

From Functions to Ecosystem Services: The Economic Value of Floodplains and Wetlands

Elliott Campbell, PhD and Rachel Marks
Center for Economics and Social Science
Maryland Department of Natural Resources

Exploring Opportunities for Integrated Mapping and Functional Assessment of Riverine and Coastal Floodplains and Wetlands Workshop



Ecosystem Services

Broadly- *"Benefits gained by people from the environment"*

Many typologies of ecosystem services exist BUT

Practical definition for decision making-

"Benefits gained by people from the environment that are not already being paid for in a market and are contributing to a marginal increase in human well-being"

i.e.

"Final Ecosystem Services"



Ecosystem Services

- Benefit Relevant Indicators (BRI)- A way to quantify the ecological functions that benefit people
- Quantifying how people benefit economically from a BRI can be difficult, particularly at the landscape scale
- One potential solution is to look at many ways that people benefit and take a categorical average of how we pay for a marginal change in the BRI
- We term this the “eco-price” method - Campbell, 2017
- Incorporates the range of possible values



Mapping Ecosystem Services

- Ecosystem Services vary spatially across the landscape
- ES vary in the biophysical supply of the service, i.e. benefit relevant indicator (e.g. amount of carbon that is sequestered, water being recharged to aquifers)
- ES vary in the way and amount that people benefit (e.g. number of people and value of infrastructure vulnerable to flooding)
- We attempt to consider both sources of variation when mapping ES in Maryland



Maryland Ecosystems

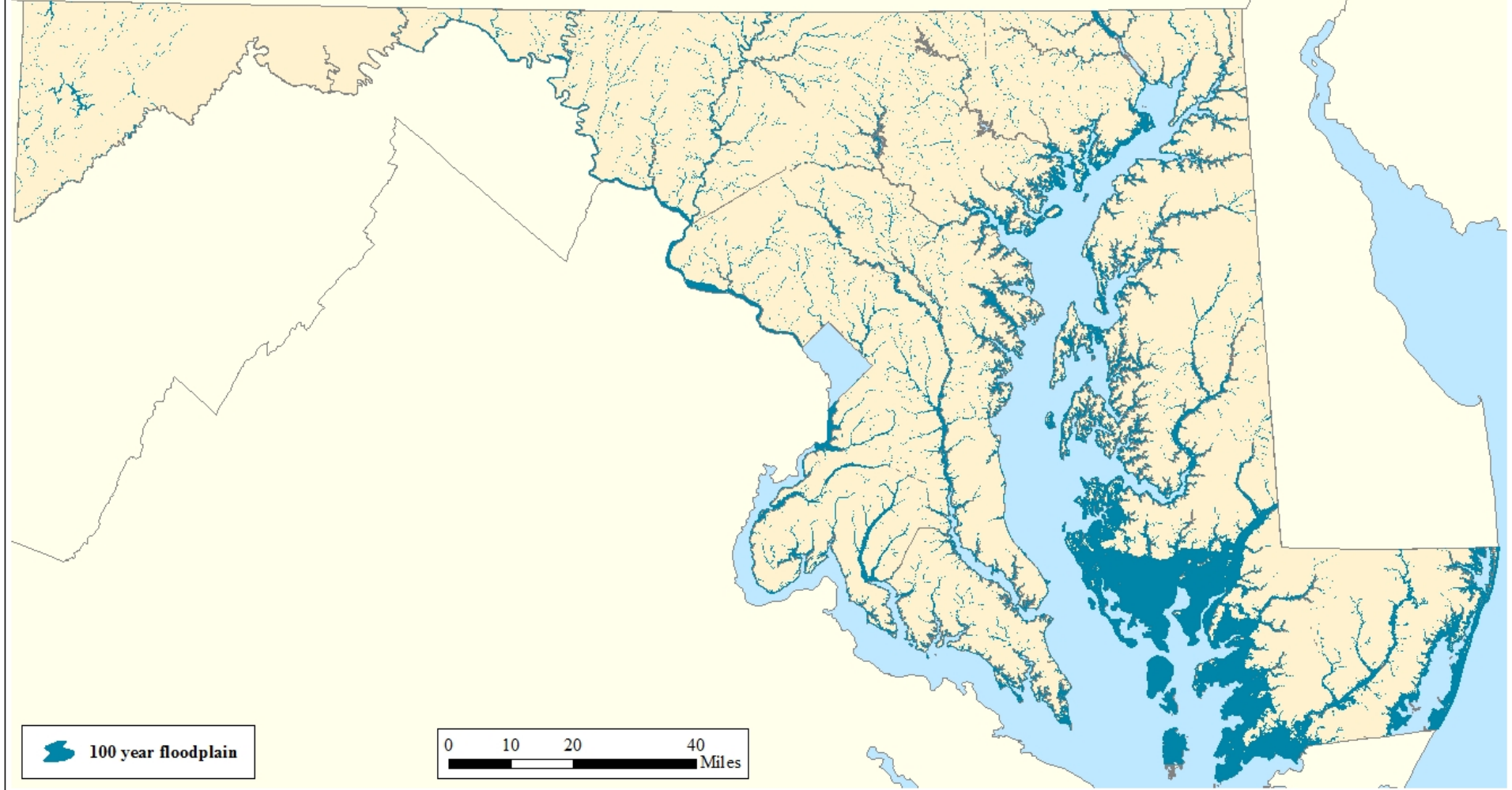
- Forests- 1 m LiDAR forest cover (UMD/NASA) downscaled to 30 m
- Wetlands- NWI (2006) + MD DNR wetlands
- Percent of ecosystem types in FEMA classified floodplains
 - Estuarine wetlands- 94%
 - Palustrine wetlands- 39%
 - Forests- 5%




