

FY 2008 Economic Monitoring Proposal
From the
Rhode Island Bays, Rivers, and Watersheds Coordination Team's
Economic Monitoring Collaborative

October 2006

Executive Summary: This proposal describes the RI Economic Monitoring Collaborative's plan for monitoring in FY08, which will support the efforts of the RI Bays, Rivers and Watersheds Coordination Team. The requested funds for FY08 are \$80,000 to be complemented with \$20,000 of in-kind services and \$100,000 of private sector support.

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Introduction

The Rhode Island General Assembly created the RI Bays, Rivers and Watersheds Coordination Team in order to optimize the State's effort to protect Narragansett Bay and its watersheds as well as to promote sustainable economic development for businesses that rely on these resources. To aid the Coordination Team in the development of its mandated Systems-Level Plan (SLP) and to support the projects that it undertakes, the General Assembly called for several standing committees, including the Economic Monitoring Collaborative (the Collaborative).

Charge to the RI Economic Monitoring Collaborative

According to the enabling legislation (RIGL 46-31), the purpose of the Collaborative is to develop and implement an economic monitoring strategy to inform the "promotion of sustainable economic development of the water cluster" and "provide the necessary information to adapt the (systems-level) plan in response to changing conditions."

FY07 Collaborative Activities

The Collaborative has met several times in FY07 in order to launch its first year of monitoring work based on the revised monitoring plan submitted to the Coordination Team this past summer (see Table A for activities and Appendix B for Amended FY07 Monitoring Strategy). That work is now underway and the Collaborative will meet with the selected vendor in the next several weeks as part of the continued monitoring effort. The Collaborative estimates a draft monitoring report for the Coordination Team in February of 2007.

Table A: FY07 Activities
August 2006
<ul style="list-style-type: none">• Met to update FY07 monitoring plan to match allocated funds, to review RFP for consultant based work.• Issued RFP for consultant based monitoring work.
September 2006
<ul style="list-style-type: none">• Met to review RFP responses and select a vendor.
October 2006
<ul style="list-style-type: none">• Met with selected vendor to discuss monitoring plan.• Funds received (October 30) to begin monitoring work.

Proposed FY08 Economic Monitoring Plan

The Collaborative's FY08 plan includes three elements:

- Economic and resource use assessment of summertime activities with a focus on tourism and recreation
- Sector focused value chain analysis
- Sector focused surveys

The FY08 plan will focus on completing the monitoring elements that were proposed in the original FY07 monitoring plan and will build on the results of the FY07 monitoring effort as funded. The long term plan would be to update the baseline data from FY07 in two year intervals, complementing that information with more in-depth analyses as necessary in the off-year of baseline monitoring as these base measures. The Collaborative proposes the two-year interval approach because the base measures are unlikely to change dramatically year to year.

Although the Collaborative is currently completing an FY07 monitoring plan funded at \$30,000 (with an additional \$20,000 in-kind), the Collaborative anticipates that it will need a higher level of funding for updating the baseline measures in later years. This is due to the Collaborative's ability to leverage data from recent studies that will not likely be reproduced in subsequent years.

Economic and Resource Use Assessment of Summertime Activities

The Collaborative will develop an assessment plan for summertime activities in the spring of 2007 in order to launch this effort upon receipt of FY08 funds in June of 2007. These activities will help the Coordination Team understand the economic impact of summertime activities, focusing on tourism and recreation, as well as provide a picture of resource use during these peak months.

Value Chain Analysis

The Collaborative will work with a consultant to undertake value chain analyses of the water cluster sectors. These analyses will help the Coordination Team better understand the indirect economic effects of these sectors as well as provide potential insights into key policy areas.

Sector Surveys

The Collaborative will distribute, collect and analyze findings from the sector specific surveys it plans to develop as part of the FY07 monitoring effort. These surveys will help to validate baseline data as well as provide sector perspectives on key opportunities and challenges facing these industries, which will inform policy making.

Monitoring Products

The Collaborative will present its findings in three ways:

- Annual report: a report will be produced for the Coordination Team, which summarizes the findings from all elements of the strategy outlined above.
- Annual presentation: the Collaborative will present the report to the Coordination Team and other interested parties, potentially in coordination with the environmental monitoring effort.
- Other Communication: the Collaborative will post interim findings and key information on its website, <http://www.ci.uri.edu/RIBayTeam/EconMon.htm>. It will also communicate with the Coordination Team on a regular basis through the Coordination Team's monthly meetings.

Timeline

Table B provides the timeline of Collaborative activities slated for FY08 monitoring. This timeline assumes funding will be allocated by June 2007.

Table B: Proposed Timeline	
<u>Element</u>	<u>Timing</u>
Develop Request for Proposals (RFP) for consultant-provided monitoring elements, approval by the Collaborative	April 2007
Publish RFP and collect proposals	May 2007
Consultant selection by the Collaborative	June 2007

Preparation of FY09 Budget request for economic monitoring	September - October 2007
Data collection and analysis by consultant and Collaborative partners	July 2007 – January 2008
Preliminary Monitoring Reports to the Collaborative	February 2008
Synthesis of Reports into Final Report	February – April 2008
Final Report to Collaborative	May 2008
Report & Presentation to the Coordination Team	June 2008

Budget

Table B presents a summary of anticipated expenses and revenues for the proposed monitoring plan and administrative support necessary for the operation of the Collaborative.

