

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

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RI Land & Water Conservation Summit

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Courtesy of RIFCO

Special thanks to Brooke Norman

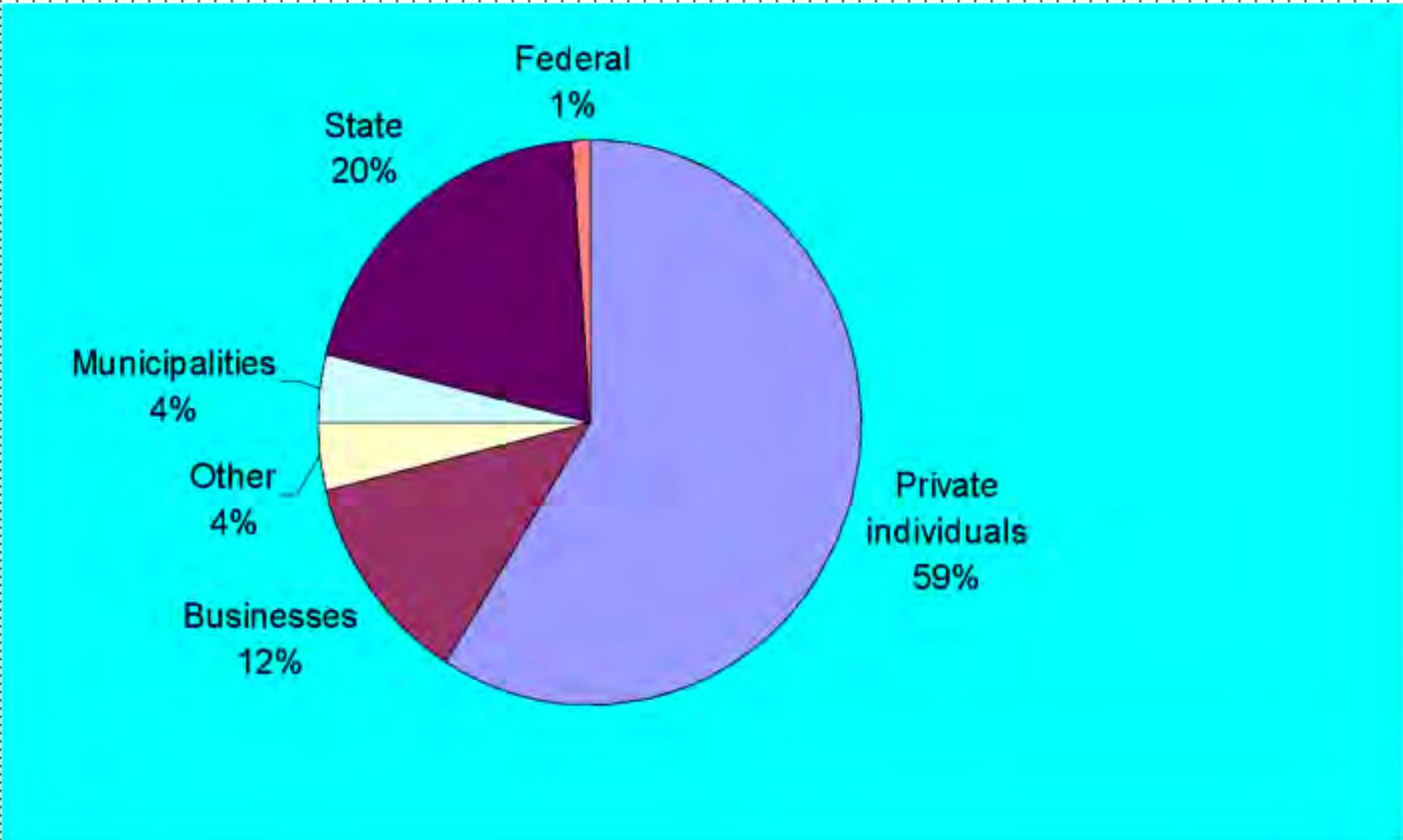


