$591	\$0
Department of Corrections	\$17,424	\$0
Behavioral Health Services	\$39,015	\$0
Social Services	\$1,148	\$0
Resources Management Agency	\$700	\$0
Educational Services	\$6,962	\$0
<i>Total</i>	<i>\$877,999</i>	<i>\$6,743</i>

SOURCE: Innovation Group, 2005.

revenue for Madera County. As shown, under Alternative D, total costs would exceed total revenues by \$871,256.

Table 4.7-57 compares annual costs (both development-induced and resident-induced) and revenue for the City of Madera. As shown, under Alternative D, total costs would exceed total revenues by \$1,959.

Overall, County costs exceed revenues by \$1,539,065 (one-time) and \$871,256 (annual) under Alternative D. City of Madera costs exceed revenues by \$1,959 (annual). These additional costs would require either that the City and County raise taxes or provide a lower quality of services to the casino (where applicable) and its residents, resulting in a potentially significant effect. Mitigation measures have been identified in **Section 5.2.6** that would mitigate this impact to a less than significant level.

TABLE 4.7-57
COMPARISON OF CITY OF MADERA ANNUAL COSTS AND REVENUES
- ALTERNATIVE D

Category	Cost	Revenue
Property and Sales and Use Taxes	\$0	\$1,326
City Administration	\$281	\$0
Finance Department	\$89	\$0
City Attorney	\$27	\$0
Public Works	\$505	\$0
Law Enforcement Services	\$1,321	\$0
Fire Protection Services	\$527	\$0
Community Development	\$143	\$0
Parks and Recreation	\$360	\$0
Grant Oversight	\$32	\$0
<i>Total</i>	<i>\$3,285</i>	<i>\$1,326</i>

SOURCE: Innovation Group, 2005.

Economic Effects to the MID

The North Fork site is not located within the service area of the MID. Thus, Alternative D would have no effect on the MID.

Increased Pumping Costs for Neighboring Wells

As discussed in **Section 4.3.4**, on-site groundwater pumping would lead to drawdown of the groundwater table, resulting in effects to neighboring wells. These effects could include increased pumping and maintenance costs caused from pumping water from lower depths. Unlike Alternatives A-C, the groundwater characteristics are not well known underneath the North Fork site. Thus, the extent of impacts to pumping costs for neighboring wells, although not

expected to be substantial given the relatively low pumping rates proposed under Alternative D, is unknown. Thus, potentially significant effects to pumping costs for neighboring wells would occur. Mitigation measures are contained in **Section 5.2.6** that would reduce these effects to a less than significant level.

ALTERNATIVE E – NO ACTION

Under the No-Action Alternative both the Madera site and North Fork site would remain as currently developed with rural residential (North Fork site) and rural residential / agricultural (Madera site) land uses. No potential socioeconomic effects resulting from development would occur, including beneficial effects to employment and the economy and negative effects to local services.

4.7.2 ENVIRONMENTAL JUSTICE

In accordance with Executive Order 12898, this section identifies communities where minority and low-income populations reside, as defined in **Section 3.7.4**, and analyzes project impacts related to these communities. Compliance with this Executive Order has been incorporated into the NEPA compliance requirements of the BIA. A significant environmental justice effect would result if an alternative results in a disproportionately high, adverse effect to minority and low-income populations and if such an effect occurs with greater frequency for these populations than for the general population as a whole.

ALTERNATIVE A – PROPOSED PROJECT

No low-income communities were identified (**Section 3.7.4**) in the vicinity of the Madera site. The census tract containing the Madera site and adjacent tracts contained minority communities, however. Tribal-operated casinos are present in the area as well. Thus, potential environmental justice impacts for Alternative A include any disproportionately high and adverse effects to local minority populations in the vicinity of the Madera site and competition-related effects to area tribal casinos.

Effects to Minority Communities

This EIS analyzes the potential environmental effects that would occur in the surrounding communities and the region. As noted in **Sections 4.0** and **5.0** of this EIS, no significant environmental effects have been identified in the vicinity of the Madera site, after the implementation of mitigation measures. The only effect identified that could not be mitigated to a less than significant level is the regional effect to air pollution (see **Sections 4.4** and **5.2.3**). This regional effect is the result of additional mobile source emissions and would not result in a disproportionately high and adverse effect to minority communities, but would be dispersed throughout the air basin. No negative impacts specific to identified minority communities, other

than tribal casino competition (see below), were identified. Therefore, a less than significant environmental justice effect would occur to local minority communities.

