



UNIVERSITY OF OREGON

# Ecosystem Workforce Program

BRIEFING PAPER # 27

## Socioeconomic Impacts of Recovery Act Investments on the Rogue River-Siskiyou National Forest

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Congress passed the American Recovery and Reinvestment Act (ARRA) to create immediate job opportunities and stimulate long-term economic growth. The United States Forest Service received approximately \$1.15 billion to promote economic recovery through hazardous fuels reduction, biomass utilization development, and infrastructure projects. When ARRA was passed, there was considerable political conversation about whether investments in the ecological infrastructure of public lands could create both short-term jobs and long-term economic development. This purpose of this study was to understand how Forest Service ARRA investments may have impacted local job creation and economic opportunities.

### Approach

The case study described here was part of a larger project that the US Forest Service Research and Development led to understand the socioeconomic impacts of ARRA investments on eight national forests. Using in-depth interviews with Forest Service staff, contractors, and community leaders, we assessed the impacts of Recovery Act projects on the Rogue River-Siskiyou National Forest (RRSNF) in southwestern Oregon.

### Findings

The RRSNF received \$45 million to conduct hazardous fuel reduction, meadow and habitat restoration, trail maintenance, roadwork, and mine cleanup. The forest carried out this work between March 2009 and September 2010 using a mixture of contracts and agreements (Table 1). Businesses from Jackson and Josephine counties received the majority of these opportunities.

#### 1) Deliberate coordination of contracts expanded who benefited

After April 2009, the regional Economic Recovery Operations Center (EROC) in Sandy, Oregon handled all Recovery Act contracts on the RRSNF. But the Forest and

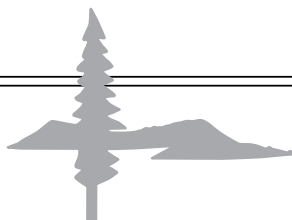
district ranger offices retained the discretion to design and structure projects. Contracts ranged from approximately \$100,000 to \$1 million. Where districts took the opportunity to break projects into sizes accessible to smaller contractors and create opportunities for non-profit partners, benefits of Recovery Act funds were more widely distributed.

#### 2) When Recovery Act funds flowed through diverse mechanisms, diverse benefits were possible

Investments in stewardship agreements such as the Wild Rivers Master Stewardship Agreement provided workforce development and value-added biomass utilization. These agreements included biomass utilization and partnerships with nonprofits and local governments. But use of these mechanisms in Recovery Act projects was limited in comparison to number of contracts with forestry support businesses.

#### 3) The primary impact of Recovery Act investments was temporary jobs

Every contractor interviewed reported that Recovery



Act opportunities kept their existing crews working. Without these contracts, they would have been forced to lay off employees. However, intense competition for work resulted in low bids that were disadvantageous to some contractors. However, the temporary increase in jobs did not led to long-term job creation or transform the regional economy.

#### 4) Economic recovery investments can catalyze transformative change in longer-term projects

Recovery Act funds contributed considerable momentum to the Ashland Forest Resiliency project, the Wild Rivers Master Stewardship Agreement, and the Hope Mountain Stewardship Project, all of which are multiyear collaborative projects. For example, planned treatments under the

Hope Mountain Stewardship Project increased from 30 acres to nearly 800 acres.

### Conclusion

By spending the majority of its Recovery Act funds on hazardous fuels reduction, the RRSNF made an investment in short-term job creation and wildfire risk reduction. This work did not directly generate long-term economic recovery. But the variety of contracts and agreements offered provided employment opportunities to a range of local businesses. Investment in existing collaborative projects further increased benefits such as workforce development and value-added products.

Table 1. Recovery Act Projects on the Rogue River-Siskiyou National Forest

Type	Recipients	Total funding amount	Work locations (county)	Work mechanisms
Reducing threat of wildfires in Central and Southwest Oregon	Lomakatsi Restoration Project, Inc.	\$303,900	Josephine	Agreements Contracts
	Oregon Department of Forestry		Coos	
	Grayback Forestry, Inc.		Curry	
	Diamond Road Maintenance			
8 County Hazardous Fuel Reduction	Multiple Recipients	\$28,125,000	Forestwide	Agreements Contracts
Regionwide Road Deferred Maintenance	Gage IT Construction, LLC	\$804,000	Forestwide	Contracts
	Agness Company		Curry	
Agness Road Phase 2 Road Reconstruction	Federal Highway Administration	\$5,600,000	Coos	Contracts
	Johnson Rock Products		Curry	
Upper Chetco River Bridge Abutment Replacement	Federal Highway Administration	\$1,100,000	Curry	Contracts
Terrestrial Habitat Enhancement Botany and Wildlife (Meadows)	Multiple Recipients	\$1,400,000	Forestwide	Agreements Contracts
Pacific Crest Trail Maintenance	Student Conservation Association	\$148,000	Jackson	Agreements
	Northwest Service Academy			
Blue Ledge Copper Mine Toxic Waste Clean-up	EERG (engineering remediation)	\$8,500,000	Jackson	Contracts

#### For more information:

Please check our website for a forthcoming working paper on this topic (<http://ewp.uoregon.edu>), or contact the Ecosystem Workforce Program at [ewp@uoregon.edu](mailto:ewp@uoregon.edu).

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