

# Economic Impact of the Phase 2B Gold Line Extension on the San Bernardino County Economy

**FINAL REPORT**

**Submitted to:**

**Foothill Gold Line Construction Authority**

**Submitted by:**

**Kleinhenz Economics**

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**Economic Impact of the Phase 2B Gold Line Extension on  
the San Bernardino County Economy**  
Final Report

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## **EXECUTIVE SUMMARY**

The Foothill Gold Line Construction Authority is pursuing an extension of the Gold Line light rail system from Pomona in Los Angeles County over the county line into San Bernardino County terminating at Montclair’s transportation center, a regional transit hub for numerous bus and rail operations serving San Bernardino County and the broader region. Approximately 20% of the 3.3-mile segment is located in San Bernardino County, with the remaining 80% in Los Angeles County. The economic impact of this segment is measured over two phases: construction phase and operations phase.

### **Construction Phase**

The six-year construction phase, which includes both final design and construction activities, is assumed to start in 2026 with expenditures peaking at more than \$20 million during 2029 and 2030, ending in 2031. It calls for \$83.0 million in spending on planning and design, real estate acquisition, construction management, and direct construction costs. There will be an \$80.3 million injection to the San Bernardino economy, net of real estate purchases coming from the existing budget, but the actual cost of the project is expected to be larger.

<b>Construction Expenditures by Calendar Year (CY)</b>	
	<b>Amount by CY</b>
2026	\$9,050,000
2027	\$7,225,000
2028	\$10,850,000
2029	\$20,300,000
2030	\$20,750,000
2031	\$12,125,000
Total, All Years	\$80,300,000
Parking/Right-of-Way Purchase	\$2,700,000
Grand total	\$83,000,000

Source: Gold Line

The economic impact of the construction phase may be summarized as follows:

- Total output over the six-year final design and construction time horizon is estimated to be \$112.3 million, including \$32.0 million in indirect and induced output effects.
- Construction activity would support 580 positions over the six-year duration of the project with labor income of \$45.9 million, for an average worker income of \$73,100 annually.

Construction Phase Impact 2026-2031					
Impact	Employment, All Years	Labor Income, All Years	Output, All Years	County Tax Revenues, All Years	All Tax Revenues, All Years
Direct	312	\$26,926,073	\$80,300,000	\$392,477	\$9,866,246
Indirect/Induced	267	\$18,931,800	\$32,045,563	\$1,295,932	\$5,233,935
Total	580	\$45,857,873	\$112,345,563	\$1,688,409	\$15,100,180

Source: IMPLAN, KE

- Over the course of the construction phase, \$15.1 million in taxes would be generated, including \$1.69 million in county-level revenues.
- The output multiplier associated with the construction phase is 1.4, meaning that every \$1 million of initial or direct expenditures results in \$1.4 million in total output by virtue of the multiplier or ripple effect through the supply chain and spending out of worker incomes. If the actual budget is higher than \$80 million, it may be multiplied by the multiplier to approximate the implied total economic impact, provided the timing of the construction outlays is close to those modeled here.

## Operations Phase

The economic impact of Gold Line operations was analyzed over the first three years of service from 2032 through 2034. Two scenarios were considered: 8-minute headway scenario and 5-minute headway scenario. The 8-minute headway scenario begins with direct operations expenditures of \$5.3 million in 2032 that increase to \$5.4 million by 2034. The 5-minute scenario begins with direct expenditures of \$6.3 million in 2032 that increase to \$6.5 million by 2034.

Annual Operating Expenditures of San Bernardino Gold Line Segment			
	2032	2033	2034
8-minute	\$5,264,557	\$5,346,883	\$5,430,497
5-minute	\$6,325,180	\$6,424,093	\$6,524,551

Source: LA Metro

The economic impact of the operations phase may be summarized as follows:

- Total output based on the 8-minute scenario would be \$56.4 million over the 3-year time horizon and would be \$67.8 million based on the 5-minute scenario; indirect and induced impacts would be \$40.4 million and \$48.5 million for the 8-minute and 5-minute scenarios, respectively.
- A total of 289 jobs would be supported along with \$85.4 million in labor income based on the 8-minute scenario, with 348 jobs and \$102.6 million under the 5-minute scenario. Average worker income is estimated at \$98,400 per year.