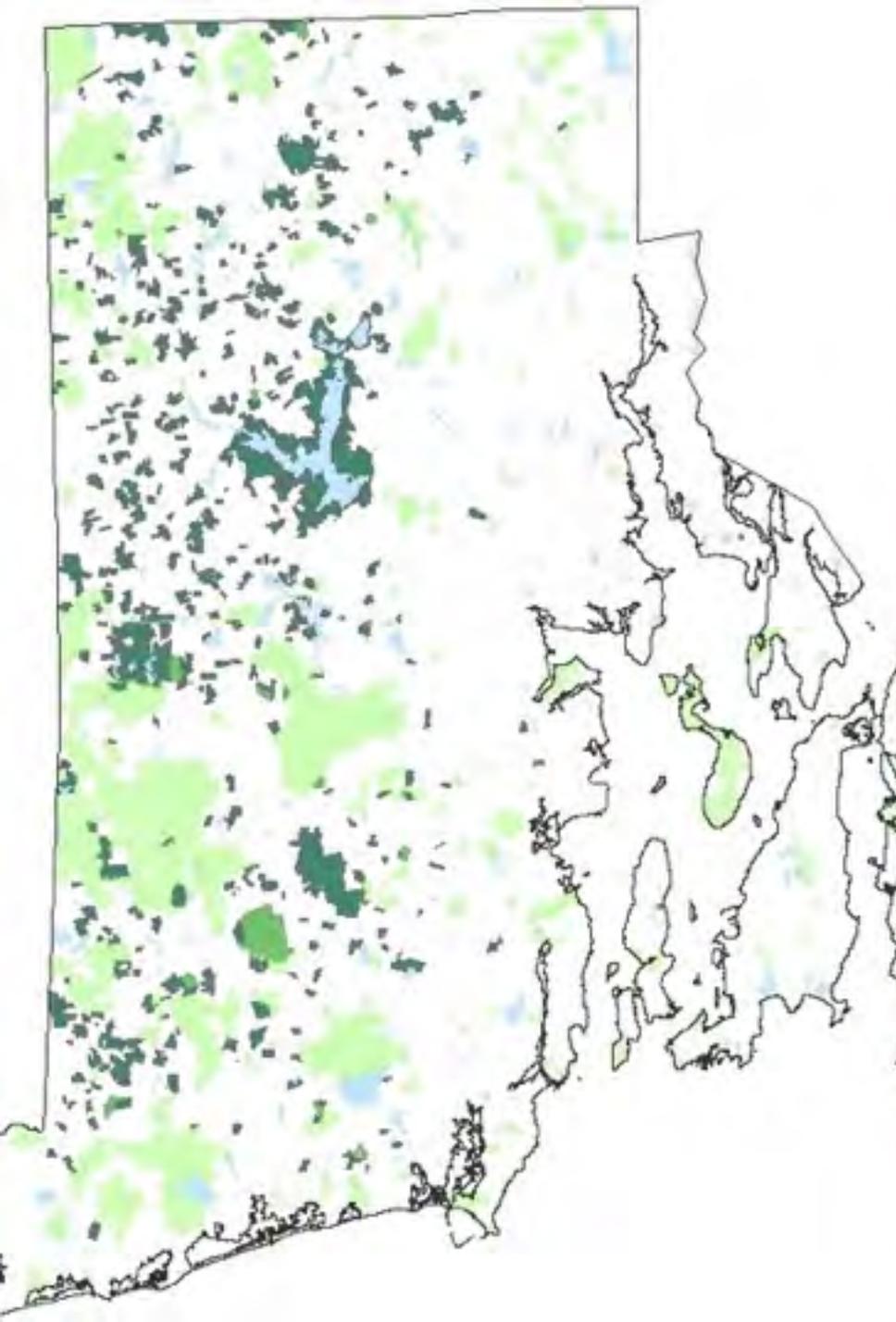
# Rhode Island's Forests



- 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



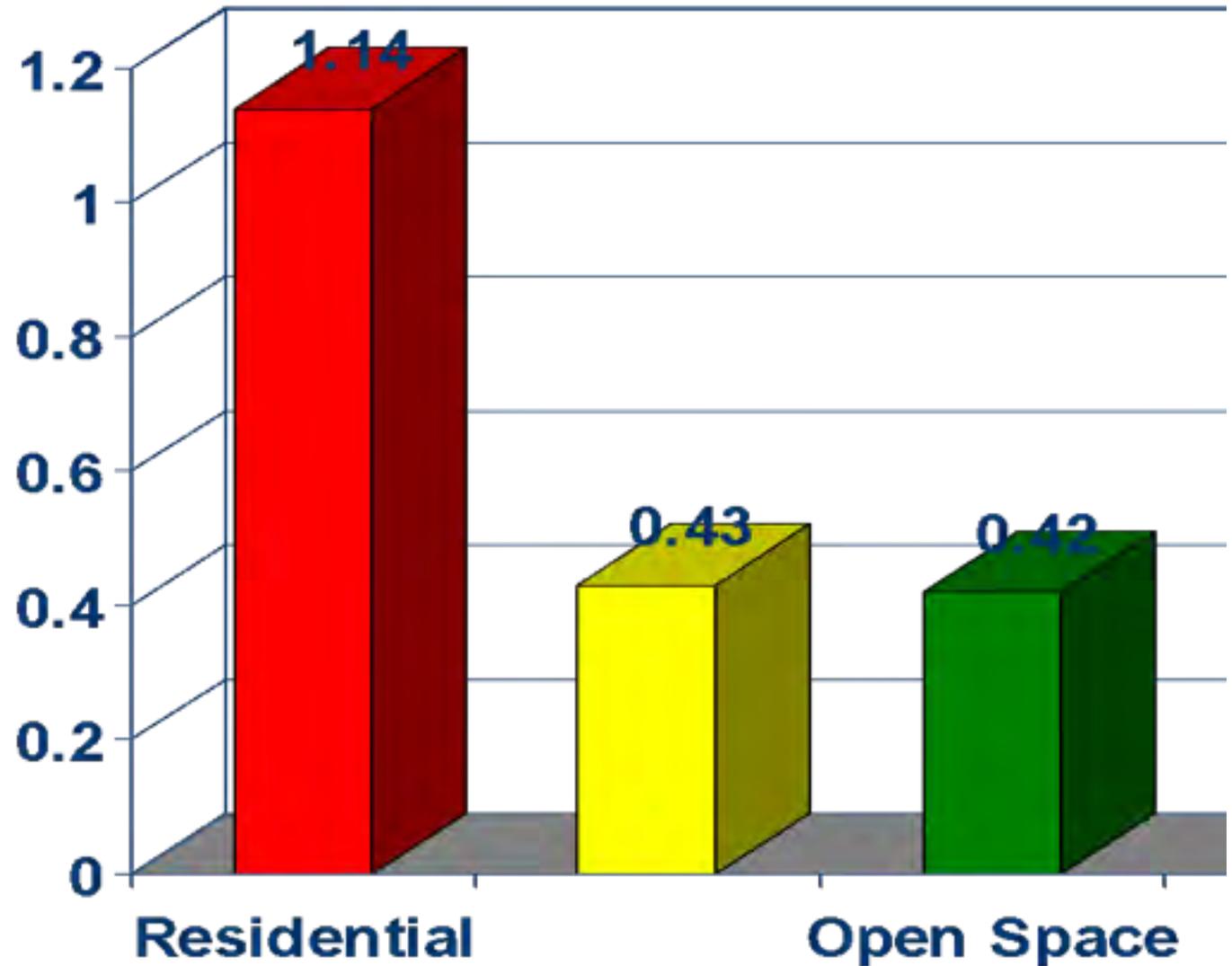


## Forests in Current Use Tax Program (Farm, Forest, and Open Space)

- 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:  
University of Rhode  
Island, Resource  
Economics:

Thomas Sproul,  
Associate Professor

Clayton Michaud, PhD  
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# **Economic Impact of Rhode Island's Forestry and Wood Sector Impact Study**