Note that Alternative A would have a beneficial impact to the Tribe. It would provide employment opportunities for Tribal members and would provide a sustained revenue stream to fund Tribal governmental programs.

Competition

Alternative A contains a casino component that would compete with nearby existing and proposed tribal casinos. The Innovation Group (2005) conducted a gravity model impact analysis in an attempt to estimate impacts to nearby facilities. Gravity models are commonly used for commercial developments, public facilities, and residential developments. The gravity model estimates where a population will shop or gamble based on travel distance and the size and quality of competing facilities. The gravity model is based on the concept that the attractiveness (or “gravitational pull”) of a facility is related to its size, quality, and distance from a given population.

Under Alternative A, the proposed project would compete most directly with the Chukchansi, Table Mountain and the proposed Big Sandy facilities (see **Section 3.7.4** for a description and locations). The introduction of the Alternative A casino would expand the local market, increasing total gaming expenditures at venues in the immediate market area by over \$90 million. Nonetheless, given the competitiveness of the market, some decline in market share at competing facilities is expected. While actual revenues for the properties is proprietary to the respective tribes, the Innovation Group projects a market share decline of approximately 20 percent at Chukchansi as a result of the operation of the proposed project, and a market share decline of approximately 17 percent is projected at both the Table Mountain and Big Sandy facilities. The Palace and Tuolumne Black Oak would also be impacted, though the market share declines at both of those facilities would be much lower at approximately six percent.

It should be noted that even in the scenario where market share declines by 20%, the impact on the viability of operations is not one that jeopardizes the casino’s ability to remain open. First, market share may decline at competing casinos by the above percentages, or they may also decline at lower percentages, depending on a number of factors, including the ability of individual casinos to add features and effectively market their facilities. Second, a decline of this rate is typical in a market with limited existing casinos. Finally, the current central California gaming market is not over-saturated and therefore multiple operators can successfully co-exist in the long run. Thus, while continued expansion in the number of casinos in the central California market potentially brings additional challenges for existing casinos to effectively market their facilities, it also brings a potential opportunity for the region to build on its increased draw as an overall tourist attraction, which can generate additional revenue potential for the existing gaming

operations. Market share reductions are typical when a new casino is introduced into an existing market; however the effect on profitability ultimately depends on many factors, including market share, the saturation level of the market, the various marketing efforts of the individual casinos, the collaborative efforts of competing casinos to expand the local market, and the efforts of individual casinos to add features or redesign facilities. Thus, even in the worst case, should market share at competing facilities decline by the above percentages, all of the facilities are expected to remain open and to continue to generate sustainable profits for their tribal owners. Therefore, disproportionately high and adverse effects to competing tribes would not occur and a less than significant environmental justice effect would result.

ALTERNATIVE B – REDUCED INTENSITY

No low-income communities were identified (**Section 3.7.4**) in the vicinity of the Madera site. The census tract containing the Madera site and adjacent tracts contained minority communities, however. Tribal-operated casinos are present in the area as well. Thus, potential environmental justice impacts for Alternative B include any disproportionately high and adverse effects to local minority populations in the vicinity of the Madera site and competition-related effects to area tribal casinos.

Effects to Minority Communities

Under Alternative B, potential environmental effects would be lessened when compared to Alternative A. The only effect identified that could not be mitigated to a less than significant level is the regional effect to air pollution (see **Sections 4.4** and **5.2.3**). This regional effect is the result of additional mobile source emissions and would not result in a disproportionately high and adverse effect to minority communities, but would be dispersed throughout the air basin. Thus, all localized environmental effects would be less than significant after mitigation and no impacts specific to identified minority communities, other than tribal casino competition (see below), were identified. Therefore, a less than significant environmental justice effect would occur to local minority communities.

As with Alternative A, Alternative B would have a beneficial impact to the Tribe. It would provide employment opportunities for Tribal members and would provide a sustained revenue stream to fund Tribal governmental programs. However, employment and revenues would be reduced when compared to Alternative A, due to the reduced intensity of development proposed under Alternative B.