Operations Phase Impacts: Comparison of 8-Minute vs 5-Minute Scenarios, 2032-34					
	Annual Jobs	Labor Income, All Years	Output, All Years	County Tax Revenues, All Years	All Tax Revenues, All Years
8-minute	289	\$85,414,270	\$56,439,041	\$2,867,271	\$19,213,550
5-minute	348	\$102,622,261	\$67,809,554	\$3,444,926	\$23,084,410

Source: IMPLAN, KE

- Taxes generated based on the 8-minute headway scenario would amount to \$19.2 million over the three-year horizon, including \$2.9 million in county tax revenues, compared with \$23.1 million total revenues and \$3.4 million in county-level revenues based on the 5-minute headway scenario.
- An output multiplier of 3.5, meaning that every \$1 million of initial or direct expenditures results in \$3.5 million in total output by virtue of the multiplier or ripple effect through the supply chain and spending out of worker incomes. If alternative headway assumptions are explored, the approximate implied total economic impact may be found by multiplying the corresponding estimated operating expenditures by the multiplier.

## **INTRODUCTION: PURPOSE OF STUDY**

The Foothill Gold Line Construction Authority (also known as the Metro Gold Line Foothill Extension Construction Authority) is an independent transportation planning, design, and construction agency that was created to pursue construction of the Metro Gold Line. Initially authorized to construct the Gold Line from Los Angeles to Pasadena, it was subsequently given responsibility to plan and construct any “fixed mass transit guide way eastward to Claremont.” Given that mandate, the agency has overseen construction of Gold Line activity, extending segments incrementally toward the Los Angeles-San Bernardino County line over the past two decades. The agency’s authority was later extended to terminate at Montclair’s transportation center, a regional transit hub for numerous bus and rail operations serving San Bernardino County, the Inland Empire, and the broader region.

The latest extension will run from Pomona in Los Angeles County over the county line into the City of Montclair in San Bernardino County, a distance of 3.3 miles. Approximately 20% of this segment is located in San Bernardino County, with the remaining 80% in Los Angeles County. The segment will include stops at Claremont (in Los Angeles County) and Montclair, it will establish connections to the Metrolink network, and it will improve Gold Line rider access to the Ontario International Airport and Ontario Convention Center, which are located about seven miles from the terminus of the line. Finally, it will potentially improve access to the Brightline high speed train to Las Vegas, which is currently under construction.

The purpose of this analysis is to quantify the economic impact of the portion of the Pomona-Montclair segment that lies within San Bernardino County on the county economy. The estimated impact to the county economy will be measured in terms of jobs created and supported, the labor income that is associated with those jobs, economic output, and tax revenues generated at the local, state, and federal level.

## **METHODOLOGY AND DATA**

The economic impact is captured in two phases:

- First, there is the construction phase, which accounts for one-time expenditures that are related to the final design and construction of the Gold Line segment in the county. This includes building new facilities, modifying or improving existing facilities, and installing or upgrading infrastructure.
- Second, there is the operations phase, which corresponds to the expenditures that are associated with ongoing operations of the line.

The analysis will determine the one-time economic impact of the construction phase and the recurring annual economic impact of the operations phase, with the economic impacts measured in terms of output, jobs and wages, and the fiscal impact measured in terms of tax revenues. An expenditure-based economic impact approach will be used as a part of the study methodology. The expenditure approach limits the risk of double counting that is associated with other approaches, such as revenue-based analysis, which might result in inaccurate impact estimates.

Expenditures that are associated with new construction and ongoing operations are treated as injections of new spending to the local economy, which trigger additional spending as they work their way through the industries of that region. The initial amount of spending triggers downstream spending by suppliers in the supply chain as well as income for workers, creating a ripple effect that causes expansion in the overall economy over and above the initial spending. This is formally known as the multiplier effect. Expenditures that stay within the region increase the multiplier effect while leakages outside the region – that is, purchases of goods or services from vendors outside the region because they are either not available or not sufficiently available from sources within the region -- diminish the overall impact.