# Disclaimer



Some numbers within this study had to be speculated due to their nature and Authors tended to be more



conservative with these numbers due to this

# Data Collection and Methods

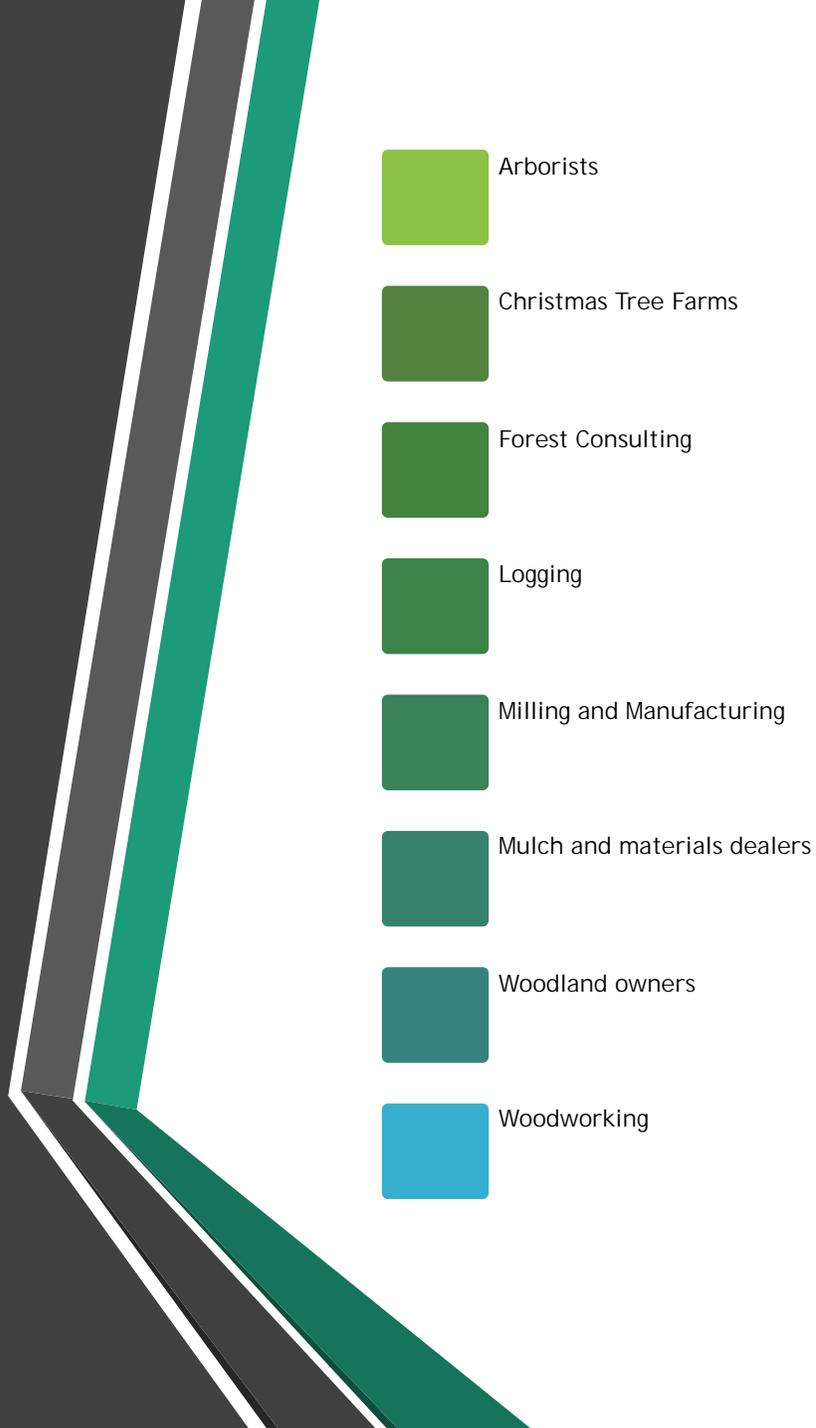
- Survey (N=6)
  - Marketing databases (AtoZ, Manta, Buzzfile)
  - RI Secretary of State Corporate database (listings only)
  - RI DEM: Licensed Arborists and Wood Operators
1. Classify firms and define industry structure
  2. Estimate missing firms as median (lognormal)
  3. Address measurement error 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:



