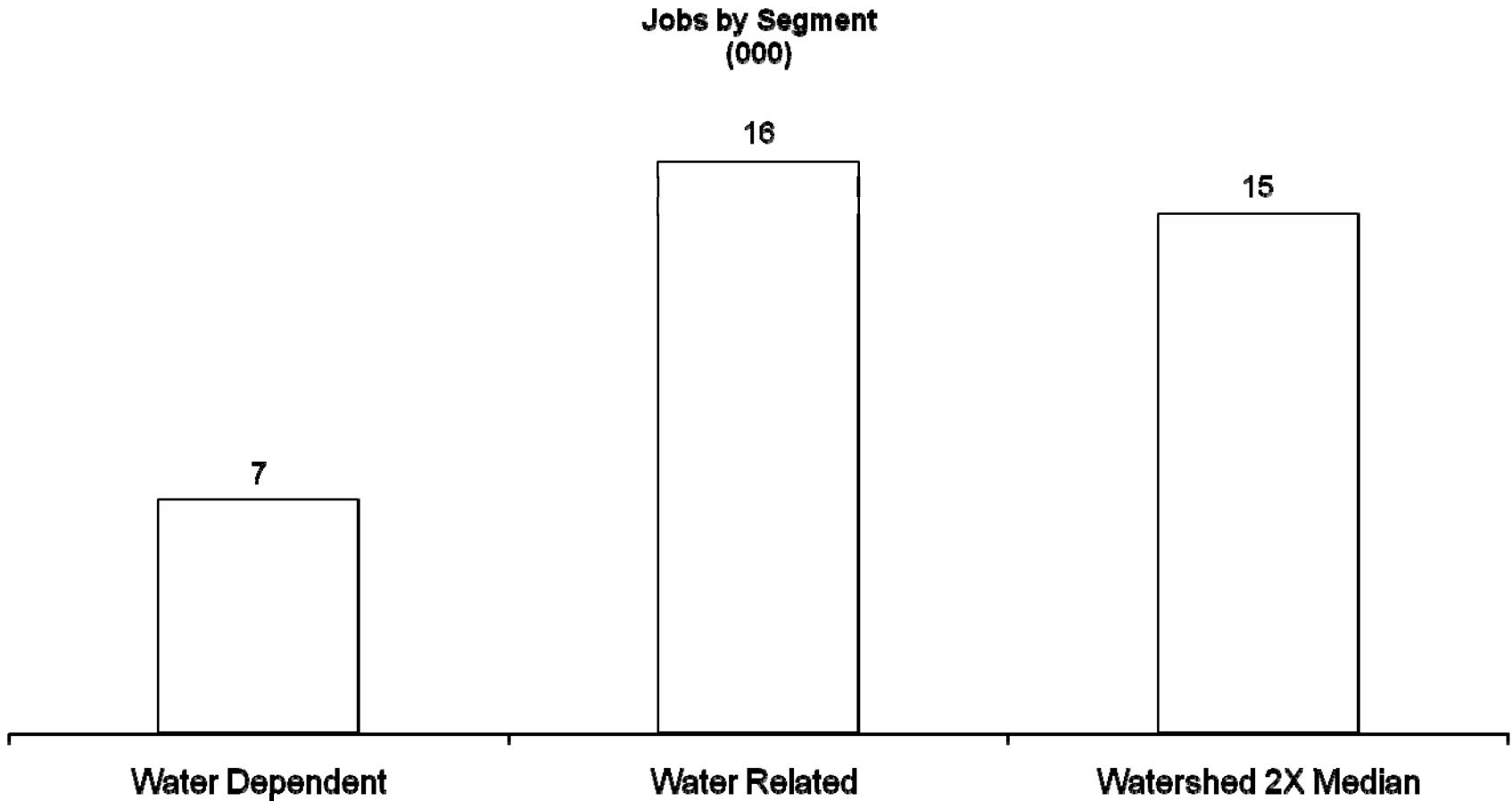


Rhode Island's “Water-based” Economy

**Presentation for
“Creating Vibrant Waterfronts in Rhode Island”**

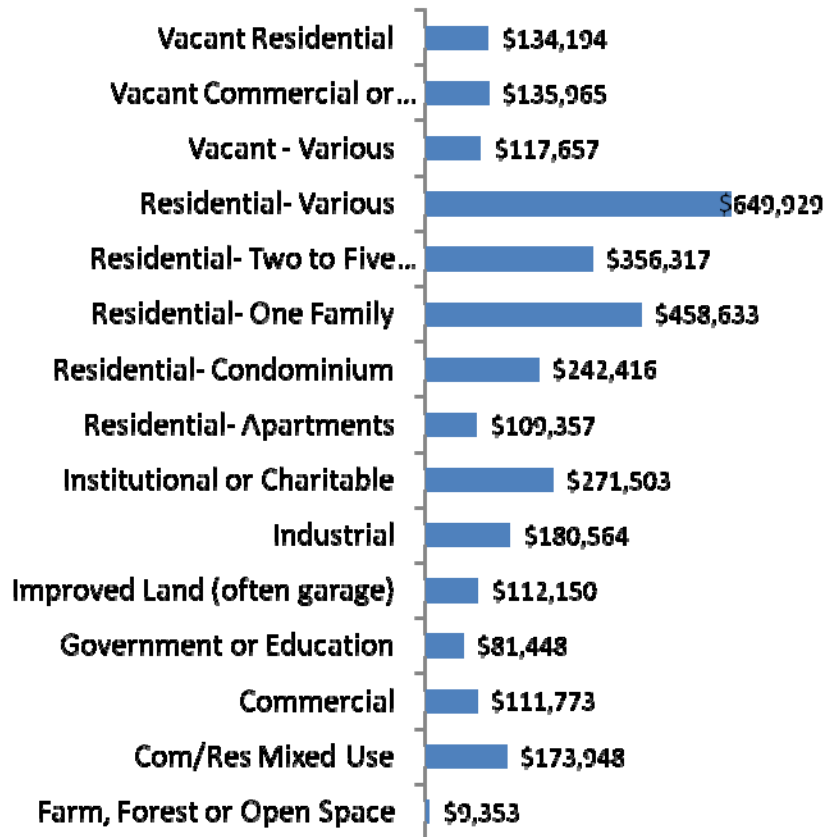
Economic Overview

**Approximately 8% of state employment
is heavily tied to the state's coastline and watershed
and is growing at 2.6 times the rate of nation**