The county economy itself is represented by an IMPLAN regional economic impact model, which traces supply chain linkages across more than 500 industries and simulates the inter-industry relationships across the region's industries. It also traces expenditures by households who earn income throughout the supply chain and spend their earnings in the regional economy and elsewhere. Given the initial set of expenditures, the model estimates their total multiplier effect and the total economic impact on the regional economy.

The overall economic impact breaks down into direct, indirect, and induced impacts, defined as follows:

- Direct impacts relate to initial construction and operations expenditures

- Indirect impact relates to expenditures by the suppliers that are a part of the supply chain in the region.
- Induced impacts relate to spending out of wages earned by workers employed in both the direct and the indirect stages above.

The total impact or multiplier effect is the sum of total of the direct, indirect, and induced impacts, each of which is measured in terms of economic activity or output, jobs, wages, and taxes generated. Economic impacts are specific to a geographic area. For this project, the economic impact will be measured for San Bernardino County.

Data for the analysis were provided by Foothill Gold Line Construction Authority (Gold Line) and Los Angeles County Metropolitan Transportation Authority (LA Metro). The Gold Line provided data on estimated capital expenditures, including their timing over the construction period that is assumed to occur over the six-year period from 2026 and 2031. The Gold Line also provided estimates of projected ridership. Estimated annual operating expenditures were provided by LA Metro and used to determine the annual and cumulative impact of operations during the line's first three years, assumed to be the period running from 2032 through 2034. For the purpose of the analysis, fiscal year expenditures were converted to calendar year figures.



## **ANALYSIS AND RESULTS: CONSTRUCTION PHASE**

In this analysis, final design and construction activity is assumed to begin in 2026 and run through 2031, with full operations beginning in 2032. Total construction phase expenditures are estimated to be \$83 million, to be phased in over the six-year construction period.<sup>1</sup>

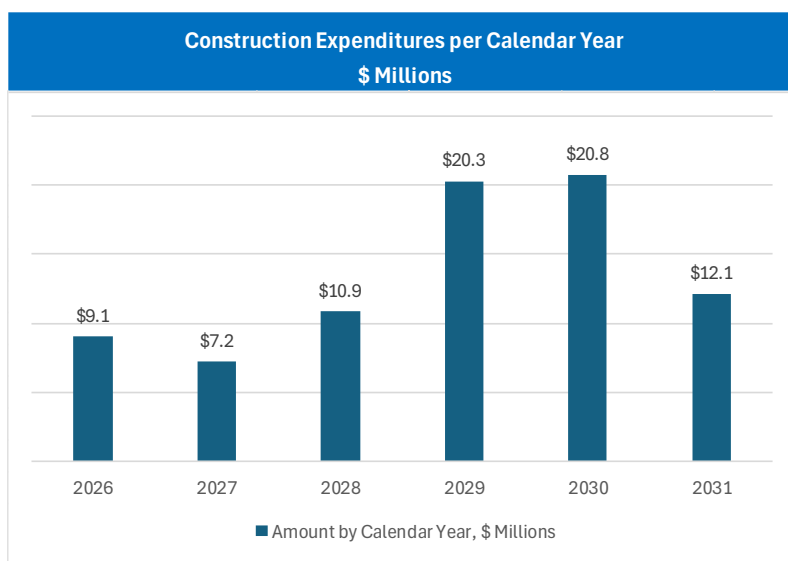
<b>Construction Expenditures by Calendar Year (CY)</b>	
	<b>Amount by CY</b>
2026	\$9,050,000
2027	\$7,225,000
2028	\$10,850,000
2029	\$20,300,000
2030	\$20,750,000
2031	\$12,125,000
Total, All Years	\$80,300,000
Parking/Right-of-Way Purchase	\$2,700,000
Grand total	\$83,000,000

Source: Gold Line

This total includes spending of \$3.0 million on real estate acquisition to purchase space for parking and right-of-way. While the real estate acquisition is included in the full cost of construction for accounting purposes, the value of the acquisition itself is an asset transfer that does not generate economic activity and is omitted from the impact analysis. However, 10% or \$300,000 is estimated to be the transactions costs associated with the acquisition. This amount generates expenditures on real estate related services and is therefore included in the analysis. Subtracting \$2.7 million in real estate value, the remaining \$80.3 million of construction expenditures is treated as an injection to the county economy.