# Woodland Owners

- 253,400 acres of privately owned forest land
- \$850,000 in gross sales



# Woodland Owners



Authors were more conservative, leading to a



possible understatement of total economic wood owners contributions are cutting for trail clearing



# Christmas Tree Farms

- 48 firms
- 83 jobs
- \$6.14 million gross sales



# Forestry Consulting

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- 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*



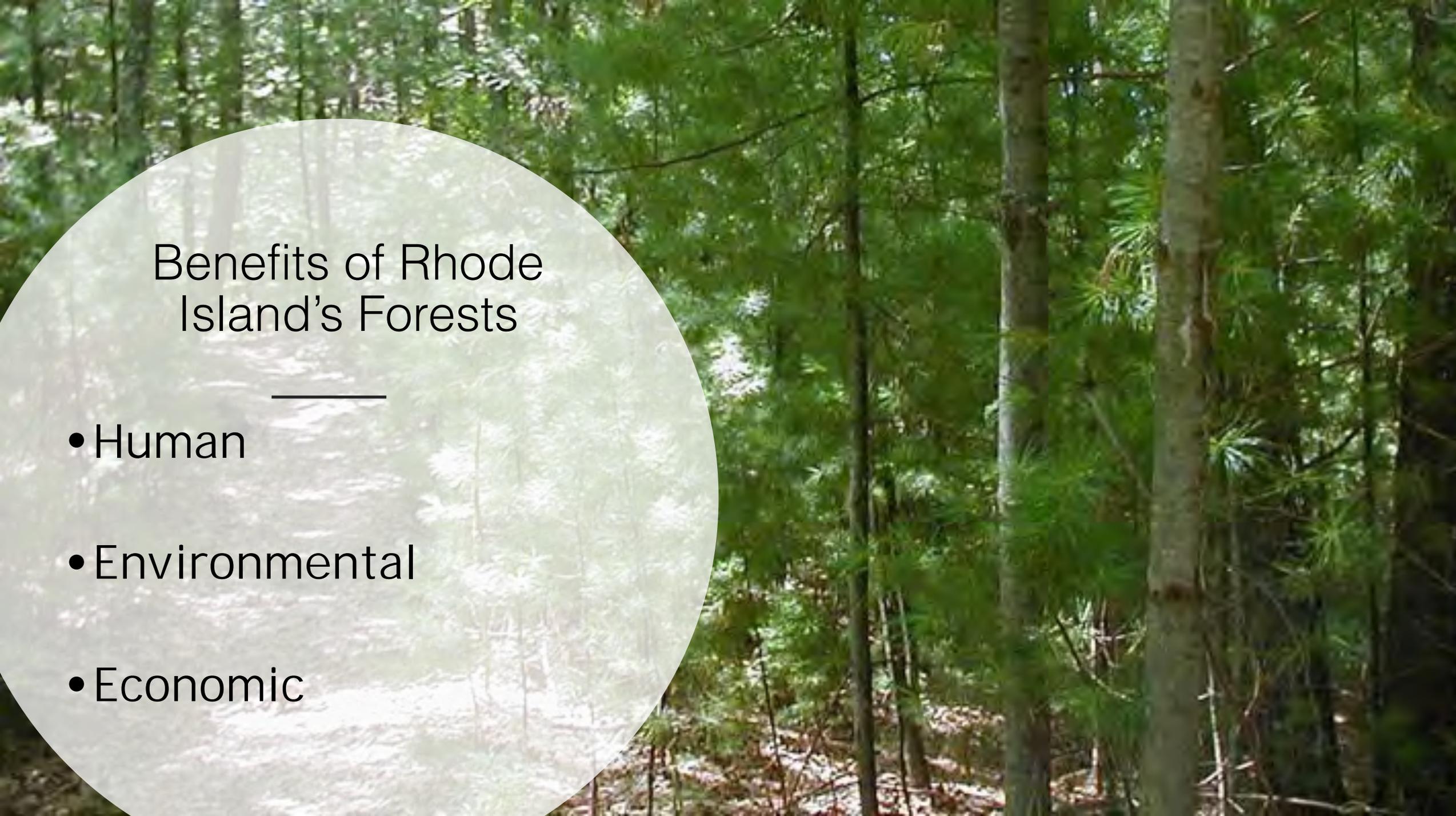
# Woodworking

- 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

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- 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 ecor
- House Value increase



