

Appendix L

Socioeconomics

Office of Environmental Analysis (OEA) analyzed how construction and operation of the proposed line (both the Southern and Northern Rail Alternatives) and the associated CMV Facility could affect socioeconomics — *i.e.*, employment, demographics, housing, and public services. This appendix describes the affected environment and potential environmental consequences on socioeconomics that could result from the Southern and Northern Rail Alternatives, the associated CMV Facility, and the No-Action Alternative.

L.1 Approach

This section describes the approach OEA used to analyze effects on socioeconomic conditions. Consistent with past practice, when OEA determines that economic or social and natural or physical environmental effects are interrelated, OEA addresses these effects in the Environmental Impact Statement (EIS).

This section characterizes existing socioeconomic conditions and analyzes qualitatively the potential effects of the build alternatives and the associated CMV Facility on those conditions. OEA used a qualitative instead of a quantitative approach because employment and other socioeconomic effects generated by construction and operation would be insufficient to affect the natural and physical environment. OEA considered the following factors in its analysis:

- Demographics (race and ethnicity, income level, and languages spoken);
- Housing;
- Economic activity (jobs, industries, and growth projections); and
- Public services (law enforcement, fire and emergency services, and schools).

The western section of the proposed line under both the Southern Rail Alternative and Northern Rail Alternative (west of U.S. 277) runs along the northern boundary of Eagle Pass (Seco Creek). The eastern section of the line under both alternatives and the associated CMV Facility is located just north of Eagle Pass, in Maverick County's unincorporated community of Seco Mines, as depicted in *Chapter 2, Figure 2-2*, of the Draft EIS.

Therefore, the study area for the socioeconomics analysis is Maverick County, concentrating on the city of Eagle Pass, which is the county seat and has the bulk of the county's population, housing, and public services.

Data sources that OEA used include:

- The U.S. Census Bureau (USCB/Census);
- The U.S. Department of Commerce Bureau of Economic Analysis (BEA);
- The U.S. Bureau of Labor Statistics (BLS);
- Texas Demographic Center, or TDC (the state's lead data center for Census information distribution and analysis);

- Texas Department of Transportation (TxDOT); and
- Publicly available government documents from Maverick County and the City of Eagle Pass.

L.2 Affected Environment

L.2.1 Demographics and Housing

L.2.1.1 Maverick County

Maverick County covers 1,280 square miles in the southwest of Texas. The United States/Mexico border forms the western boundary of the county. The most recent U.S. Decennial Census (2020) recorded a countywide population of 57,887, and approximately 20,000 housing units, 10 percent of which were vacant (USCB 2020a; USCB 2020b). Median household income was \$41,385 per year and about a quarter (26 percent) of county residents were under the federal poverty line (USCB 2020c).

Table L-1 shows the ethnicity, race, and language status of Maverick County based on census data. Most county residents (95 percent) identified as Hispanic or Latino; almost 89 percent reported speaking Spanish at home.

Between 2010 and 2020, the population of Maverick County grew by about 7 percent. The TDC predicts that the county's population will keep growing at a steady rate, with a total increase of 5.5 to 8 percent projected for the 2020 to 2030 period (TDC 2022).

L.2.1.2 Eagle Pass

Just under half of Maverick County's residents live in the city of Eagle Pass. The 2020 U.S. Decennial Census recorded a citywide population of 28,130, with approximately 10,280 housing units and a housing vacancy rate of 10 percent (USCB 2020b). Median household income was \$46,005 per year and a quarter (25 percent) of Eagle Pass's residents were under the federal poverty line.

Table L-1 shows the ethnicity, race, and language status of Eagle Pass's residents based on the 2020 U.S. Decennial Census data. Similar to Maverick County, 95 percent of the city's residents identified as Hispanic or Latino, and almost 89 percent reported speaking Spanish at home.

The Draft Eagle Pass Opportunity 2040 Comprehensive Plan (never adopted) predicted that the combined population of the city and surrounding colonias¹ would grow by about 19 percent from 2020 to 2030 (City of Eagle Pass 2018; Texas Department of Housing and Community Affairs n.d.).

L.2.2 Economy

L.2.2.1 Maverick County

Based on the most recent available data from BEA, Maverick County's Gross Domestic Product (GDP) was approximately \$1.8 billion in 2022, which ranked 91st out of 250 counties in Texas (BEA 2024).

¹ Colonias are residential, unincorporated areas along the United States/Mexico border that may lack adequate water, sewer, paved roads, and/or safe housing.

