



AMERICA RECOVERY AND REINVESTMENT ACT (ARRA)

***Measuring the Economic Impacts of ARRA Funds Allocated to
Santa Barbara County***

Summary Report

For

Santa Maria River Levee Reinforcement Project

May 2009

Project ID in FIN: New Project

Prepared by
The Center for Economic Research
& Forecasting in collaboration with
The Center for Leadership and Values

1) Project Summary Information:

This project will reinforce seven miles of the Santa Maria River Levee with soil cement treatment and sheet pile. The US Army Corps of Engineers will be the responsible agency for this project. Santa Barbara County will assist the Corps with land rights and utilities.

Santa Barbara County will provide the following support for this project.

1. Property Rights – ensure the Corps has the legal right to complete the project: April 1 – July 1, 2009.
2. Utility Relocation – the Corps requires the local sponsor to relocate/protect utilities: April 1 – August 1, 2009.

Most of the \$40,230,000 cost of this project will be allocated to construction. There will be some professional support work for inspecting and testing, etc. The cost breakdown for the support work is unknown at this time.

The costs will be allocated over three calendar years as follows:

1. CY 2009 - \$7,500,000
2. CY 2020 - \$20,115,000
3. CY 2011 - \$12,615,000

2) Regional and National Economic Impacts:

We used IMPLAN (Impact Analyses for Planning), a regional input-output analysis, to identify and measure the economic impact of this project both within Santa Barbara County and the nation as a whole. An economic impact analysis traces spending within an economy brought about by an economic activity. It measures the cumulative effects of the spending that a specific activity generates. The overall economic effects include:

- Direct effects - Considering that revenue in an industry is indicative of the value of the output for that industry, direct effects show how expenditures stemming from an industry can create jobs and add to the production capacity of a region.
- Indirect effects - The economic activity generated among the region's businesses to meet the industry demand.
- Induced effects - The effects of expenditures made in the county by employees of the industry.

3) Summary Report of Economic Impact on Santa Barbara County

2009 Economic Impact on Santa Barbara County						
	Direct	Indirect	Induced	TOTAL		
Output Impact	7,499,999	2,306,044	2,705,687	12,511,730		
Indirect Business Taxes Impact	45,346	82,982	156,032	284,359		
Employment Impact	53.3	14.7	21.2	89.1		
Tax Impact						
	Employee Compensation	Proprietary Income	Household Expenses	Enterprises	Indirect Business Tax	Total
	469,278	65,196	621,807	99,960	284,359	1,540,600

2010 Economic Impact on Santa Barbara County						
	Direct	Indirect	Induced	TOTAL		
Output Impact	20,114,996	6,258,662	7,353,172	33,726,830		
Indirect Business Taxes Impact	120,128	219,832	413,353	753,313		
Employment Impact	141.1	38.9	56.2	236.1		
Tax Impact						
	Employee Compensation	Proprietary Income	Household Expenses	Enterprises	Indirect Business Tax	Total
	1,243,193	172,714	1,647,264	264,811	753,313	4,081,295

2011 Economic Impact on Santa Barbara County						
	Direct	Indirect	Induced	TOTAL		
Output Impact	12,614,995	3,970,277	4,670,564	21,255,836		
Indirect Business Taxes Impact	74,426	136,198	256,096	466,720		
Employment Impact	87.4	24.1	34.8	146.3		
Tax Impact						
	Employee Compensation	Proprietary Income	Household Expenses	Enterprises	Indirect Business Tax	Total
	770,229	107,006	1,020,575	164,066	466,720	2,528,596

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4) Summary Report of Economic Impact on the United States

2009 Economic Impact on the United States						
	Direct	Indirect	Induced	TOTAL		
Output Impact	7,499,999	6,982,860	8,811,482	23,294,341		
Indirect Business Taxes Impact	40,655	205,349	411,230	657,234		
Employment Impact	61.2	36.1	61.3	158.6		
Tax Impact	Employee Compensation	Proprietary Income	Household Expenses	Enterprises	Indirect Business Tax	Total
	755,168	63,203	872,104	329,082	657,234	2,676,790

2010 Economic Impact on the United States						
	Direct	Indirect	Induced	TOTAL		
Output Impact	20,114,996	18,865,851	23,863,432	62,844,279		
Indirect Business Taxes Impact	107,703	544,011	1,089,414	1,741,118		
Employment Impact	162.0	95.8	162.4	420.2		
Tax Impact	Employee Compensation	Proprietary Income	Household Expenses	Enterprises	Indirect Business Tax	Total
	2,000,559	167,435	2,310,342	871,790	1,741,118	7,091,243

2011 Economic Impact on the United States						
	Direct	Indirect	Induced	TOTAL		
Output Impact	12,614,995	11,915,946	15,107,193	39,638,134		
Indirect Business Taxes Impact	66,728	337,040	674,955	1,078,723		
Employment Impact	100.4	59.3	100.6	260.3		
Tax Impact	Employee Compensation	Proprietary Income	Household Expenses	Enterprises	Indirect Business Tax	Total
	1,239,461	103,735	1,431,389	540,124	1,078,723	4,393,432