

Meeting Summary
RI Economic Monitoring Collaborative
December 1, 2006
3-5pm
RI Economic Policy Council

Attendees: Ames Colt, Austin Becker, Kip Bergstrom, Geoff Grout, Kevin Hively, Michael Keyworth, Elizabeth Kordowski, E. Howard McVay, Jr., Marisa Paul, Curt Spalding, Chip Young, and Kevin Park.

1. Review/approve meeting summaries

Mr. Becker noted an alteration to the October 10th meeting summaries. He had requested that the data provided by Mr. Hively be able to be broken down on a regional basis as much as possible. With this change, Mr. Becker moved to approve the meeting summaries for October 10th and September 28th, Mr. Spalding seconded, and the motion carried.

2. Review monitoring work to date (working session w/ K. Hively)

Mr. Hively presented a progress report on his work to-date for the Collaborative. He said the hardest data to get so far has been on land-use. Other than some data provided by Providence Plan, he will have to go town-by-town, and parcel-by-parcel to get the relevant information. Other challenges included obtaining proprietary data, leading vs. lagging indicators (most are lagging, the question is how to translate them into what may happen), and the fact that some data is old, for example water data released in 2003 was actually from 1999. Mr. Colt asked if Jeff Willis had some marina data. Mr. Hively responded that he had assembled marina information from Census data and records on the number of slip permits since then. Mr. Keyworth asked if CRMC had done a flyover, to which Mr. Hively replied that no data count was performed.

Using NAICS codes, Mr. Hively broke down industries into water-dependent (meaning would not exist without water), water-related, and watershed. Water-dependent industries were primarily ship and boat building. He noted questions surrounding fishing as a full-time occupation, and noted his data is likely understated because it misses fishermen who are the sole proprietor or work only for cash. An alternative measure could use the number of fishing boats. Mr. Becker asked to clarify what water transport includes. Mr. Hively replied that movement of products and people, but not in a scenic manner such as tourism. He said he had received the data from the federal level as the DLT would not release the information. Because his work is based on NAICS codes, he can compile it back to 2001, and from then on would have to change the SIC codes into NAICS codes.

Mr. Hively's work on water-related industries was incomplete because relevant businesses were buried in multiple NAICS codes. For example, designing companies solely devoted to boat-building are listed under design industries not marine ones.

Mr. Hively had questions about his analysis of watershed employment. He divided industries by degree of water-intensive use, as indicated by the USGS. However, he considered this an artificial average for each industry because each "industry" included a variety of businesses with much different degrees of use. In addition, industry classifications were based on outdated SIC

codes. There was also the question of whether water-intensive is the best measure of water use, as they account for a relatively small portion of total volume of water, the larger being large businesses with only a moderate degree of water use.

Mr. Hively commented that the “summer” communities account for 70 percent hotel tax collections. He also noted that data on restaurant employment are flawed because they do not include tips and previous studies have considered these full-time jobs, with similar problems in retail and real estate. In general, Mr. Hively noted that these are good indicators of the health of economic activity.

Contrary to the common perception, Mr. Hively said Rhode Island is not the second home capital of New England, and is in fact below the regional average. Further, waterfront real estate in Rhode Island is relatively inexpensive.

Mr. Hively said cruise ship calls are falling and Rhode Island is losing its share of the market. However, these do not include the new Providence Piers dock because, as Mr. McVay noted, the ships are too small to qualify as cruise ships. Mr. Becker said Providence Piers would likely be willing to provide their information. Mr. Keyworth said this information could be used to figure out which markets to fill in.

Participation rates for water activities might need to be updated, and mega-yacht data still needed to be added; however, Mr. Hively said the area is under-capacity for event-based tourism, but over-capacity for location-based tourism.

Mr. Hively outlined three approaches for presenting his data: 1) “kids count” where every fact is presented, 2) “CPI” where a basket of measures are weighted, and 3) “scorecard” where 4-5 major categories are presented with an emphasis on performance metrics and change over time. To determine which specific metrics he should focus on, Mr. Hively recommended another working session sometime before the winter holidays. Mr. Bergstrom asked Mr. Hively to email dates when he is available, and Mr. Bergstrom will email the group. The working categories of metrics are those used by Mr. Hively: Economic, Activity, Conflict, and Capacity. Mr. Ames said this information will be helpful for environmental agencies to understand the economic side, and for development agencies to target their efforts.

3. Other Business

Mr. Bergstrom wanted to schedule a meeting to discuss the other side of the mandate, involving the tracking of public investments. Mr. Colt and Mr. Bergstrom tentatively agreed to Dec. 18th, 1-3pm. Mr. Bergstrom said he had submitted the names of “unofficial” members currently participating with the Collaborative. The group is also encouraged to review the Coordination team’s FY08 funding proposal and email Mr. Colt comments.