Table L-1. Maverick County and Eagle Pass Ethnicity, Race, and Language Data

	Maverick County		Eagle Pass	
Reported Census Label ¹	Population	Percentage of Population	Population	Percentage of Population
<i>Ethnicity</i> ²				
Hispanic or Latino	54,936	94.9%	26,664	94.8%
Not Hispanic or Latino	2,951	5.1%	1,466	5.2%
<i>Race</i> ²				
Two or More Races	24,989	43.2%	12,206	43.4%
White	16,845	29.1%	8,580	30.5%
Some Other Race	14,499	25.0%	6,845	24.3%
American Indian and Alaska Native	1,163	2.0%	185	0.7%
Asian	192	0.3%	167	0.6%
Black/African American	181	0.3%	144	0.5%
Native Hawaiian and Pacific Islander	18	0.0%	3	0.0%
<i>Language Spoken at Home</i> ³				
Spanish	46,693	88.5%	23,597	88.8%
English Only	5,485	10.4%	2,943	11.1%
Other Languages	560	1.1%	29	0.1%

Sources: USCB 2020b; USCB 2020a

Note:

1 The 2020 Decennial Census collected data on ethnicity and race in two separate questions; it did not collect data on languages spoken, which was included in the American Community Survey (ACS). The labels in this table are those used by the U.S. Census Bureau.

According to the most recent available data from BLS, the labor force in Maverick County between January 2022 and June 2024 ranged from a low of 22,905 in September 2022 to a high of 24,664 in February 2024, with an average over this period of 23,804. The number for June 2024 was 24,403 (BLS 2024a). Over the same period, the unemployment rate ranged from a high of 10.7 percent in January 2022 to a low of 5.7 percent from September to October 2023. The rate for June 2024 was 9 percent. The average number of unemployed persons in Maverick County between January 2022 and June 2024 was 1,882, with a low of 1,332 in October 2023 and a high of 2,576 in January 2022. In June 2024, there were 2,187 unemployed persons in the county (BLS 2024a).

The largest share of jobs in Maverick County are in the healthcare and social services sectors, followed by education; retail; accommodation and food services; arts, entertainment and recreation; and transportation and warehousing (USCB 2021b).

As explained in TxDOT's *Texas-Mexico Border Transportation Master Plan (BTMP)*, jobs and income levels are all expected to grow along the Texas-Mexico border along with population, especially in Maverick County, as cross-border commerce continues to expand (TxDOT 2021). Mexico was the top U.S. trading partner as of June 2024, surpassing Canada and China, and foreign direct investment in Mexico has steadily increased to a new high in 2023, with 38 percent of that investment from the United States (Secretaría de Economía de México 2024; USCB 2024).

L.2.2.2 Eagle Pass

The largest share of existing jobs in Eagle Pass are in the healthcare and social services sectors, followed by retail; accommodations and food services; public administration; transportation and warehousing; and manufacturing sectors (USCB 2021a). Major employers in Eagle Pass include AEP Texas, Fort Duncan Regional Medical Center, H.E.B. Grocery, Lowe's, Maverick Arms, MicroStar Logistics, and Walmart (City of Eagle Pass Economic Development 2024). Much of the economic activity in and around Eagle Pass is directly and indirectly related to the existing international bridge crossings. As stated in the City's 2022-2023 budget, the city's population increases by up to 50 percent during the day due to persons from Mexico crossing the border (City of Eagle Pass 2023).

As explained in *Chapter 2, Section 2.2.1, Existing Eagle Pass Crossings*, of the Draft EIS, in 2023, the Port of Eagle Pass, with its three international bridges, recorded a total of \$37.14 billion in two-way trade between the United States and Mexico. Imports of commercial vehicles (\$2.5 billion), passenger vehicles (\$2 billion), and beer (\$906 million) into the United States are the highest-value trade categories. According to TxDOT's BTMP, the Union Pacific Railroad (UP) Rail Bridge is the second-busiest rail crossing between the United States and Mexico. In 2019, it contributed approximately \$5.3 billion in GDP in the United States, as well as \$10 billion in Mexico. Also in 2019, the Camino Real International Bridge (Bridge 2), the only one of Eagle Pass's existing international bridges accommodating CMV traffic, contributed \$3.4 billion in GDP in the United States and \$3.2 billion in Mexico (TxDOT 2021).

Figure L-1 illustrates through a month-to-month comparison how trade at Eagle Pass has been growing steadily in the past decade. As shown in the figure, in June 2024, the Port of Eagle Pass handled approximately \$1.2 billion in exports and \$2.4 billion in imports, up from \$900 million and \$1.9 billion, respectively, in June 2021 (City of Eagle Pass 2024b).