Residential coastal property is substantially more valuable than commercial or industrial but RI is relative bargain compared to other areas

Value Per RI Coastal Acre by Tax Classification

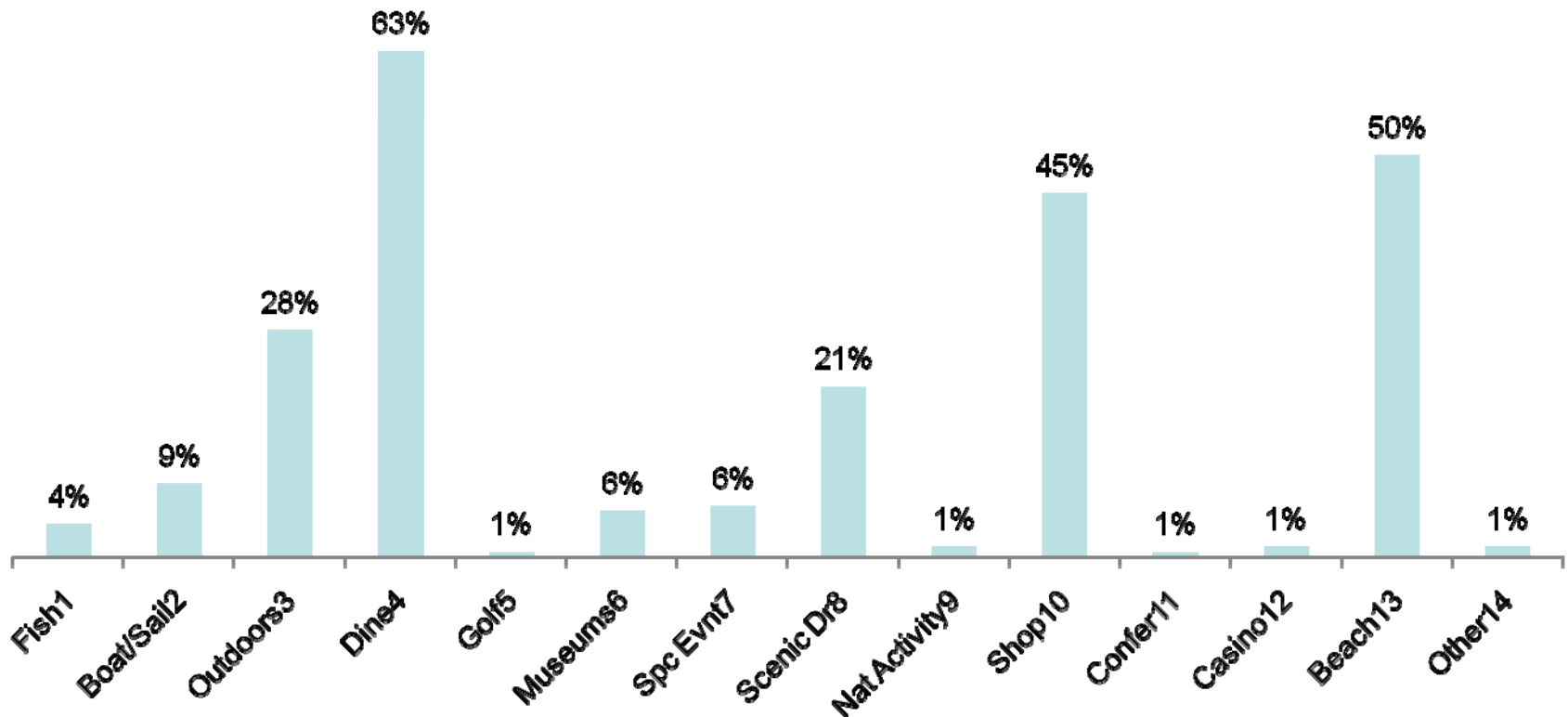


\$1 mill to \$2.5 mill price points
Sept 2006 prices

Community	AVG \$/sq ft
Montauk, NY	\$ 894.04
Amagansett, NY	\$ 863.21
Weekapaug, RI	\$ 853.63
Little Compton, RI	\$ 771.18
Westhampton, NY	\$ 705.52
Bridgehampton, NY	\$ 668.67
Narragansett, RI	\$ 646.28
East Hampton, NY	\$ 636.29
Chatham, MA	\$ 625.61
Edgartown, MA	\$ 569.14
Southampton, NY	\$ 563.81
Westport, MA	\$ 544.14
Rye, NH	\$ 530.61
Nantucket, MA	\$ 521.88
New Castle, NH	\$ 488.49
Westerly, RI	\$ 448.03
Hyannis, MA	\$ 432.03
Watch Hill, RI	\$ 419.55
Newport, RI	\$ 400.02

Outdoor-related activities are important activities for tourists to RI's south coast shoreline

Distribution of Activities
(Does not add to 100% because multiple activities could be picked)