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<sup>1</sup> Construction cost estimates were obtained from Foothill Gold Line Construction Authority Financial Plan 18 and adjusted from fiscal year (FY) to calendar year (CY).



Construction expenditures<sup>2</sup> were assigned to broad categories including direct construction costs, design and design support, construction management, and real estate services mentioned above that are associated with right-of-way/parking. These expenditures are distributed across the six-year time horizon for construction, beginning with \$9.0 million in calendar years 2026 when most of the activity relates to design and construction management, rising to more than \$20.0 million in 2029 and 2030 when most of the major construction will take place, and declining in 2031 to \$12.1 million as the construction phase winds down.

Expenditures by Type, 2026-2031							
	2026	2027	2028	2029	2030	2031	Total All Years 2026-31
Construction Management	\$2,150,000	\$1,050,000	\$0	\$0	\$0	\$0	\$3,200,000
Design/Design Support	\$6,700,000	\$2,525,000	\$750,000	\$250,000	\$250,000	\$125,000	\$10,600,000
Right of Way Parking	\$50,000	\$100,000	\$100,000	\$50,000	\$0	\$0	\$300,000
Construction	\$150,000	\$3,550,000	\$10,000,000	\$20,000,000	\$20,500,000	\$12,000,000	\$66,200,000
Total	\$9,050,000	\$7,225,000	\$10,850,000	\$20,300,000	\$20,750,000	\$12,125,000	\$80,300,000

Using this detailed stream of expenditures by year, the economic impact of the construction phase was determined. In the following table initial expenditures appear as direct expenditures that enter the San Bernardino County economy over the period 2026 through 2031. These expenditures trigger additional indirect expenditures on the part of suppliers in the supply chains that support the Gold Line project. Moreover, as workers on the Gold Line and across the suppliers of the project supply chain earn income, they spend a portion of it in the county economy, corresponding

<sup>2</sup> Construction expenditures were provided by LA Metro.

to the induced expenditure effect. The total economic impact on the county economy results from adding up the direct, indirect, and induced effects.<sup>3</sup>

Economic Impact by Year, 2026-2031 - Output							
	2026	2027	2028	2029	2030	2031	Total All Years 2026-31
Direct	\$9,050,000	\$7,225,000	\$10,850,000	\$20,300,000	\$20,750,000	\$12,125,000	\$80,300,000
Indirect/Induced	\$4,050,801	\$3,020,952	\$4,250,139	\$7,892,360	\$8,089,692	\$4,741,618	\$32,045,563
Total	\$13,100,801	\$10,245,952	\$15,100,139	\$28,192,360	\$28,839,692	\$16,866,618	\$112,345,563

For example, in the peak year of activity, 2030, direct expenditures of \$20.75 million trigger additional combined indirect/induced spending of \$8.10 million. Over the entire six-year construction period, initial expenditures of \$80.3 million correspond to the direct effect on the economy while indirect and induced effects amount to \$32.0 million, resulting in total economic output \$112.3 million.

The implied multiplier is 1.4, which is interpreted as follows. For every \$1 million in initial spending on the Gold Line, total output in the county economy increases by \$1.4 million.

Economic Impact by Year, 2026-2031 - Jobs and Labor Income							
	2026	2027	2028	2029	2030	2031	Total All Years 2026-31
Jobs	76	56	78	143	144	83	580
Labor Income	\$5,437,845	\$4,195,542	\$6,138,788	\$11,475,885	\$11,745,189	\$6,864,624	\$45,857,873

Throughout the construction phase, several dozen jobs are created or supported, starting with 76 jobs in 2026, rising to more than 140 jobs during the peak construction years of 2029 and 2030, declining to 83 jobs in the final year. Significant payroll is associated with these jobs, rising to more than \$11 million during peak construction years. The average wage throughout the six-year project duration is estimated to be \$79,100. This compares favorably with current levels of median earnings, which stood at \$53,694 in 2023 (American Community Survey 1-Year Estimate).

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<sup>3</sup> Economic impact estimates throughout this section were produced by Kleinhenz Economics based on the IMPLAN model of the San Bernardino County economy.