L.2.3 Public Services

L.2.3.1 Maverick County

The Maverick County Sheriff Department provides law enforcement services across the county. The Eagle Pass Fire Department provides the county's firefighting and emergency medical services (see *Eagle Pass* below). The Eagle Pass Independent School District provides K-12 education for the whole of Maverick County. Two higher education institutions, Sul Ross State University and Southwest Texas Junior College, have campuses in Maverick County. There are two public water systems in the county: City of Eagle Pass and Maverick County Airport Water Works.

L.2.3.2 Eagle Pass

The Maverick County Sheriff Department and Maverick County Hospital District, along with both of the county's emergency rooms and the majority of its schools, are located within the city's limits. The Eagle Pass Fire Department is the firefighting and emergency medical responder for both the city and the county. Under both the Southern and the Northern Rail Alternatives, the closest Fire Department station to the proposed line and the associated CMV Facility is Station No. 2 at 2420 Second Street.

Figure L-1. Eagle Pass Imports and Exports, Year over Year Comparison



L.3 Environmental Consequences

L.3.1 Southern Rail Alternative

L.3.1.1 Construction

As explained in *Section 3.12.3.1, Southern Rail Alternative*, of the Draft EIS, construction of the Southern Rail Alternative would require that Green Eagle Railroad (GER) acquire 25 parcels of land east of U.S. 277, in Maverick County. These parcels are undeveloped except for three, each of which has one building. Of these buildings, two are small light industrial buildings; the other is a one-story residence. The Surface Transportation Board (Board) would not be involved in any of the land acquisitions that would be required.

According to GER, construction of the Southern Rail Alternative would require an estimated 212 workers with a range of skills, fields, and pay levels. Construction would take approximately 1.5 years (July 8, 2024, letter to OEA). During that time, these workers would spend money in the local economy, creating a multiplier effect through increased activity that would benefit local businesses and support both existing and new jobs. In turn, increased local economic activity would generate revenue for Eagle Pass and Maverick County through sales taxes on consumer spending by construction workers and on construction materials and taxable services purchased locally. According to Puerto Verde Holdings (PVH), the proposed line and the associated CMV Facility would "... establish transparent criteria for each procurement opportunity including financial (pricing) and key outcomes including engagement of local area employees and companies," (PVH 2023).

The approximately 212 workers needed to construct the Southern Rail Alternative represent approximately 9.7 percent of the number of unemployed persons in Maverick County in June 2024 and 11.3 percent of the average number of unemployed persons in the county between January 2022 and June 2024. Unemployed persons are defined as people "... who are of working age, available for work, and have taken steps to find a job in the past four weeks," (BLS 2024b). Considering that the number of workers needed represents a small percentage of the available labor force as measured by the unemployment rate, OEA anticipates that GER would be able to recruit most of the needed workers locally without adversely affecting the labor market. A substantial number of job seekers would potentially still be available after GER has met its hiring needs and, therefore, would be available to meet the labor needs of other potential employers.

If all 212 workers moved to Maverick County with their families, then, based on a household size of 3.2 persons (consistent with census data), this would cause a 1.2 percent increase to Maverick County's 2020 population and a 2.4 percent increase to Eagle Pass's 2020 population. This is within the level of population growth projected to occur in both Maverick County and Eagle Pass over the 2020 to 2030 decade (see *Section L.2.1, Demographics and Housing*, above). In addition, the housing vacancy rates in Maverick County and Eagle Pass indicate that substantially more housing is available than the workers would need. Therefore, construction of the Southern Rail Alternative would not cause a sudden, unforeseen growth that could generate unexpected demands on, or unexpectedly disrupt, the local economy, housing stock, or public services beyond the type of growth that Eagle Pass and Maverick County are already expecting and planning for.

As explained in *Chapter 2, Section 2.3.2.4, Construction of the Line under Both Build Alternatives*, of the Draft EIS, construction of the bridges across U.S. 277 and Barrera Street for the Southern Rail Alternative would require temporary lane closures along both roads. This may temporarily affect access to public services and schools, as well as emergency services. However, the closures would be short (days for partial lane closures and hours for total road closures) and construction planning would identify alternative routes. Any adverse effects on access to public services would be negligible.

L.3.1.2 Rail Operations

If the Southern Rail Alternative is authorized and constructed, the line would accommodate all cross-border rail traffic in Eagle Pass and the UP Rail Bridge would cease through operations. Compared to the No-Action Alternative, this relocation would not generate substantial demographic or economic effects.