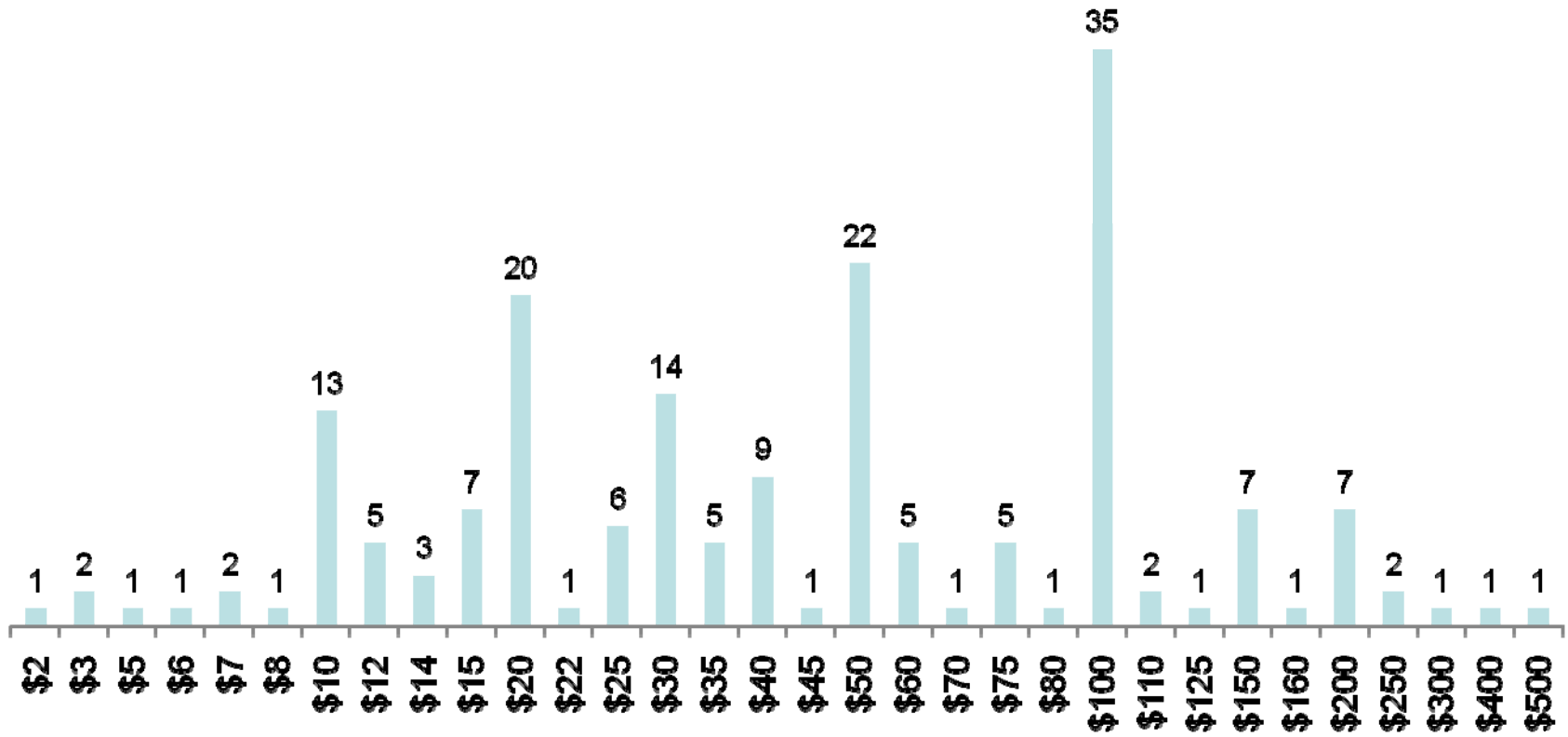


N= 315

Note: includes in-state visitors

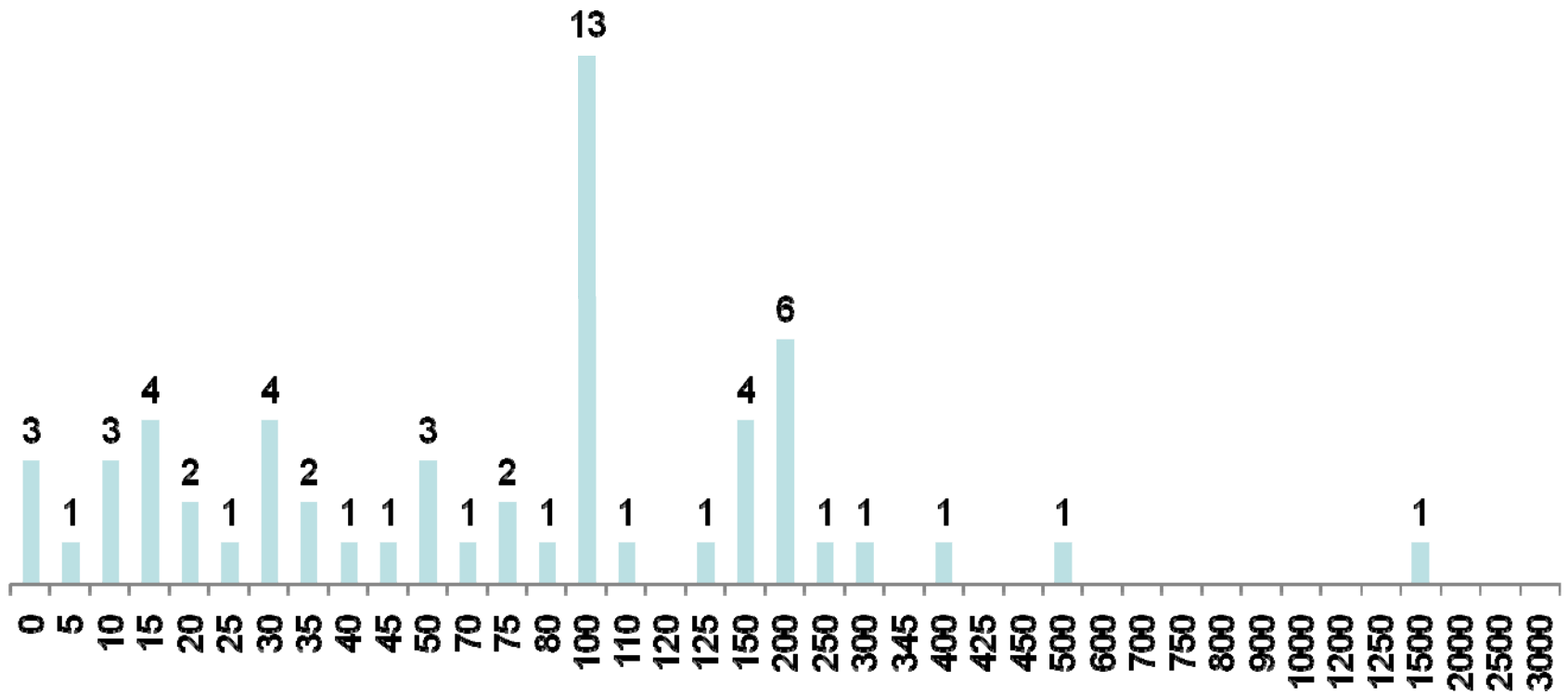
Day visitors (in-state and out-of-state) on average spend \$64 per trip