Competition

Like Alternative A, Alternative B contains a casino component that could potentially compete with nearby existing and proposed tribal casinos. Alternative B would expand the regional gaming market by approximately \$55 million. As with Alternative A, the Alternative B casino

would compete most directly with the Chukchansi, Table Mountain and the proposed Big Sandy facilities. While actual revenues for the properties is proprietary to the respective tribes, the Innovation Group projects a market share decline of approximately 18.6 percent at Chukchansi as a result of the operation of the project, and a market share decline of approximately 15 – 16 percent is projected at both the Table Mountain and Big Sandy facilities. The Palace and Tuolumne Black Oak would also be impacted, though the market share declines at both of those facilities would be much lower at approximately five to six percent.

As noted above under Alternative A, even in the scenario where market share declines by 20%, the impact on the viability of operations is not one that jeopardizes its ability to remain open. Thus, even in the worst case, should market share decline at competing facilities by the above percentages, all of the facilities are expected to remain open and to continue to generate sustainable profits for their tribal owners. Therefore, disproportionately high and adverse effects to competing tribes would not occur and a less than significant environmental justice effect would result.

ALTERNATIVE C – NON-GAMING USE

No low-income communities were identified (**Section 3.7.4**) in the vicinity of the Madera site. The census tract containing the Madera site and adjacent tracts contained minority communities, however. Tribal-operated casinos are present in the area as well, however Alternative C does not include a casino component and would therefore not have any competition-related impacts. Thus, potential environmental justice impacts for Alternative B include any disproportionately high and adverse effects to local minority populations in the vicinity of the Madera site.

Effects to Minority Communities

Under Alternative C, potential environmental effects would be lessened when compared to Alternative A. The only effect identified that could not be mitigated to a less than significant level is the regional effect to air pollution (see **Sections 4.4** and **5.2.3**). This regional effect is the result of additional mobile source emissions and would not result in a disproportionately high and adverse effect to minority communities, but would be dispersed throughout the air basin. Thus, all localized environmental effects would be less than significant after mitigation and no impacts specific to identified minority communities were identified. Additionally, no competition would exist. Therefore, a less than significant environmental justice effect would occur to local minority communities.

As with Alternative A, Alternative C would have a beneficial impact to the Tribe. It would provide employment opportunities for Tribal members and would provide a sustained revenue stream to fund Tribal governmental programs. However, employment and revenues would be substantially reduced when compared to Alternative A, due to changed use proposed under Alternative C.

ALTERNATIVE D – NORTH FORK LOCATION

No low-income or minority communities were identified (**Section 3.7.4**) in the vicinity of the North Fork site. Tribal-operated casinos are present in the area, however. Thus, potential environmental justice impacts for Alternative D include competition-related effects to area tribal casinos.

Effects to Minority Communities

No minority communities are present in the vicinity of the North Fork site. Therefore, a less than significant environmental justice effect would occur.

Note that, if the proposed Alternative D casino development could be financed and operated at a profit, Alternative D would have a beneficial impact to the Tribe. However, as noted in **Section 2.7** and **Appendix R** (see Appendix 1 to the Socioeconomic Assessment), due the rural location of the North Fork site and high construction costs associated with development on the North Fork site, it would be very difficult to obtain financing for, and profitably operate the Alternative D casino. If the Alternative D casino cannot be financed or operated at a profit, Tribal employment and revenue needs would not be met. Even if the Alternative D casino can be operated at a profit, employment and revenue benefits to the Tribe would be substantially reduced when compared to Alternative A.

Competition

Like Alternative A, Alternative D contains a casino component that would compete with nearby existing and proposed tribal casinos. Unlike Alternatives A and B, the small Alternative D casino would have a negligible effect on market growth. As with Alternative A, the Alternative D casino would compete most directly with the Chukchansi, Table Mountain and the proposed Big Sandy facilities. While actual revenues for the properties is proprietary to the respective tribes, the Innovation Group projects a market share decline of approximately two percent at Chukchansi as a result of the operation of the project, and a market share decline of approximately one to two percent is projected at both the Table Mountain and Big Sandy facilities. The Palace and Tuolumne Black Oak would also be impacted, though the market share declines at both of those facilities would be much lower, at less than one percent.

As noted above under Alternative A, even in the scenario where market share declines by 20%, the impact on the viability of operations is not one that jeopardizes its ability to remain open. Thus, even in the worst case, should market share decline at competing facilities by the above percentages, all of the facilities are expected to remain open and to continue to generate sustainable profits for their tribal owners. Therefore, disproportionately high and adverse effects

to competing tribes would not occur and a less than significant environmental justice effect would result.

ALTERNATIVE E – NO ACTION

Under the No Action Alternative, no development is proposed. Thus, no disproportionate effects to low-income or minority populations would occur.