# Wildlife Action Plan GIS Map

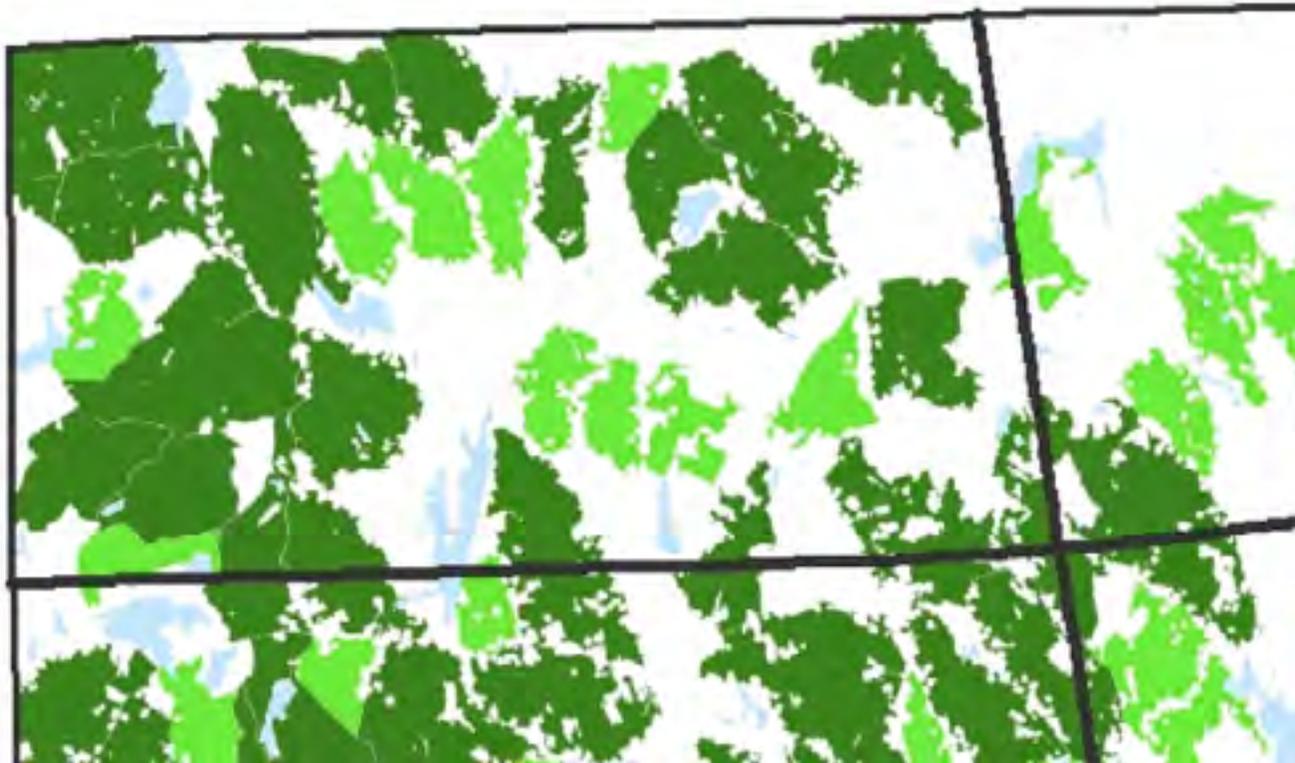


## Unfragmented Forest Blocks

■ 250-500 acres

■ 500+ acres

# Burrillville, RI



## Unfragmented Forest Blocks

■ 250-500 acres

■ 500+ acres

# Exeter, RI

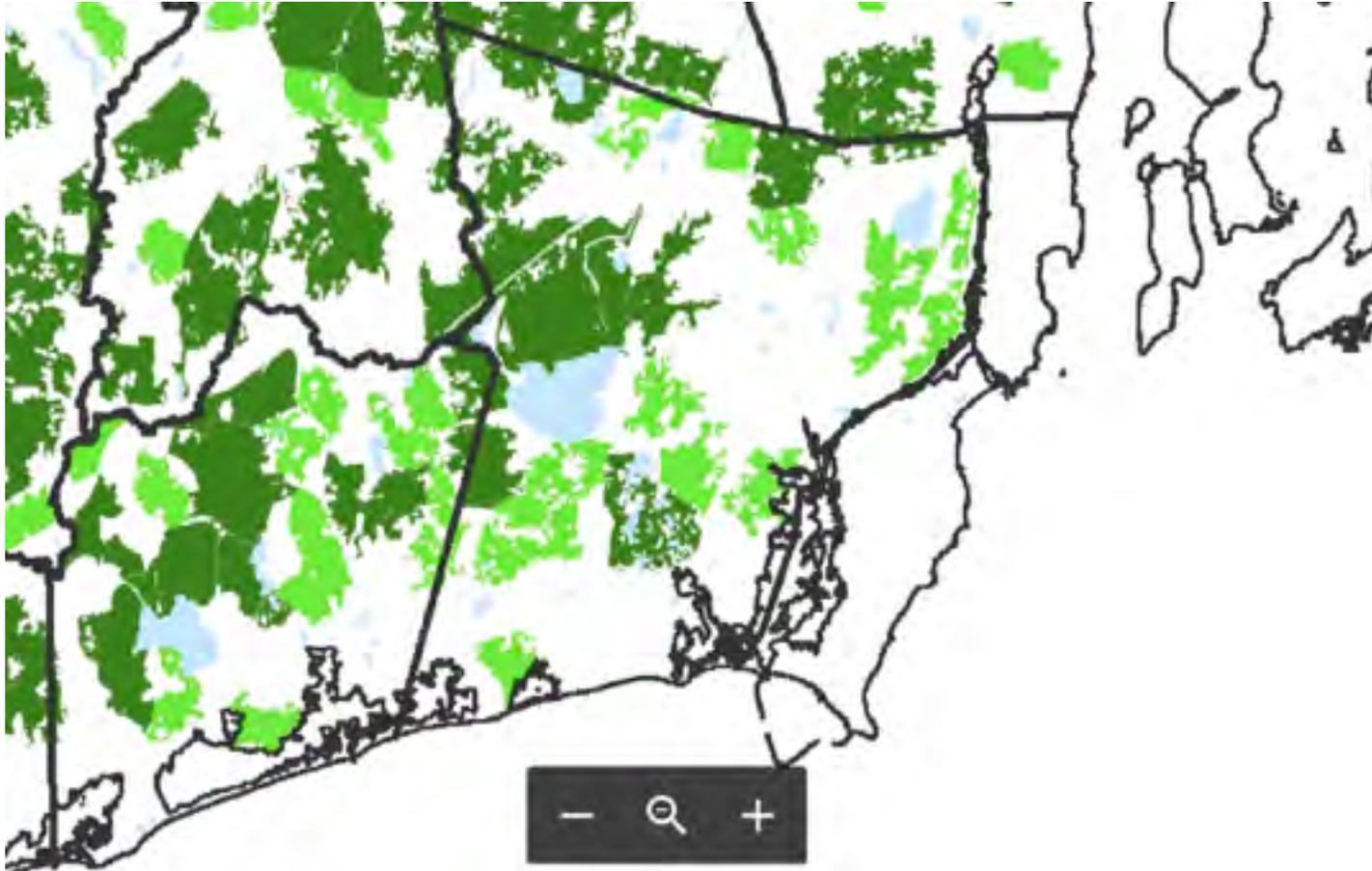