Day Trip Spending Distribution



In contrast the average Newport day visit spending is approximately \$122

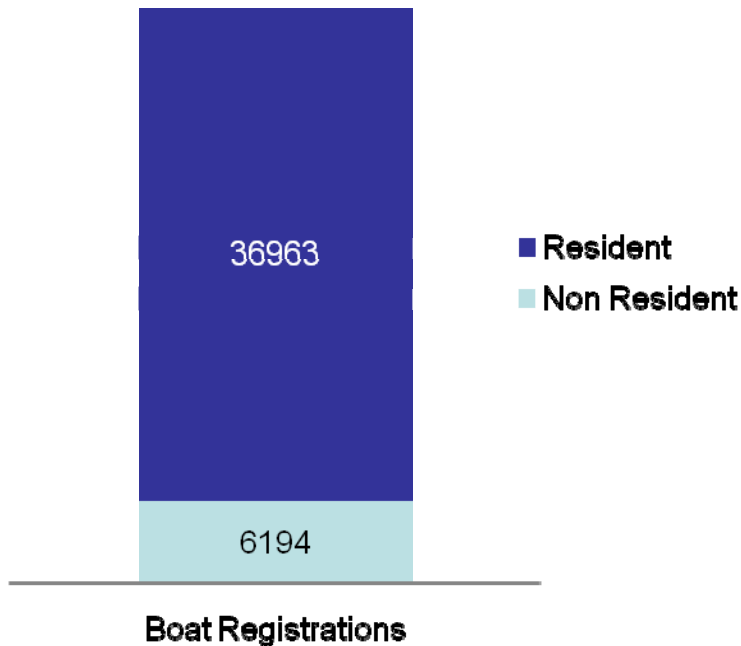
**Distribution of Newport day visit spending
N=120**



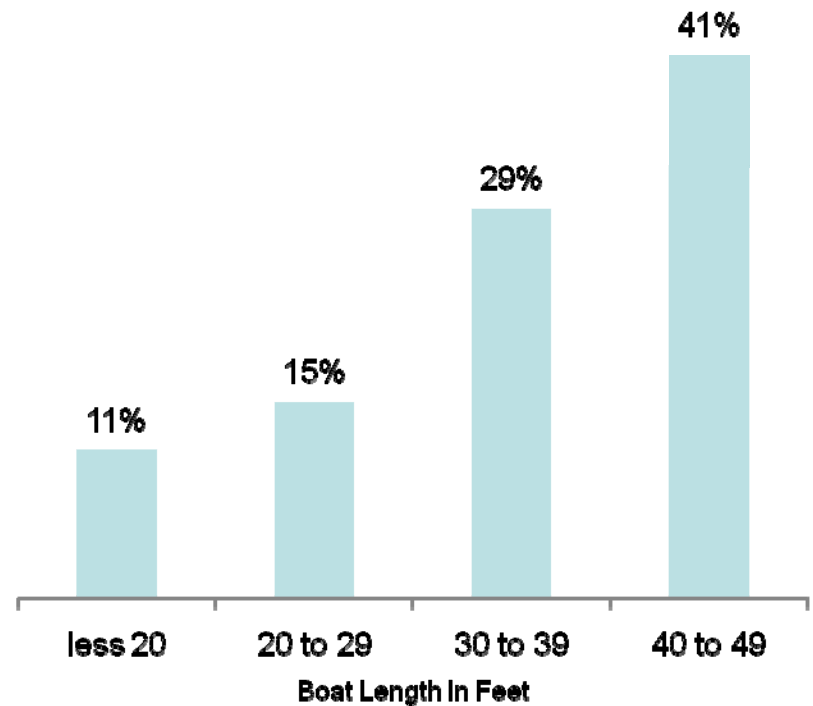
Background on Key Market Segments

Out-of-state boat owners are an important component to the state's recreational boating scene

14% of boats registered in RI are owned by out-of-state residents...