Maryland 100 Year Floodplain

FEMA Effective Floodplain

100 year



 100 year floodplain

0 10 20 40
Miles

Ecosystem Services Mapped

- Air pollution mitigation- USFS i-Tree landscape
- Carbon sequestration- USFS i-Tree and MD DNR
- Groundwater recharge- USGS National Hydrography Dataset (1 km)
- Nitrogen Removal- USGS SPARROW model w/ literature removal rates by loading/ecosystem type
- Flood Prevention/Stormwater mitigation- Index of Mitigation Potential (EPA/MD DNR)
- Wildlife- Habitat Quality Index, MD DNR



Floodplain Ecosystem Services

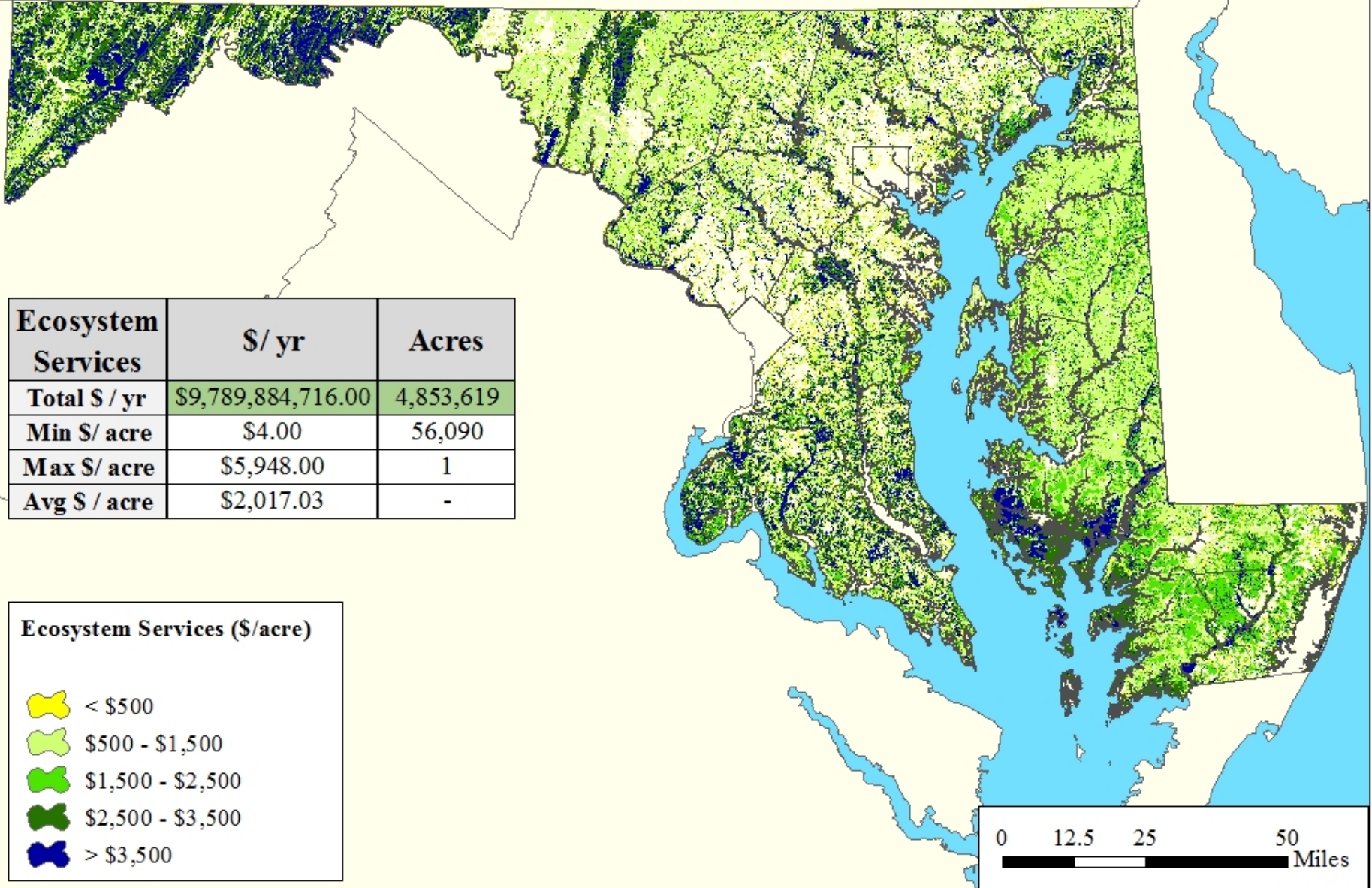
- A priori- Floodplains have enhanced ecosystem function that will translate into higher ecosystem service value
 - Greater ability to mitigate flooding
 - Higher rates of carbon sequestration
 - Higher rates of nitrogen processing
 - Higher quality habitat for wildlife
 - Higher rates of groundwater exchange
- No impact on air pollution, possible lower due to proximate population