The proposed non-intrusive inspection (NII) facility would be staffed by U.S. Customs and Border Protection (CBP) personnel. GER estimates that approximately 45 CBP agents would staff the inspection facilities for both the proposed line and the associated CMV Facility (July 8, 2024, letter to OEA). Based on consultation with CBP, OEA expects that most, if not all, of these workers would come from the existing border inspection facilities in Eagle Pass, with no substantial net increase in long-term jobs or impact on the local workforce.

GER's plan to have crews shuttling trains back and forth between Mexico and the United States (see *Chapter 2, Section 2.3.2.5, Operation of the Line under Both Build Alternatives* of the Draft EIS) would create a few new permanent jobs that would not exist under the No-Action Alternative. Based on the number of unemployed persons in Maverick County (see *Section L.2.2, Economy*, above), OEA anticipates that at least some of these new jobs could be filled by local residents. Because of the nature of these jobs, some employees may be based in Mexico. Overall, the new jobs would not be numerous

enough to noticeably affect the city or county demographics, or to generate substantial new demands on local housing or public services.

L.3.2 Northern Rail Alternative

Despite the slight variation in alignment, the effects of the Northern Rail Alternative on socioeconomics would be similar to those of the Southern Rail Alternative described above.

L.3.3 Associated CMV Facility

L.3.3.1 Construction

According to GER, construction of the associated CMV Facility would generate demand for an estimated 236 workers with a range of skills and pay levels. Construction would take approximately 1.5 years, parallel to the construction of the proposed line (July 8, 2024, letter to OEA). During that time, these anticipated workers would spend money in the local economy, creating a multiplier effect through increased economic activity that would benefit local businesses and support both existing and new jobs. In turn, increased economic activity would generate revenue for Maverick County and Eagle Pass through sales taxes on consumer spending by construction workers and on construction materials and taxable services purchased locally.

The approximately 236 workers needed to construct the associated CMV Facility represent approximately 10.8 percent of the number of unemployed persons in Maverick County in June 2024 and 12.5 percent of the average number of unemployed persons in the county between January 2022 and June 2024. Considering that the number of workers needed represents a small percentage of the available labor force, OEA anticipates that PVH would be able to recruit most of the needed workers locally without adversely affecting the labor market.

If all 236 workers moved to Maverick County with their families, based on a household size of 3.2 persons (consistent with census data), then this would cause a 0.4 percent increase to Maverick County's 2020 population and a 0.8 percent increase to Eagle Pass's 2020 population. This increase is within the level of population growth projected to occur in both Maverick County and Eagle Pass over the 2020 to 2030 decade (see *Section L.2.1, Demographics and Housing*, above). The construction of the associated CMV Facility would not cause a sudden, unforeseen growth that would generate demands on, or disruptions of, the local economy, housing stock, or public services beyond what Eagle Pass and Maverick County can reasonably expect and plan for. Instead, construction of the associated CMV Facility would positively contribute to the economic and demographic growth of the area.

L.3.3.2 Operation

Once the associated CMV Facility is operational, it would accommodate all cross-border CMV traffic in Eagle Pass. Trucks would stop using Eagle Pass's Bridge 2, which would become dedicated to passenger traffic (including buses) only. Compared to the No-Action Alternative, this relocation would not generate demographic effects or effects on housing.

The inspection facilities associated with the CMV Facility would be staffed by CBP personnel. As noted above, approximately 45 CBP agents, including CBP personnel for both the proposed line and the associated CMV Facility, would staff the new inspection facilities. CBP indicated that most, if not all,

of these workers would come from the existing inspection facilities in Eagle Pass. There would be no net increase in long-term jobs or impact on the local workforce.

L.3.4 No-Action Alternative

Under the No-Action Alternative, the Board would deny authority for GER to construct and operate the proposed line. The proposed line and the associated CMV Facility would not be constructed. Freight trains and trucks would continue to use the existing international bridges. If current economic trends continue, growth in trade between the present and 2031 (the analysis year for this Draft EIS) would benefit Eagle Pass and Maverick County through increased economic activity. Overall population and employment also would continue to grow in accordance with existing trends.

L.4 Conclusion

OEA has determined that either the Southern or Northern Rail Alternative, and the associated CMV Facility, would not result in adverse impacts to demographics, housing, or public services in Maverick County or the city of Eagle Pass because Maverick County could accommodate any influx of workers that construction could require. Therefore, no mitigation needs to be considered.

Construction of both the Southern and Northern Rail Alternatives and the associated CMV Facility would have beneficial impacts on the local economy. Though there may be some overlap, with some of the same workers working on both the proposed line and the associated CMV Facility, construction would generate up to approximately 448 jobs altogether.