...But as boat length increases the percentage of non-residents also increases

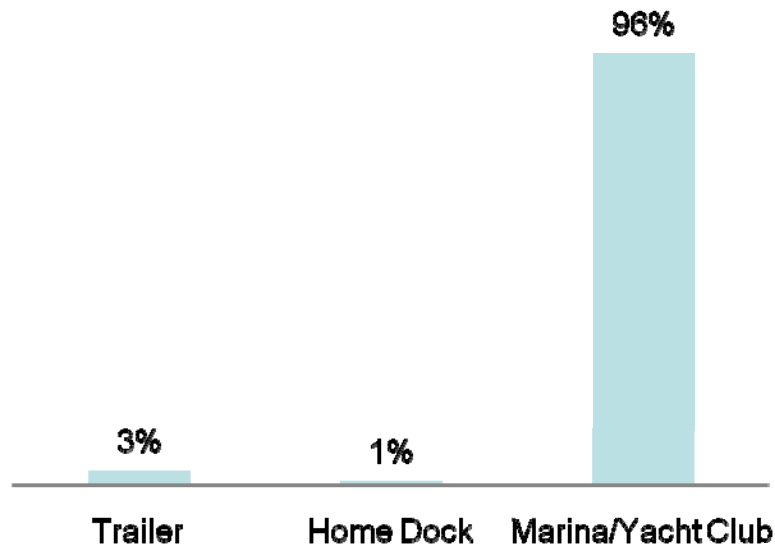


Source: Based on DEM boat registration files self-reported boat location data; NP analysis

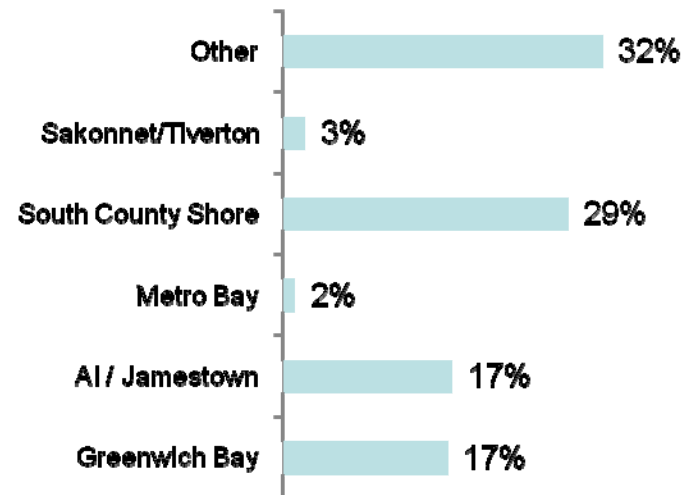
Non-resident boats are key market for marinas with their impact concentrated along the state's south coast

□ 10,700 resident boats or 29% are “trailerered”

Most out-of-state boats are kept at marinas...



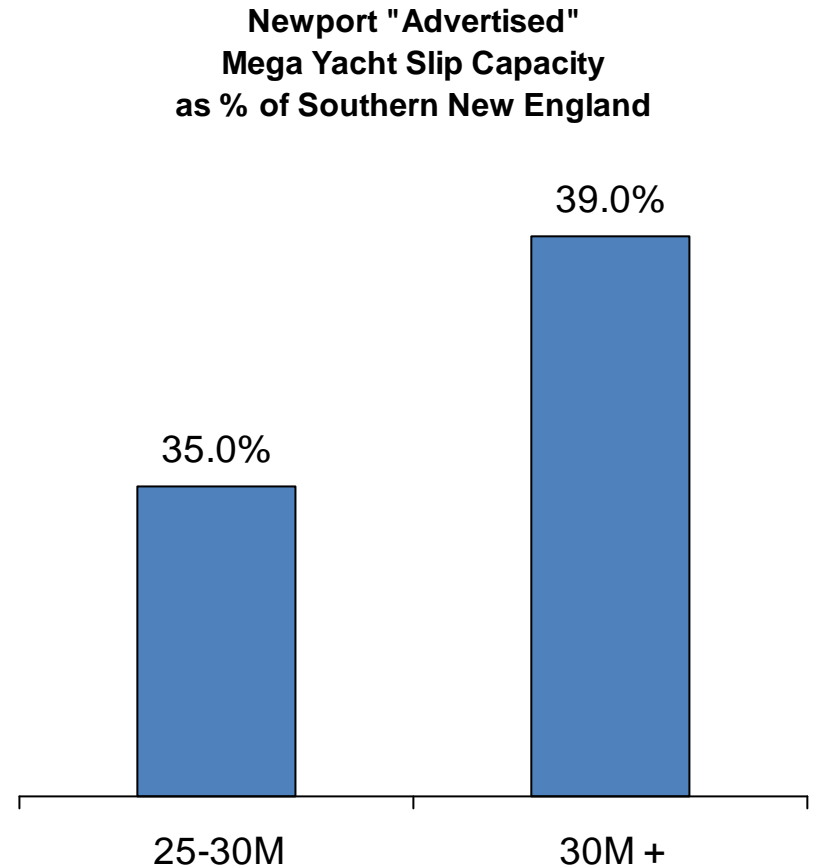
...and nearly 50% of the boats kept at marinas or yacht clubs are kept along RI's south coast



Source: Based on DEM boat registration files self-reported boat location data; NP analysis

Newport offers the most mega yacht “berthing capacity” of any southern New England/Long Island location

Location	25-30M	30M+
Hyannis	15	8
Nantucket	25	15
New Bedford	5	5
Onset	4	3
Portsmouth	9	9
Newport	48	34
Essex	6	2
Montauk	25	12



