The Economic Impact of Rhode Island’s Forestry & Wood Products Sector

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Courtesy of RIFCO
Special thanks to Brooke Norman
Rhode Island’s Forests

- Make up over 368,000 acres or 56% of Rhode Island
- Many benefits (see Value of Rhode Island’s Forests study)
Ownership of Rhode Island’s Forests

![Pie chart showing forest ownership percentages: 59% private, 12% businesses, 4% other, 20% municipalities, 1% state, 1% federal.]

- Private: 59%
- Businesses: 12%
- Other: 4%
- Municipalities: 4%
- State: 20%
- Federal: 1%
Forests in Current Use Tax Program
(Farm, Forest, and Open Space)

- 45,000 acres
- Light green - State land
- Dark green - Forests (FFOS)
Farms, Forests and Open Space

Cost of community services studies (SNEFCI & others) have documented the real cost of development
Cost of Community Services

• Residential Development Costs Tax $
• Open Space saves Tax $
• Loss of Open Space May Increase Pressure on Tax Base
• Lowest Growth Rates = Lowest Expense/Revenue Ratios
Study Authored by:
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Thomas Sproul, Associate Professor
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Andrew Bechard, PhD student
Dr. Michael Weir, Post-Doctoral Scholar

Economic Impact of Rhode Island's Forestry and Wood Sector Impact Study
Some numbers within this study had to be speculated due to their nature and the data given/found. Authors tended to be more conservative with these numbers due to this.
Data Collection and Methods

• Survey (N=6)
• Marketing databases (AtoZ, Manta, Buzzfile)
• RI Secretary of State Corporate database (listings only)
• RI DEM: Licensed Arborists and Wood Operators

1. Classify firms and define industry structure
2. Estimate missing firms as median (lognormal)
3. Address measurement error in data
4. Economic impacts: IMPLAN model (TBD)
Forestry and Wood Products Sector in Rhode Island

- 513 firms
- 2,496 jobs
- $408.0 million gross sales
Forestry and Wood Products Sector in Rhode Island:

- Arborists
- Christmas Tree Farms
- Forest Consulting
- Logging
- Milling and Manufacturing
- Mulch and materials dealers
- Woodland owners
- Woodworking
Woodland Owners

- 253,400 acres of privately owned forest land
- $850,000 in gross sales
Authors were more conservative, leading to a possible understatement of total economic contributions. This study does not take into account what wood owners are cutting for trail clearing and for.
Christmas Tree Farms

- 48 firms
- 83 jobs
- $6.14 million gross sales
Forestry Consulting

- Forest management planning
- Timber harvest planning & administration
- Conservation practice implementation
- Reforestation plans
Forestry Consulting

- 11 firms
- 8 jobs
- $260,000 gross sales
Arborists

- 349 firms in Rhode Island
- 1,742 jobs
- $180.06 million gross sales
Logging

- 45 firms
- 82 jobs
- $11.32 million gross sales
Milling and Manufacturing

- Pallet manufacturing
- Millwork
- Custom architectural millwork
- Custom flooring
Milling and Manufacturing

- 27 firms
- 452 jobs
- $190.63 million gross sales
Woodworking

• Custom furniture and cabinetry
• Artisanal wood products
• 3rd in gross sales per employee
Woodworking

- 25 firms
- 65 jobs
- $9.71 million gross sales
Mulch and Materials Dealers

- 8 firms
- 51 jobs
- $9.07 million gross sales
Benefits of Rhode Island’s Forests

• Human

• Environmental

• Economic
Human Benefits

• Physical & Mental Health
• Recreation
• Quality of Life
Environmental Benefits

- Air Quality
- Water Quality
- Wildlife Conservation
Economic Benefits

- Job Creation
- Revenue Generation into state economy
- House Value increase
Wildlife Action Plan GIS Map

Unfragmented Forest Blocks

- 250-500 acres
- 500+ acres
Burrillville, RI

Unfragmented Forest Blocks
- 250-500 acres
- 500+ acres
Exeter, RI

Unfragmented Forest Blocks

- 250-500 acres
- 500+ acres
South Kingstown, RI

Unfragmented Forest Blocks
- 250-500 acres
- 500+ acres
Current Land Use

• Only about 1/3 of Rhode Islands forests are permanently protected
How can we protect our forests while keeping the economic value???

- Bond Funding
- Conservation Development (CD) to Conserve Working Forests
Conservation Development

• “a creative land use technique that allows a community to guide growth to the most appropriate areas within a parcel of land to avoid impacts to the environment and to protect the character defining features of the property.”
Economic Benefits of CD

- Home values increase
- Lots sell 47% faster
- Reduces costs of roads
Bond Funding

SUPPORT BOND EFFORTS → PROTECTION OF WORKING FORESTLAND → PROTECTION OF WORKING FARMLAND
For further information

The full study can be found at the home for RI Economic Policy Research:

riepr.org
RIFCO: Marc Tremblay
www.rifco.org
GrowSmart RI: Scott Millar
www.growsmartri.org
RI Land Trust Council:
Rupert Friday
www.rilandtrusts.org

QUESTIONS?