Ecosystem Services

Total Economic Value

\$8 billion of ES Benefits per year!



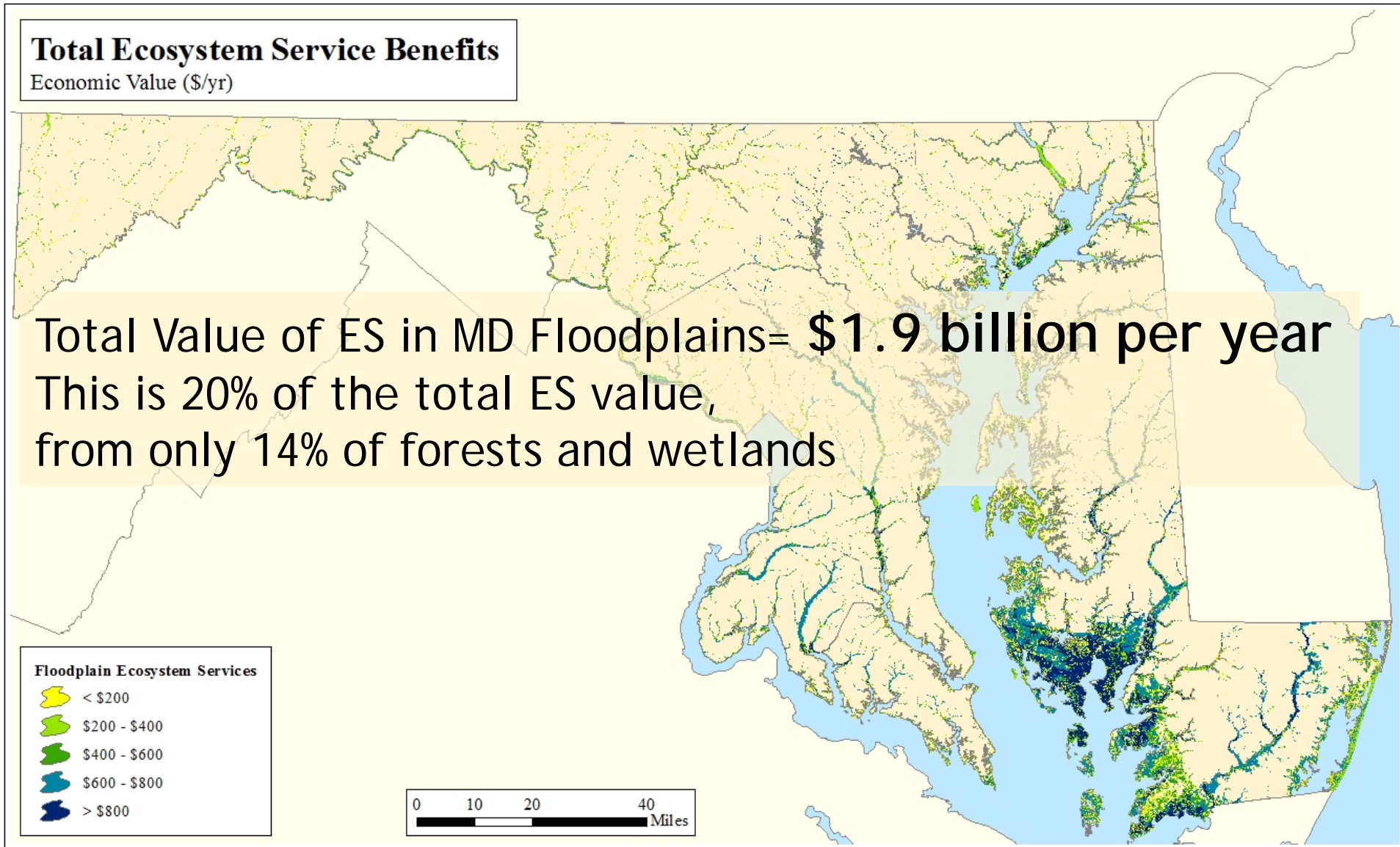
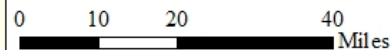
Floodplain Ecosystem Services