Source: NP calculations based on SuperPorts 2006 Directory

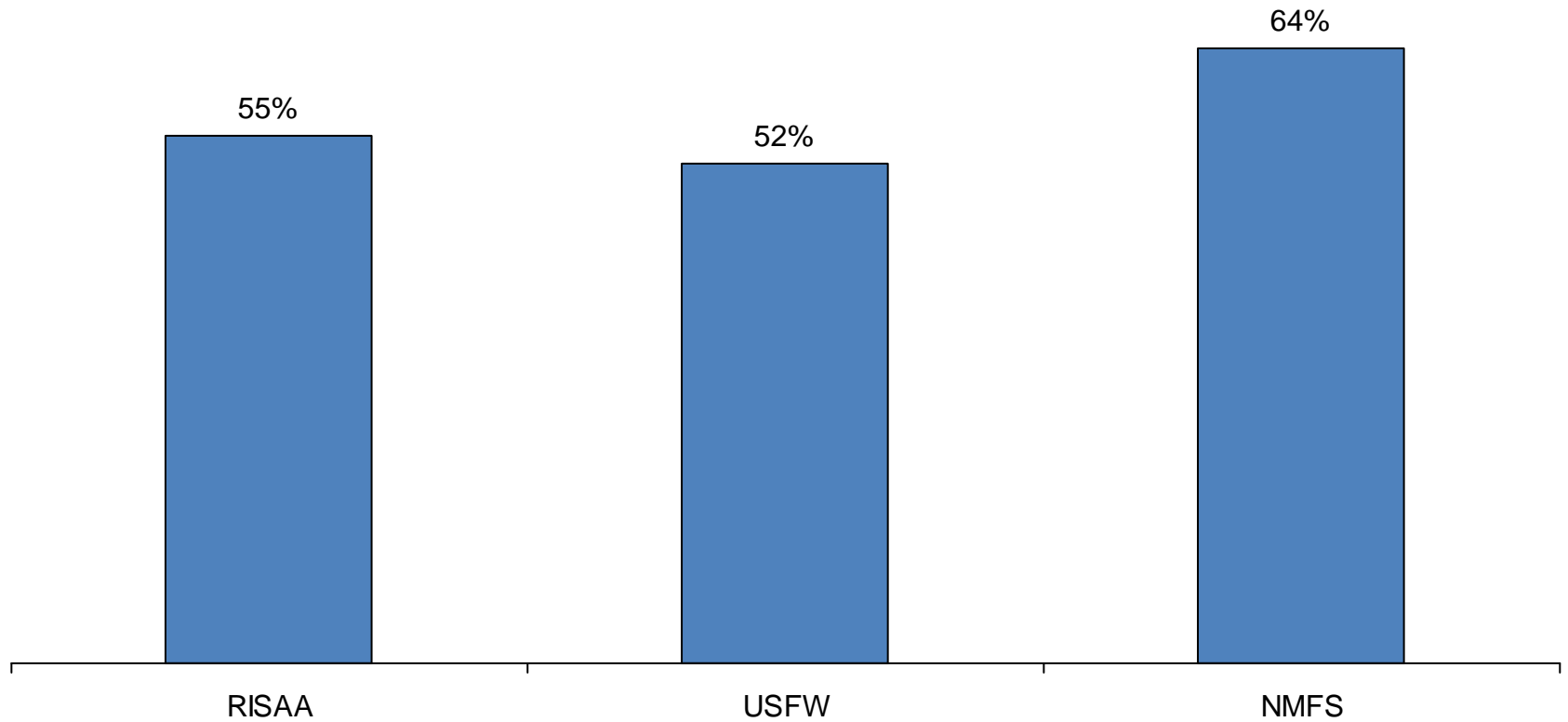
Only Newport has no physical “constraints” as it relates to all but the very largest yachts in excess of 300 ft

- Newport Shipyard is the only Newport facility without encumbrances
- Brown and Howard and Newport Yachting Center have size limits

Location	25-30M	30M+	Max Length	Max Draught	Max Beam	Stern-to capable
Hyannis	15	8	66m	5m	12m	yes
Nantucket	25	15	100m	4m	20m	yes
New Bedford	5	5	61m	3m	9m	no
Onset	4	3	36m	2.4m	9m	yes
Portsmouth	9	9	36.5m	3.7m	no limit	yes
Newport	48	34	100m	8m	no limit	yes
Essex	6	2	46m	2.2m	10m	no
Montauk	25	12	25m	12m	10m	no