Construction Phase - Detailed Jobs, All Years	
Industry	Jobs
Construction	337
Arch., engr., related services	82
Employment services	10
Retail building supplies stores	9
Limited-service restaurants	8
Other real estate	7
Full-service restaurants	6
Individual and family services	6
Hospitals	5
Truck transportation	5
Other industries	105
<b>Total</b>	<b>580</b>

Most jobs that are supported by the Gold Line project fall into construction-related industries which include construction activity itself, and architecture, engineering, and related services. However, other sectors of the economy benefit from the project by virtue of induced spending out of worker paychecks, notably retail, food establishments, health care, and individual and family services.

While the economic impact in the narrow sense is reflected in economic output, jobs, and labor income effects on the local economy, a broader measure of economic impact also includes the fiscal or tax benefits to the economy. The construction phase of the Gold Line generates tax revenues at the county, state, and federal levels, including sales and use taxes, property taxes, and state and federal income taxes, and other taxes and fees.

Fiscal Impact by Year, 2026-2031 - Tax Revenues							
	2026	2027	2028	2029	2030	2031	Total All Years 2026-31
County	168,817	144,823	231,069	436,134	446,356	261,210	\$1,688,409
State	337,795	279,018	432,773	814,750	834,161	488,106	\$3,186,604
Federal	1,187,855	926,384	1,370,869	2,568,867	2,631,604	1,539,589	\$10,225,167
<b>Total</b>	<b>\$1,694,468</b>	<b>\$1,350,225</b>	<b>\$2,034,710</b>	<b>\$3,819,751</b>	<b>\$3,912,121</b>	<b>\$2,288,905</b>	<b>\$15,100,180</b>

Over the six-year construction horizon, a total of \$15.1 million in taxes will be generated, including \$1.7 million in county-level taxes, \$3.2 million in state taxes, and \$10.2 million in federal taxes.

As shown in the following table, most of the county taxes generated over the course of the construction phase emanate from the indirect and induced effects of the Gold Line project. Thus, while the indirect and induced job creation effects on the project may be modest, there are substantial tax revenues generated over and above those associated with direct construction expenditures.

Construction Phase Tax Revenues 2026-2031				
Impact	County	State	Federal	Total
Direct	\$392,477	\$1,649,306	\$7,824,463	\$9,866,246
Indirect/Induced	\$1,295,932	\$1,537,297	\$2,400,705	\$5,233,935
Total	\$1,688,409	\$3,186,604	\$10,225,167	\$15,100,180

## **ANALYSIS AND RESULTS: OPERATIONS PHASE**

Once the Gold Line becomes operational, the ongoing expenditures associated with those operations will also generate a positive economic impact, including increases in tax revenues. While the annual economic impacts theoretically extend indefinitely into the future, this analysis estimates the economic impact of the first three years of full operations, beginning in 2032 and running through 2034.

LA Metro provided an estimate of annual operating expenditures for the San Bernardino County segment of the Gold Line under two scenarios: 8-minute headway (frequency of service), and 5-minute headway. Operating expenditures were provided for the year 2025. After accounting for expected inflation over the next several years, operating expenditures were estimated under the two scenarios for each of the three years in the three-year window of analysis as shown in the table below.

Annual Operating Expenditures of San Bernardino Gold Line Segment			
	2032	2033	2034
8-minute	\$5,264,557	\$5,346,883	\$5,430,497
5-minute	\$6,325,180	\$6,424,093	\$6,524,551

Source: LA Metro

Each of the scenarios was modeled separately over the three-year window to estimate yearly and cumulative impacts in terms of jobs, labor income, economic output, and tax revenues.

### **Eight-Minute Headway Scenario**

The 8-minute headway scenario begins with direct operations expenditures of \$5.3 million in 2032 that increase to \$5.4 million by 2034. Indirect and induced expenditures are more than double the initial or direct expenditures in each of the three years, rising from \$13.3 million in 2032 to \$13.6 million in 2034. When combined, the total economic impact is estimated to be \$18.6 million in 2032, rising to \$18.8 million in 2033, and \$19.1 million in 2034.<sup>4</sup>

Economic Impact, 8 Minute Scenario: Output by Year				
	2032	2033	2034	3-Year Total 2032-2034
Direct	\$5,264,557	\$5,346,883	\$5,430,497	\$16,041,936
Indirect/Induced	\$13,299,545	\$13,464,870	\$13,632,691	\$40,397,105
Total	\$18,564,101	\$18,811,753	\$19,063,187	\$56,439,041

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<sup>4</sup> Economic impact estimates throughout this section were produced by Kleinhenz Economics based on the IMPLAN model of the San Bernardino County economy.