Total Ecosystem Service Benefits

Economic Value (\$/yr)

Total Value of ES in MD Floodplains= **\$1.9 billion per year**
This is 20% of the total ES value,
from only 14% of forests and wetlands

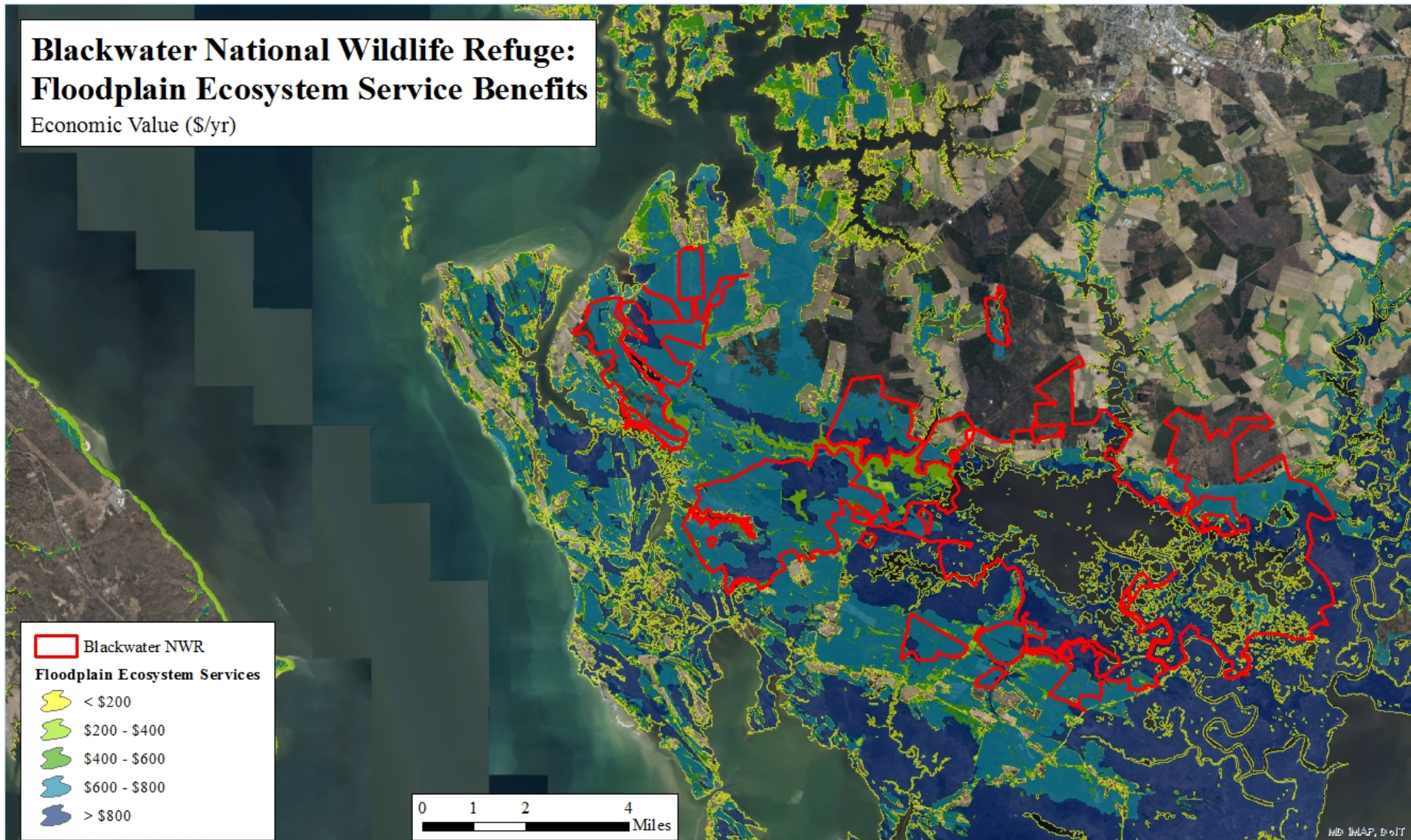