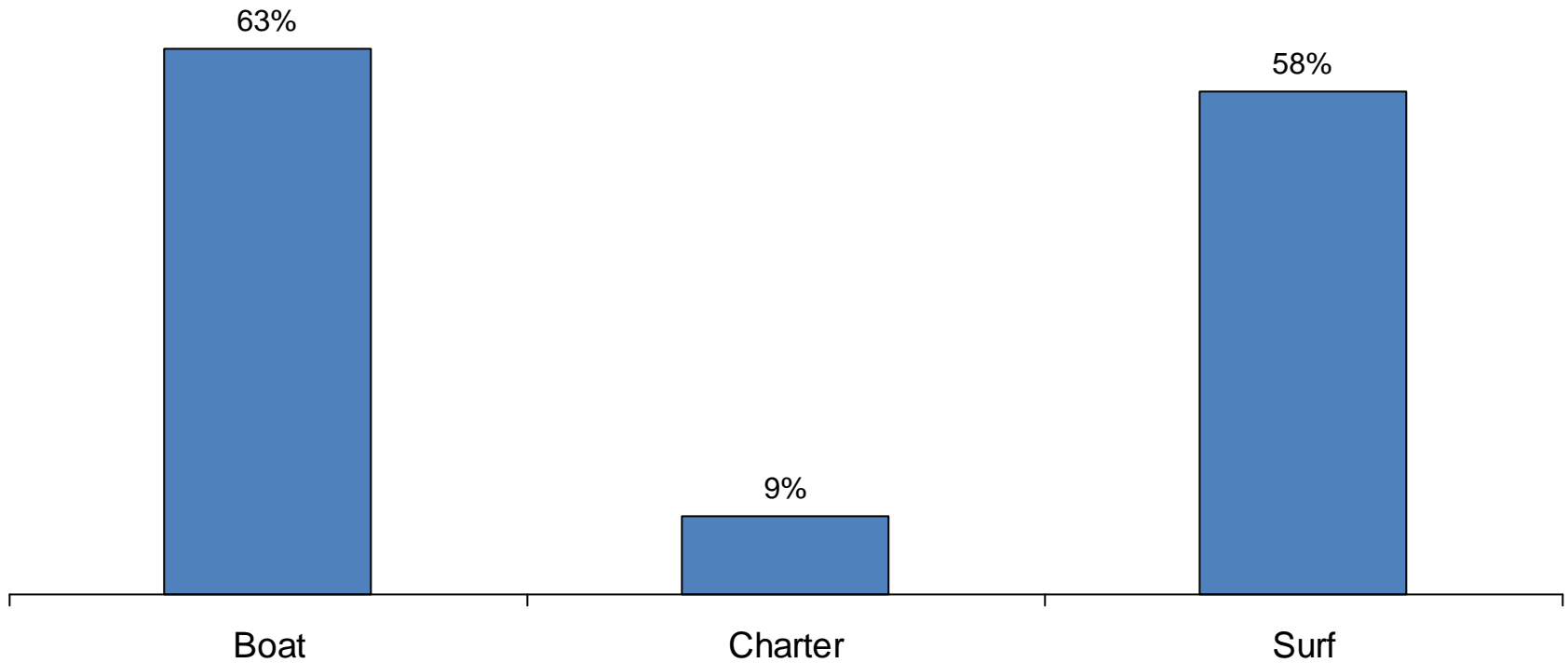
Saltwater recreational fishing generates significant out-of-state activity

% of Saltwater Anglers from Out-of-State



Maintaining public access to water either for boats or to surf cast is important for recreational fishing

Fishing by Mode



Note: Does not add to 100 since respondents could pick more than one mode

Some Things to Think About

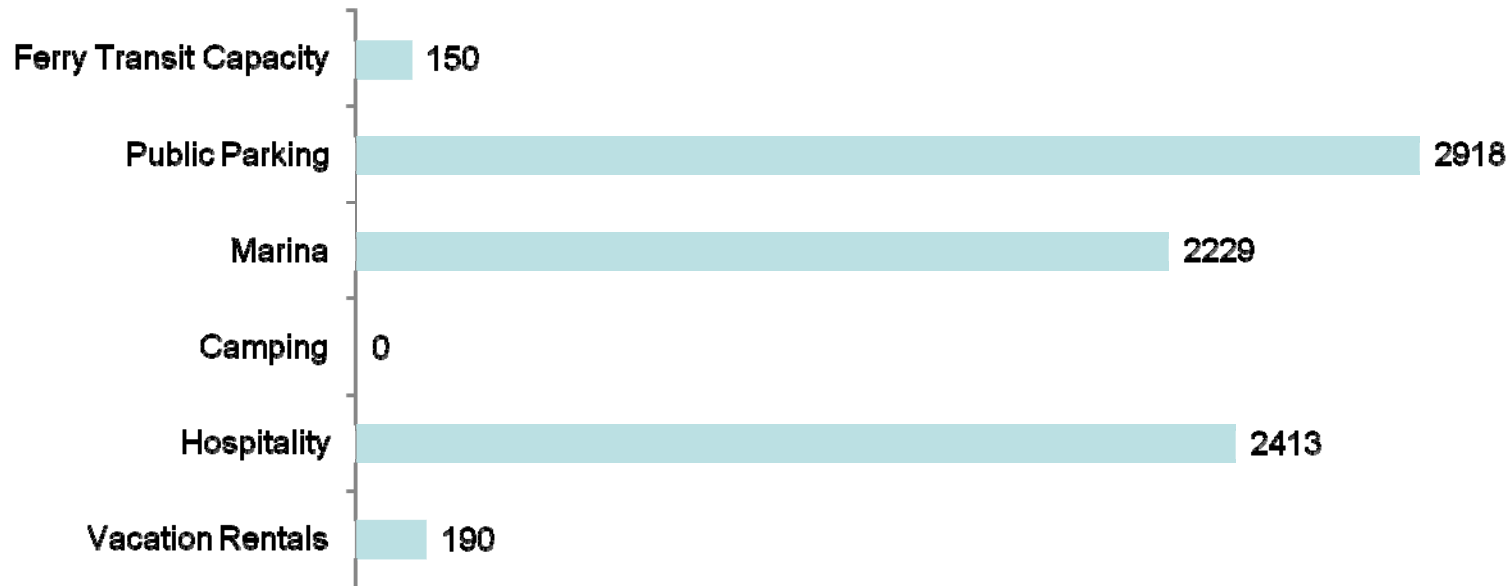
Some things to think about

- Controlled growth
- Economic activity and infrastructure demands
- Financing waterfront redevelopment in RI

Controlled growth: Accommodation capacity: Newport case study

- ❑ At a given moment in time Newport has approximately 7950 “slots” for visitors
- ❑ This could translate to as many as 31,800 people* or approximately 5300 people greater than the town’s population

