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**UNIVERSITY OF THE PACIFIC STUDY FINDS SIGNIFICANT ECONOMIC BENEFITS  
TO UPGRADING RECLAMATION DISTRICT 17 LEVEES**

***State funding would reduce State flood liability, plus boost State jobs and  
income substantially in excess of requested State investment***

*Lathrop, CA.* A Central Valley reclamation project would generate substantial economic benefits according to a report released by the University of the Pacific Center for Business and Policy Research (UOP).

The reclamation project – a levee upgrade in Reclamation District 17 (RD 17) – is one of many in the Central Valley mandated by the state Legislature in 2007 (SB 5) and signed into law by Governor Schwarzenegger. RD 17 levees protect portions of Stockton, San Joaquin County, Manteca and Lathrop. The state law requires that reclamation districts improve levees to protect against 200-year floods by the year 2025.

While the RD 17 levee project is currently on track to make adequate progress findings and 200-year protection, it faces an important mandatory July 2016 deadline set by SB 5 to demonstrate adequate progress toward completing the improvements. Jurisdictions failing to meet this state-mandated deadline are barred from issuing discretionary permits which in turn would halt all local construction, even in those areas that meet the Federal Emergency Management Agency's 100-year flood protection requirement.

If federal and/or state funding is not secured, more than 46,000 residents and billions of dollars of federal, state, local and private investment will remain unprotected from a 200-year flood. Two of the most disadvantaged census tracts in California are located in RD 17 together with portions of Interstate 5, Hwy 120, two railroads, the San Joaquin Hospital, jail/criminal justice facilities, numerous schools, Police/Fire facilities, the Lathrop City Hall and substantial commercial and industrial development.

Based upon a typical 65% State/35% Local cost split, the \$170 million levee project would cost the state \$111 million. According to the report, 200-year protection would provide for a reduction in anticipated flood damage of \$24M per year, protect critical evacuation and transportation routes through the region for approximately 160,000 vehicle trips per day and potentially create \$11 billion in output and 67,000 job years over several decades while increasing the annual property and sales tax estimated in

excess of \$200 million. Clearly, state funding would reduce state flood liability, boost state jobs and generate economic output substantially in excess of the requested state investment.

The cities of Manteca and Lathrop are committed to contributing their fair share to upgrade the levees and further protect residents and critical infrastructure. However, local officials expect the state to commit – before the July 2016 deadline – a specific and substantial amount toward the levee project.

The University of the Pacific Center for Business and Policy Research study is entitled “Economic Benefits of Investment to Comply with SB 5 Requirements” and is available on the Manteca and Lathrop web sites. It focuses on the regional benefits of achieving 200-year level of flood protection. A map of the RD 17 region can be found at the following link to the City of Lathrop website: [www.ci.lathrop.ca.us](http://www.ci.lathrop.ca.us).

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*About The Center for Business and Policy Research:*

*The Center for Business and Policy Research (CBPR) is a research and outreach unit known for independent, objective analyses of business, economic and public policy issues in California with a focus on the Northern California Mega-Region, which includes the North San Joaquin Valley, Sacramento Metro Area, and the Bay Area. Center staff have extensive experience on water, transportation, housing, labor, and economic development issues that are of critical importance to this region. Widely recognized across California for the quality of its analyses, the Center's reports and experts are cited between 150 and 250 times per year in the local, state, and national press. Founded in 2004 as the Business Forecasting Center, the center was renamed in 2015 to better reflect its expanded topical scope, staff, expertise, and work. Although forecasting is no longer in the Center's name, it remains a core part of its work.*