Table B: Proposed FY08 Budget	
<u>Monitoring Element</u>	<u>Cost</u>
Summertime Activities	\$ 100,000
Value Chain Analysis	\$ 80,000
Sector Surveys	\$ 15,000
Administration	\$ 5,000
Total	\$200,000
<u>Funding</u>	<u>Funding</u>
Coordination Team	\$ 80,000
In-kind Contribution	\$ 20,000
Private Contributions	\$100,000
Total	\$200,000

The Collaborative would work to secure private sector contributions in the spring of 2007.

Appendix A – Rhode Island Economic Monitoring Collaborative Membership

Christopher Bergstrom	RI Economic Policy Council (Chair of the Collaborative)
Andrew Dzykewicz	Chief Advisor to the Governor on Energy
Geoff Grout	Quonset Development Corporation
Michael Keyworth	Brewer Cove Haven Marina
Kenneth Kubic	Kubic & Conradi
Michael Marchetti	Point Judith Fishermen’s Memorial Foundation
Michael McGiveney	RI Shellfisherman’s Association
E. Howard McVay, Jr.	Northeast Pilots Association
Stephen Medeiros	RI Saltwater Anglers Association
Richard Nadolink	Newport Engineering & Science Company
Brad Read	Sail Newport
Eric Reid	Deep Sea Fish of RI
Curt Spalding	Save the Bay
John Gates	URI – Dept. of Environmental and Resource Economics

The following names have been submitted to the Governor as recommendations for new members:

Mr. Austin Becker	Coastal Resources Center
Michael Doherty	RI Economic Development Corporation
Elizabeth Kordowski	RI Lobstermen’s Association
Beth Laney	General Dynamics – Electric Boat
Marisa Paul	Raytheon IDS
Thomas Rich	New England Boatworks
Robert Hofmann	Providence Maritime Heritage Foundation

Appendix B – Amended FY07 Monitoring Plan

- FY07 Proposed Budget: \$80,000 + \$20,000 in-kind services = \$100,000
- FY07 Funded Budget: \$30,000 + \$20,000 in-kind services = \$50,000

Baseline Industry Assessment

The baseline industry assessment would measure the size and performance of the nine water-dependent sectors, primarily focusing on employment and wages. These measures would be complemented with others that lend additional insight to the analysis and are readily available. Examples of these potential measures are indicated for each sector below:

- Marine recreation/tourism/events/marinas
 - Beach usage, hotel occupancy, event economic impacts
- Commercial fishing/aquaculture/seafood processing
 - Landings value, commercial licenses
- Boat building/ship building/boating-related business
 - Boats built per year
- Water-borne transportation
 - Cargo mix and value, transportation types, dwell time in port
- Defense/homeland security/marine technology
 - New business formation
- Marine, coastal & inland watershed education/research/advocacy
 - Research spin-offs, related educational programs and graduation rates, membership/volunteer activity
- Waterfront real estate
 - Assessed value & taxes generated, building permits
- Water-related utilities
 - Water usage
- Other water-dependent businesses
 - Water usage

The Collaborative would also develop a tailored industry survey working in partnership with the RI Economic Development Corporation's Research Department. The intent would be to incorporate the survey in the FY08 monitoring effort. The baseline industry assessment would be achieved by a combination of consultant and in-kind services. In addition, it would pull from existing sector research to provide additional context.

Not Included: Most if not all of the value chain mapping will be postponed until FY08. Complementary measures related to marine tourism (e.g. summer hotel occupancy survey) will not be included or will rely on secondary data. As mentioned above, while the sector surveys could be developed in FY07, they would not likely be distributed and collected until FY08.

Baseline Resource Use Assessment

The baseline resource use assessment would examine the intensity of resource use, which would allow policy makers to understand potential synergies and/or conflicts that occur on the water or

waterfront. Measures of resource use could include waterfront land-use (e.g. zoning, use, vacant space), bay capacity (e.g. available marina slips/moorings), and bay/river usage (e.g. measures of boater/user mix). Given the late start for monitoring in FY07, some of the latter measures may be put on hold until FY08 or require the Collaborative to rely on secondary data.

The baseline resource use assessment would be achieved by a combination of consultant and in-kind resources.

Not Included: as mentioned above, some of these measures may not be developed given the timeline for FY07 monitoring.

Public Support for Infrastructure

This assessment would examine annual allocations and capital expenditures on infrastructure to support the sectors above. It would rely on the participation of key agencies and communities in a survey designed to gather information for this purpose.

Not included: this element remains the same as in the 2005 proposed strategy.

Conditions Monitoring

This element has been postponed until FY08.