Over the three-year operating window, direct expenditures are estimated to be \$16.0 million, indirect and induced expenditures contribute another \$40.4 million for a total output effect of \$56.4 million. The implied multiplier is 3.5, which is interpreted as follows. For every \$1 million in initial spending on the Gold Line, total output in the county economy increases by \$3.5 million.

<b>Economic Impact, 8 Minute Scenario: Jobs and Labor Income by Year</b>				
	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>3-Year Total 2032-2034</b>
Positions Supported	289	289	289	289/yr
Labor Income	\$28,041,740	\$28,469,218	\$28,903,312	\$85,414,270

Once operational, the Gold Line will also support a substantial number of jobs, averaging 289 positions each year, as well as more than \$28 million in labor income. The average wage among all jobs is estimated to be \$98,400 annually, and in turn, supports a substantial level of induced spending and contributes to the overall multiplier effect.

<b>Fiscal Impact, 8 Minute Scenario-Tax Revenues by Year</b>				
	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>3-Year Total 2032-2034</b>
Local	\$940,966	\$955,680	\$970,625	\$2,867,271
State	\$923,739	\$938,184	\$952,855	\$2,814,778
Federal	\$4,440,695	\$4,510,138	\$4,580,667	\$13,531,501
Total	\$6,305,400	\$6,404,003	\$6,504,147	\$19,213,550

Once operational, the Gold Line is expected to generate significant additional tax revenues on an annual basis, estimated to be \$6.3 million in 2032 and rising to \$6.5 million by 2034. This includes more than \$900,000 in county-level tax revenues, which increase from \$941,000 in 2032 to \$971,000 in 2034. Over the three-year period, county-level revenues approach \$2.9 million and total tax revenues across all levels of government are estimated to be \$19.2 million.

### **Five-Minute Headway Scenario**

The 5-minute headway scenario begins with direct operations expenditures of \$6.3 million in 2032 that increase to \$6.5 million by 2034. Indirect and induced expenditures are more than double the initial or direct expenditures in each of the three years, rising from \$16.0 million in 2032 to \$16.4 million in 2034. When combined, the total economic impact is estimated to be \$22.3 million in 2032, rising to \$22.6 million in 2033, and \$22.9 million in 2034.

Economic Impact, 5 Minute Scenario: Output by Year				
	2032	2033	2034	3-Year Total 2032-2034
Direct	\$6,325,180	\$6,424,093	\$6,524,551	\$19,273,824
Indirect/Induced	\$15,978,945	\$16,177,577	\$16,379,208	\$48,535,730
Total	\$22,304,125	\$22,601,669	\$22,903,760	\$67,809,554

Over the three-year operating window, direct expenditures are estimated to be \$19.3 million, indirect and induced expenditures contribute another \$48.5 million for a total output effect of \$67.8 million. When compared to the 8-minute scenario, direct expenditures and the overall economic impact are approximately 20% greater with the 5-minute scenario.

Economic Impact, 5 Minute Scenario: Jobs and Labor Income by Year				
	2032	2033	2034	3-Year Total 2032-2034
Positions Supported	348	348	348	348/yr
Labor Income	\$33,691,170	\$34,204,771	\$34,726,320	\$102,622,261

Because of the more frequent service a 5-minute headway, more jobs are supported compared to the 8-minute scenario, with 348 positions compared to an average of 289 positions each year under the 8-minute scenario. Labor income is also larger, rising from \$33.7 million in 2032 to \$34.7 million in 2034.

Tax revenues with a 5-minute headway result in somewhat larger tax revenues. With an 8-minute headway, local tax revenues averaged between approximately \$940,000 and \$970,000 per year, but range between \$1.1 million and \$1.2 million with a 5-minute headway. Total tax revenues across all levels of government are also larger, with cumulative revenues of \$23.1 million compared to \$19.2 million with an 8-minute headway.