Floodplain Ecosystem Services



Example: Blackwater NWR

Blackwater National Wildlife Refuge: Floodplain Ecosystem Service Benefits

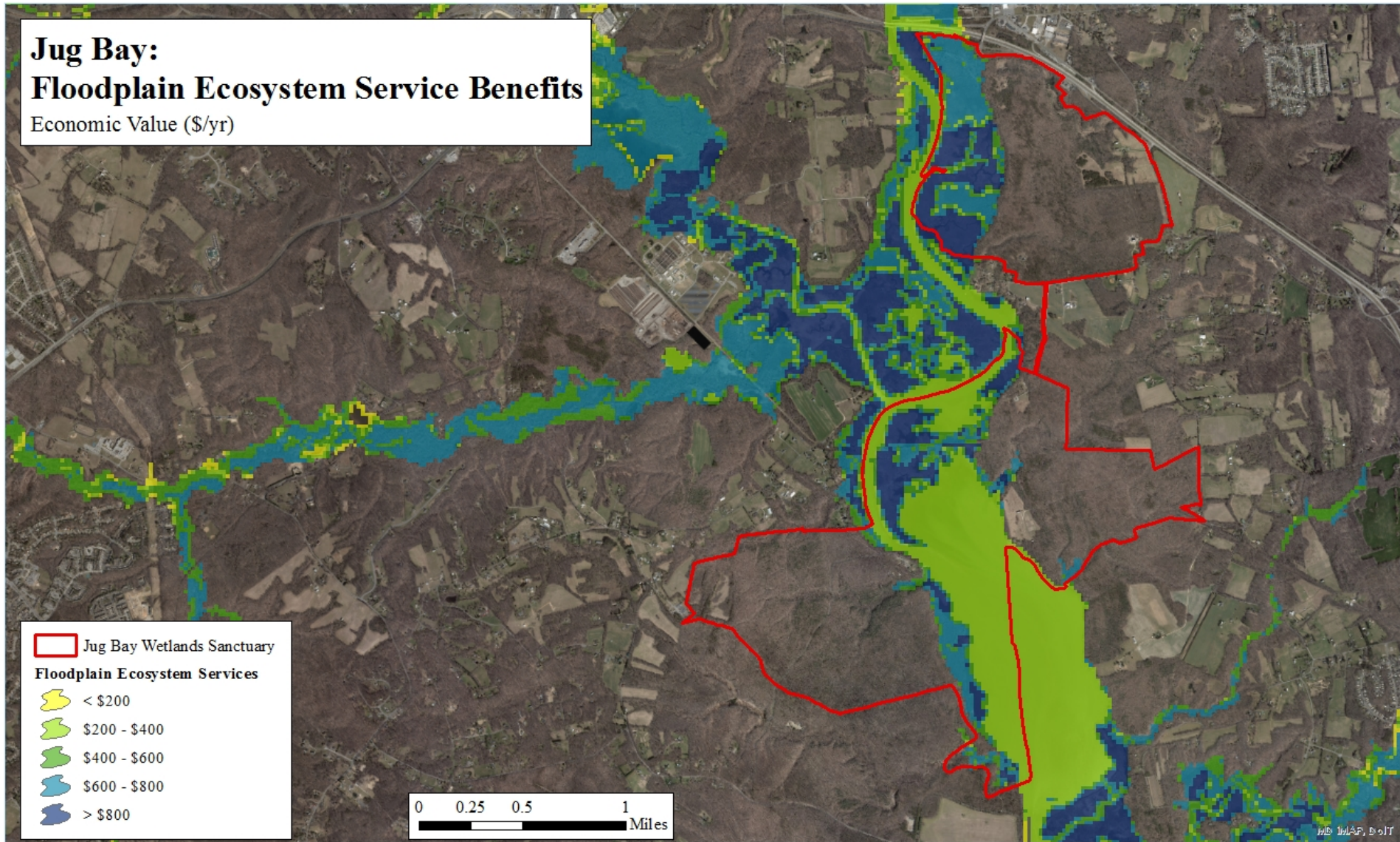
Economic Value (\$/yr)



