

Economic Analysis – Scope of Work Summary

The Economic Analysis Team has prepared a Scope of Work, which was submitted to the Science Panel for review on Wednesday 15 October 2014. The Scope of Work was developed based on the Team’s initial Menu of Approaches, and through consideration of comments and suggestions received in the Economic Analysis Workshop, and additional comments submitted in writing to the team. This document contains a summary table of components in the Scope of Work, which is still subject to change based upon Science Panel review and final concurrence by Washington Department of Ecology and Washington Department of Natural Resources.

As a reminder, the Economics Team initially proposed three Levels of Study. Below is a comparison of the relative strengths and weaknesses of each level.

Item	Level I Study	Level II Study	Level III Study
Strengths	<ul style="list-style-type: none"> • Quickest implementation. • Data already exists. • Advantageous if budget is limited. 	<ul style="list-style-type: none"> • County-level impact estimators specifically designed for the study region. • Most data already exists. 	<ul style="list-style-type: none"> • Impacts fine-tuned for individual communities in the study region. • Most accurate representation of sectors and local economies.
Weaknesses	<ul style="list-style-type: none"> • “Off-the-shelf” so accuracy may suffer. • Finer-level activity and geographic detail may not be available. 	<ul style="list-style-type: none"> • May require access to confidential business data. • Relies on existing data but some interviews required. 	<ul style="list-style-type: none"> • May require access to confidential business data. • Data needed for fine-tuning must be collected via interviews. • Most time-consuming implementation.

Summary of Scope of Work

Item	Level of Study	Description of Study Elements
Economic Profile of the Coast	III	<ul style="list-style-type: none"> • Research and provide profile of economic base, coast-wide and by county. • Socioeconomic data from US census, REIS, BEA, WA Employment Security. • Incorporate information from Sector Analyses. • Research and discuss trends affecting coastal economy; research and forecast near-term economic conditions for major sectors.
Economic Profile of Tribal Communities	II	<ul style="list-style-type: none"> • Research and provide socioeconomic profile of Quinault, Quileute, Hoh, Shoalwater Bay, and Makah Tribes. Use published sources, plus direct interviews with the Tribes. • Discuss economic relationship of Tribes within coastal community. • Research and discuss trends affecting tribal economy; research and forecast near-term economic conditions for major sectors.
Commercial Fishery Profile (Non-Tribal and Tribal) of the Coast	III	<ul style="list-style-type: none"> • Research and develop profile of commercial fisheries by species, ports of landing, processors, market forms and markets. Include discussion of trends, including data by port. • Provide profile of tribal fisheries and ports based on published information and interviews with tribal fisheries managers. • Include details as available related to tribal fish markets and hatchery operations. • Update IMPLAN models to incorporate FEAM profiles and new survey data. • Include quantitative impacts by location on aquaculture of proposed uses
Economic Impact Analysis Measures	II + ½	<ul style="list-style-type: none"> • IMPLAN model (five counties, plus region and state), with significant adjustments to source data. • Direct business interviews in order to make adjustments to RPCs. • Model and data turned over to DNR.

Profile of Commercial Aquaculture	III	<ul style="list-style-type: none"> • Develop profile of aquaculture production, processing, and markets, including future trends. Incorporate sector analysis. • Update IMPLAN models to incorporate new survey data, which can be used to estimate impacts to this sector. • Include quantitative impacts by location on aquaculture of proposed uses
Ecosystem Services	II	<ul style="list-style-type: none"> • Discuss general concepts, provide examples of valuation within the coast and the state, and identify coastal sites that are providers of relatively high level of ecosystem services.
Recreation Sector	III	<ul style="list-style-type: none"> • Research and develop profile of recreation on the coast, including activities and participation rates and trends, based on published information. • Incorporate Surfrider study of recreation participation. • Research and incorporate published spending profiles by activity in order to estimate baseline and impacts
Tourism Industry	III	<ul style="list-style-type: none"> • Research and develop profile of recreation on the coast, including activities and participation rates and trends, based on published information. • Research future trends, incorporating broader regional or national research on participation
Social and Cultural Profiles	II	<ul style="list-style-type: none"> • Provide social impact information based on NOAA research, addressing effects by port or community and reservation • Conduct community level interviews (up to 20)
Risk and Industry Vulnerability	II	<ul style="list-style-type: none"> • Assess risk and vulnerability of (1) commercial fishing and (2) aquaculture sectors to “catastrophic events” • Key informant interviews and research sources of financial relief • Qualitative assessment of resiliency and vulnerability of the two industries