## Unfragmented Forest Blocks

■ 250-500 acres

■ 500+ acres

# South Kingstown, RI



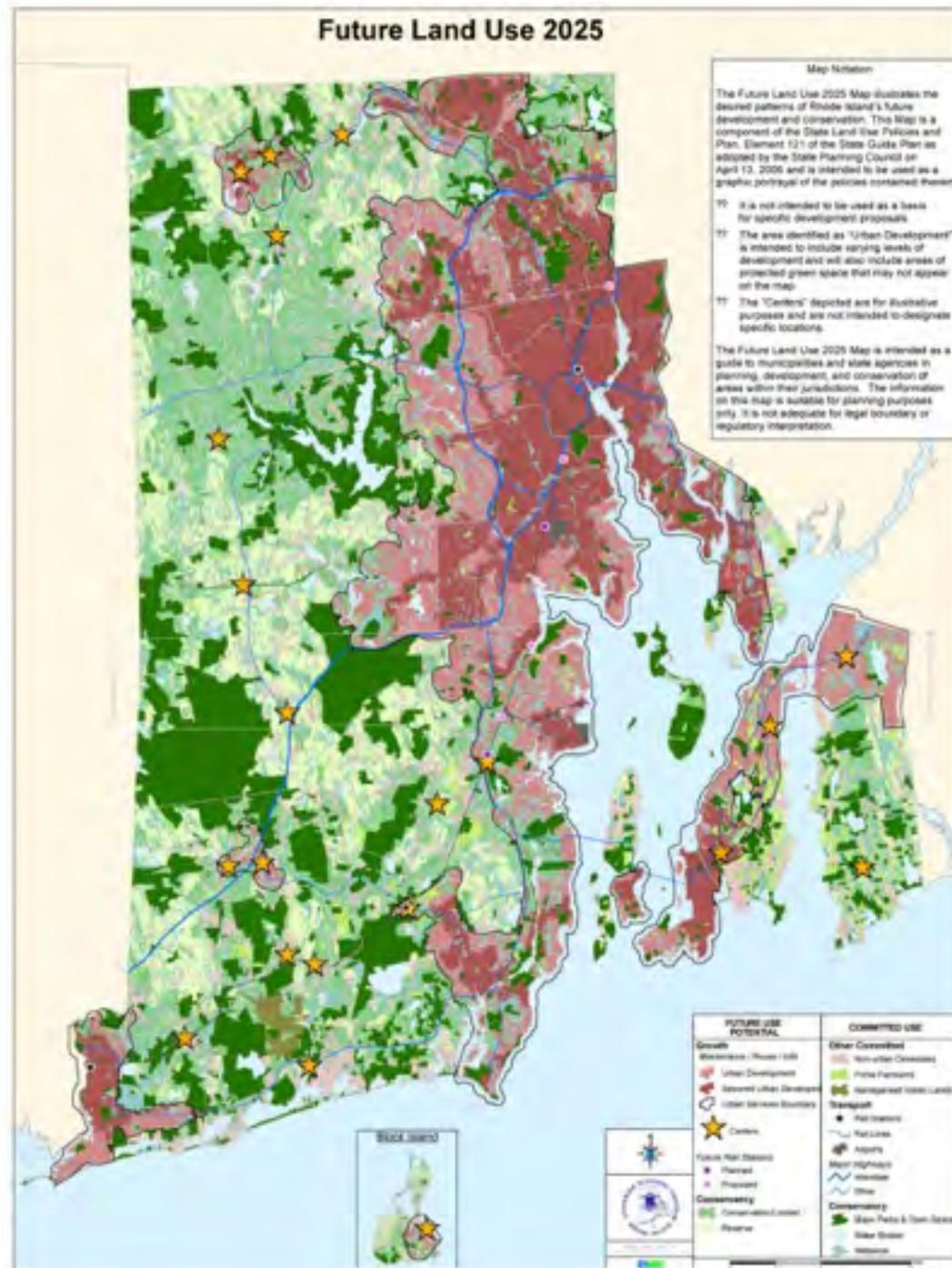
## Unfragmented Forest Blocks

■ 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. "

**INSTEAD OF THIS**



**STRIVE FOR THIS**





## 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](http://riepr.org)

RIFCO: Marc Tremblay

[www.rifco.org](http://www.rifco.org)

GrowSmart RI: Scott Millar

[www.growsmartri.org](http://www.growsmartri.org)

RI Land Trust Council:

Rupert Friday

[www.rilandtrusts.org](http://www.rilandtrusts.org)



QUESTIONS?