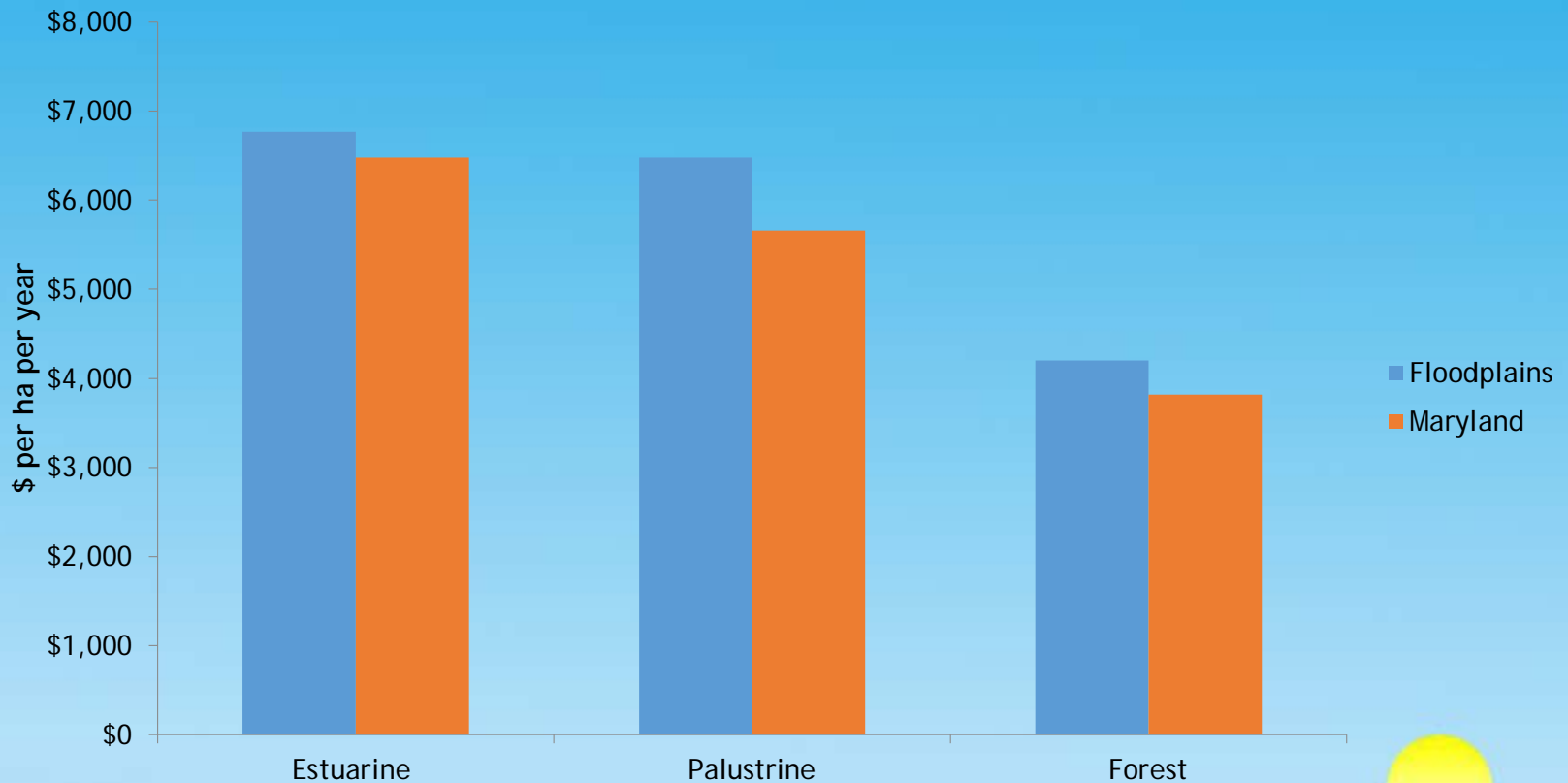
Example: Patuxent River Floodplains

Jug Bay: Floodplain Ecosystem Service Benefits

Economic Value (\$/yr)