Fiscal Impact, 5 Minute Scenario-Tax Revenues by Year				
	2032	2033	2034	3-Year Total 2032-2034
Local	\$1,130,537	\$1,148,217	\$1,166,172	\$3,444,926
State	\$1,109,840	\$1,127,196	\$1,144,822	\$3,381,858
Federal	\$5,335,341	\$5,418,774	\$5,503,511	\$16,257,626
Total	\$7,575,718	\$7,694,186	\$7,814,506	\$23,084,410



## SUMMARY AND CONCLUSION

Both the construction and the operations phases of the Gold Line are expected to generate additional economic output, jobs and wages, and tax revenues for San Bernardino County. While the benefits of the construction phase are confined to the six-year construction horizon, the benefits of the operations phase can accrue indefinitely beyond the three-year time horizon presented in this study.

Construction Phase Impact 2026-2031					
Impact	Employment, All Years	Labor Income, All Years	Output, All Years	County Tax Revenues, All Years	All Tax Revenues, All Years
Direct	312	\$26,926,073	\$80,300,000	\$392,477	\$9,866,246
Indirect/Induced	267	\$18,931,800	\$32,045,563	\$1,295,932	\$5,233,935
Total	580	\$45,857,873	\$112,345,563	\$1,688,409	\$15,100,180

Overall, the Gold Line generates \$112.3 million in construction-related output and up to \$67.9 million in operations related output over the first three years of operations. However, the indirect and induced effects are much greater during the operations phase, for both the 5-minute and the less frequent 8-minute scenarios, resulting in a multiplier effect of 3.5, which is more than double that of the construction phase multiplier of 1.4. As described above, every \$1 million in direct operating expenditures by the Gold Line supports \$3.5 million in total output, including \$2.5 million of indirect and induced spending.

Output Comparison 8-Minute vs 5-Minute Scenarios, 2032-34		
	8-Minute Scenario	5-Minute Scenario
Direct	\$16,041,936	\$19,273,824
Indirect/Induced	\$40,397,105	\$48,535,730
Total	\$56,439,041	\$67,809,554

Both phases also generate hundreds of jobs, with the construction phase supporting between 56 and 143 jobs per year for a total of 580 positions over the six-year construction horizon, while the Gold Line operations phase supports up to 348 jobs. As noted earlier, the wages effects associated with operations are larger than those associated with construction, so the induced spending effect with operations is substantially greater than with construction.

Comparison 8-Minute vs 5-Minute Scenarios, 2032-34					
	Annual Jobs	Labor Income, All Years	Output, All Years	County Tax Revenues, All Years	All Tax Revenues, All Years
8-minute	289	\$85,414,270	\$56,439,041	\$2,867,271	\$19,213,550
5-minute	348	\$102,622,261	\$67,809,554	\$3,444,926	\$23,084,410

While most of the jobs associated with operating the Gold Line occur in local government passenger transit, jobs are also supported in local food establishments, health care, and retail establishments.

Operations Employment by Industry - Top 10		
Industry	8-Minute Scenario	5-Minute Scenario
Local government passenger transit	229	275
Limited-service restaurants	3	5
Transit and ground passenger transportation	1	3
Individual and family services	1	3
Full-service restaurants	2	3
Hospitals	0	3
Offices of physicians	1	2
Retail - General merchandise stores	1	2
Employment services	1	2
Retail - Food and beverage stores	0	2
Remaining industries	50	47
Total	289	348

Analysis of patron expenditures is beyond the scope of this analysis. Daily and occasional riders are likely to purchase food, retail items, and services from establishments in the vicinity of the Gold Line, generating an economic and fiscal impact that will add to those reported here. These expenditures will support additional employment, labor income, output, and tax generation, including local sales, property, and other taxes.

Analysis of real estate development that will occur in the vicinity of Gold Line stops is also beyond the scope of this analysis. Transit-oriented development often occurs in conjunction with new light rail infrastructure, initially bringing one-time construction activity similar to the construction phase of the Gold Line itself. As with the Gold Line project, this is followed by the “operations phase” of transit-oriented development, with occupants of residential units spending their incomes at local stores, restaurants, and other establishments, thereby generating an ongoing positive economic impact. Businesses in the vicinity of the stops may also experience increased sales, contributing to the overall ongoing impact. The economic impact of real estate development can be substantial, depending on the number of residential units and other land uses involved.