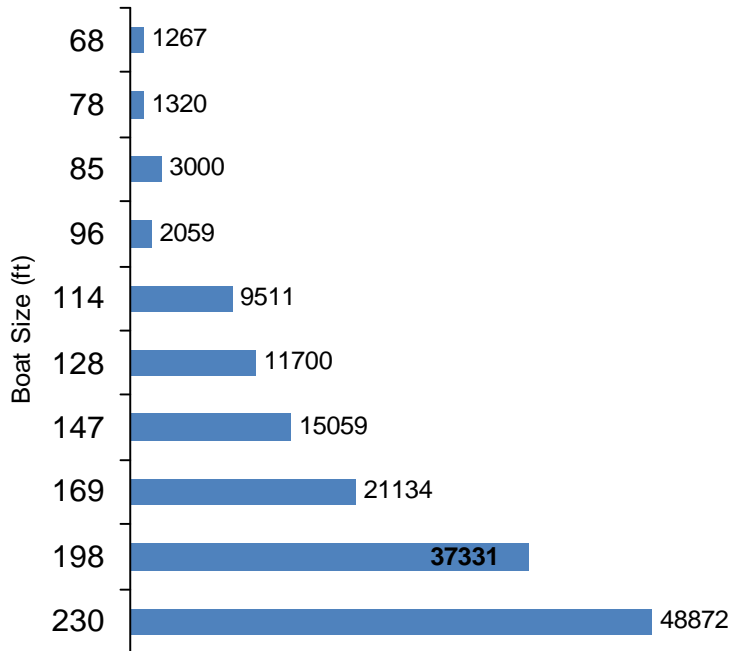
Accommodation Capacity Slots



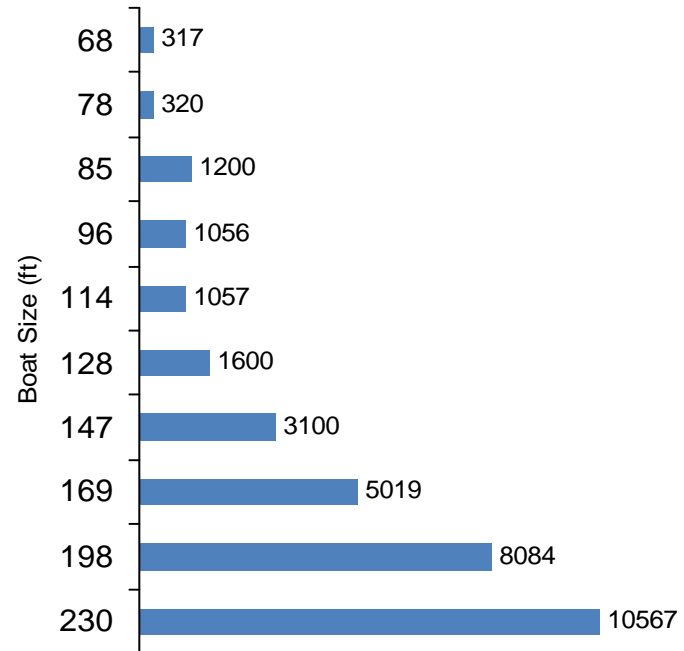
* Note: multiplies each slot by 4

Infrastructure Demands caused by Certain Market Segments: Example: Large yachts

**Power Boats
Relationship between
Fuel Load and Vessel Size
(gallons)**

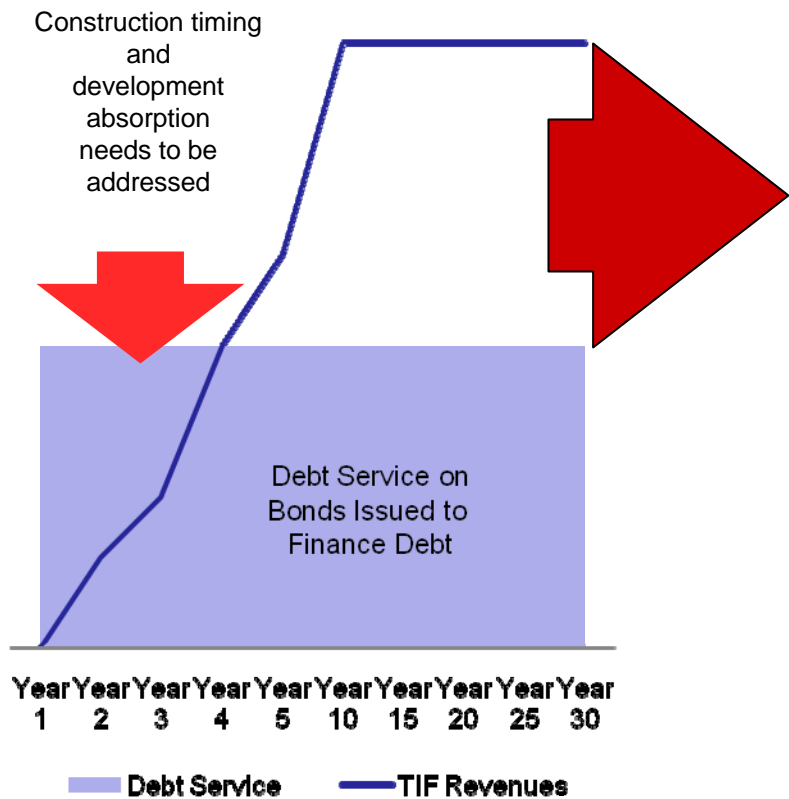


**Power Boats
Relationship between
Water Capacity and Vessel Size
(gallons)**



Source: Merrill-Stevens Yachts for Sale; Benetti Fleet Book; NP calculations

Financing redevelopment in RI: TIF and S3050 – the property tax cap



- Due to S3050 the incremental new tax revenues above debt service costs could only be used to reduce the overall tax burden in the community rather than additional spending on public services
- Additionally, the debt service counts toward the property tax cap