



\$1.6 Trillion Working Landscape in the Upper American River Watershed is Worth Our Investment

El Dorado Hills, March 28, 2024 -- The [El Dorado Water Agency](#) (EDWA) released a [report on the valuation of ecosystem goods and services in the upper American River watershed](#) (UARW). The report found that the working landscapes (including working and natural lands) within the watershed are an incredibly valuable asset worth more than \$1.6 trillion over a 100-year period. This valuation proves the importance of a healthy watershed and provides opportunities to bring more investments to managing landscapes to keep them healthy.

The watershed's working landscapes include agricultural lands, forests, and ranchlands and natural lands such as conservation lands, shrublands, wetlands, greenspace, open water, rivers, and lakes. The working and natural lands are natural capital assets that produce valuable ecosystem goods and services including food, water, clean air, hydroelectric power, beauty, drought and fire risk reduction, habitat, recreation, and more.

"All of the lands within the upper American River watershed provide critical environmental, community, and economic benefits," said Rebecca Guo, General Manager of EDWA. "Understanding the value that these ecosystem goods and services provide to people will help inform watershed management and investment decisions."

When looking at land cover types (forest, shrublands, grassland, agriculture, open water, wetlands, and developed/open space) within the watershed and the associated goods and services each provides, the annual economic value of the upper American River watershed is \$14.9 billion/year. Each land cover type provides different ecosystem goods and services and plays an important role to society and the environment. In this watershed, forests provide the highest per acre benefit and also cover the largest land acreage. Yet, this forested landscape is highly susceptible to natural disasters such as wildfires that take decades to recover from.

EDWA also conducted an analysis specifically evaluating the economic value of [outdoor recreation](#) in the UARW. This study found that outdoor recreation generates \$607 million in economic output from visitor spending and \$660 million in non-market benefits beyond direct spending. The watershed is enjoyed by both local residents and tourists throughout the globe; in 2022 there were approximately 7 million recreation visits to the UARW.

"Investing in the upper American River watershed's outdoor spaces is important not just to preserve its natural beauty, but every dollar invested in recreational lands supports good health for people of all abilities, ages, and socio-economic backgrounds, and stimulates and strengthens our regional economy," added El Dorado County Supervisor and EDWA Board Chair, Lori Parlin.

In the past, natural assets have not been valued in a way that can be easily compared to traditional economic analyses for investment decisions. As a result, there has been underinvestment in maintaining the health of working and natural lands. Understanding the economic value of the watershed will help local, state, and federal agencies, Tribes, non-profits, businesses, and interested parties better coordinate, prioritize, and justify investments in watershed projects as well as develop sustainable water management practices while meeting the needs of adjacent communities.

To learn more please visit [El Dorado Water Agency](#).

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