Comparison Floodplains: Average

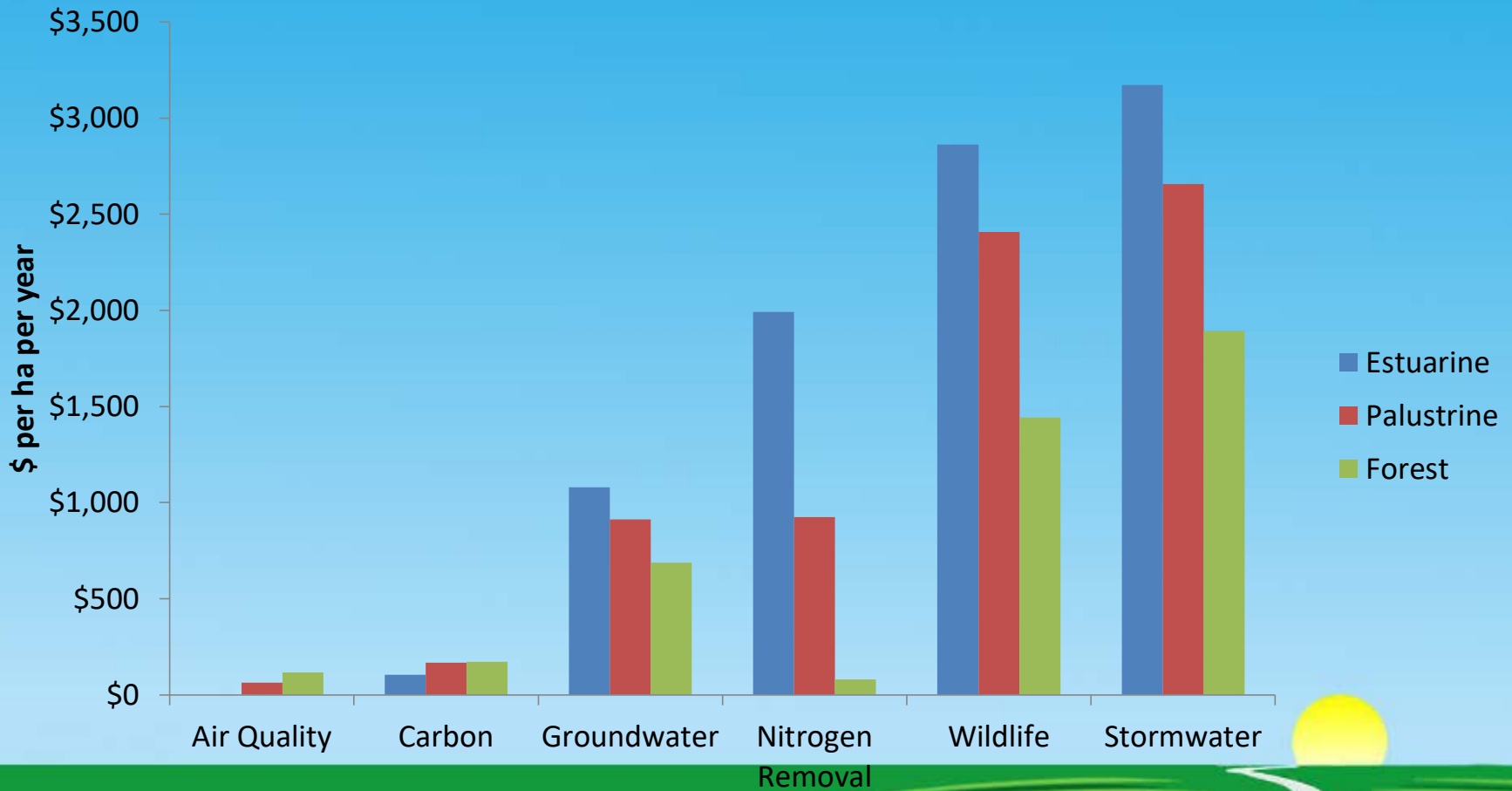


Percent Difference 5%

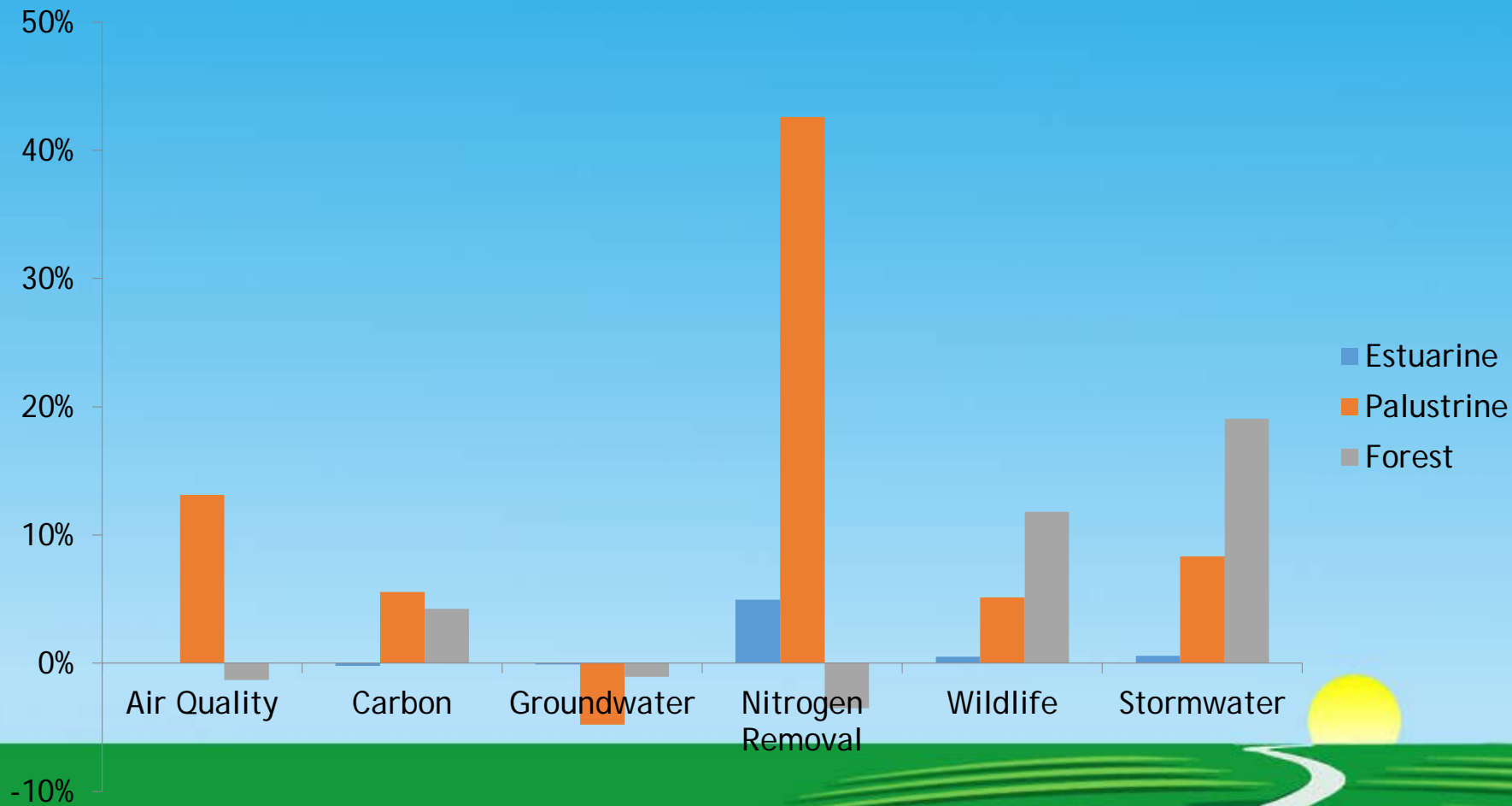
14%

10%

Floodplain Ecosystem Services



Comparison Floodplains: Average



ES Applications by the MD DNR

- Consider ES Value When Selecting Projects and Investments, Evaluating ROI, suggesting compensation
 - Conservation- Program Open Space Investments -Totaled >\$100 million for FY2018. We evaluated the ES of the Stump Property Acquisition in 2017. Parcel Evaluator Tool with ES information will be used for prioritizations of future acquisitions.
 - Restoration- Creating a tool to evaluate the ES benefits of restoration work done through the DNR Trust Fund, Restoration through Resiliency for 2018 pilot. Investments of > \$25 million per year
 - Worked with the Maryland Park Service to evaluate impact to the park of a natural gas pipeline, suggested fair compensatory value that was accepted in the agreement



Future Work

- Include Services from the Chesapeake Bay
 - Oyster beds
 - Submerged Aquatic Vegetation (SAV)
- Incorporate new data
 - Wetland mapping
 - Better floodplain mapping
 - Higher resolution forest cover
 - New models of BRI's
 - New eco-prices
- Collaborate with instate, interstate, and federal partners- PA, Ches. Bay Program, EPA Reg. 3



Thank You!

- Websites:
- <http://geodata.md.gov/greenprint/>
- <http://dnr.maryland.gov/ccs/Pages/Ecosystem-Services.aspx>

- Contact:
- Elliott.campbell@maryland.gov
- Rachel.Marks@maryland.gov