Aside from these economic impacts, increased patronage of the Gold Line has a potential impact on road congestion and vehicle-related pollution. Providing a quantitative assessment of these impacts is also outside the scope of this project. Qualitatively, to the extent that commuters switch to the Gold Line from use of their vehicles, congestion relief would be expected on freeways and major surface streets. Similarly, as commuters switch from vehicle use to the Gold Line, decreased vehicle related pollution and fewer health problems related to pollution would be expected.

## APPENDIX: COMMUTING PATTERNS AND POTENTIAL GOLD LINE RIDERSHIP

Data from the Census Bureau’s American Community Survey show that over the 5-year period from 2016 through 2020 (latest available), nearly 61,000 commuters annually who lived in Los Angeles County (LA) commute to San Bernardino County (SB) for work, while nearly 133,000 workers who live in San Bernardino County work in Los Angeles County. Taken together, the combined commuter flow between the two counties is 194,000 workers, the equivalent of a medium-sized city. As shown, 72,000 more workers commute from San Bernardino County to Los Angeles County than those commuting in the opposite direction. The point is that cross-county commuting is a common occurrence with flows occurring in both directions, suggesting that there is a need for transportation solutions that cross county lines.

Commuters between Los Angeles County and San Bernardino County		
From	To	Number
Los Angeles (LA)	San Bernardino (SB)	60,779
San Bernardino (SB)	Los Angeles (LA)	132,992
Combined Flow		193,771
Net Flow=SB to LA		72,213

Source: Commuting Patterns, American Community Survey 2016-2020

With an average of 917,000 payroll, self-employed, and other workers in San Bernardino County during this period, the 133,000 SB-to-LA commuters account for 14.5% of all county workers. While these workers are employed in Los Angeles County, they likely spend most of their income in San Bernardino County where they live. Based on consumer spending data for the state, household expenditures generally stay local, with 34% devoted to housing, home upkeep, and other related activities, 16% devoted to transportation, and 13% on food, both at home and outside the home, and 7% on health care. As such, property and sales taxes paid by these households generally remain in their community and the county.

A separate “back-of-the-envelope” analysis of commuters was conducted to evaluate the potential for Gold Line ridership in communities that are close to the Montclair Transportation Center. The analysis included Montclair, the location of the Gold Line terminus, and both Ontario and Upland, each of which lie immediately to the east of Montclair and have large numbers of workers who commute west, making them potential Gold Line patrons.

Using a separate Census Bureau source that tracked payroll workers by their place of residence and place of work in the year 2022, data were gathered for these three cities showing the top 25 cities where workers lived and worked. The data was filtered to isolate commuter counts for cities from Montclair going west through the Pomona and San Gabriel Valleys along the Gold Line route to the City of Los Angeles.

The table below on the left shows total workers who live in the three cities but are employed in communities served by the Gold Line, including Montclair, Claremont, La Verne, Pomona, Glendora, Covina, West Covina, City of Industry, Pasadena and Los Angeles. The table on the right shows the number of workers who live in cities served by the Gold Line and work in the three cities of Montclair, Upland, and Ontario. The tables also show the Gold Line total as a share of all workers in each city.

		Working in Gold Line Cities				Living in Gold Line Cities	
Living In	Total Workers	Number	% of Total	Working in	Total Workers	Number	% of Total
Ontario	79,849	15,237	19.1%	Ontario	137,623	14,774	10.7%
Upland	35,787	8,718	24.4%	Upland	30,888	4,462	14.4%
Montclair	17,092	6,504	38.1%	Montclair	14,539	4,678	32.2%
Total	132,728	30,459	22.9%	Total	183,050	23,914	13.1%

These tables offer a more targeted view of where people live and work in the vicinity of the San Bernardino County segment of the Gold Line compared to the county-level table cited earlier, and provide a rough sense of the potential the Gold Line to attract patrons, many of whom may be better described as short-haul commuters who live or work in communities that have a Gold Line stop but may not have a Metrolink station.

To be clear, this is not a ridership projection. Better and more geographically specific data on transportation patterns are available for transportation planning purposes. These figures simply illustrate that significant numbers of workers who commute in both directions across the San Bernardino County-Los Angeles County line and could be served by extension of the Gold Line to Montclair.