

The Nature-Based Restorative Economy in Santa Cruz County, Arizona

About the Study

The resources and benefits that nature provides are vital to promoting economic growth and continuing prosperity, enhancing quality-of-life, and providing the underpinnings for human life. This study characterizes and quantifies the total economic contribution of the nature-based restorative economy (NBRE) in Santa Cruz County in 2019. Activities of Santa Cruz County's NBRE were grouped into three general areas:

Nature-based tourism attracts visitor spending to the county when people visit parks and natural areas, as well as the region's wineries.

Nature-based industries derive renewable products from nature within the county, or process locally sourced renewable products into value-added goods, creating economic activity.

Conservation, restoration, and preservation activities by government agencies, public land managers, private landowners, nonprofits, and others, represent investments in the county's natural capital, bolstering the health of the county's natural resources, and attracting non-local investments that support local jobs.

Direct Economic Contributions of NBRE Components

The NBRE directly supported 779 jobs, \$31.1 million in county GDP, and \$76.6 million in sales in Santa Cruz County in 2019.



Total Economic Contribution of Santa Cruz County's NBRE in 2019

Including multiplier effects, the NBRE supported \$53.8 million in county GDP and nearly 1,200 jobs in 2019. *Multiplier effects* are economic activity generated when businesses in the NBRE purchase goods and services from local businesses as inputs and when people employed by NBRE businesses spend their income and purchase household goods and services from local businesses.

Total Economic Contribution Including Multiplier Effects

- \$53.8 million county GDP
- \$121.7 million sales
- 1,200 jobs & \$41.2 million labor income
- \$4.7 million state & local tax revenues

Based on direct county GDP supported by the NBRE, it would rank above 4 of 14 high-level industries in the county in 2019

Key Takeaways



Beyond border and international trade-related industries, the share of the county economy linked to the NBRE is considerable, particularly in rural areas. Industries directly part of (or closely linked to) the NBRE accounted for 30% of net job gains in Santa Cruz County over the past decade.

Santa Cruz County is part of the region known as the 'Sky Islands', characterized by a wide range of elevations, ecosystems, and rich biodiversity. It is also part of the newly-established Santa Cruz Valley National Heritage area, one of 55 areas in the nation that are federally-recognized for their distinct landscapes with rich natural, cultural, historic, and recreation resources. This natural capital is a driver of the NBRE.



The county is home to a number of state and national parks and other protected areas and is recognized as an area with a high concentration of natural amenities and opportunities for outdoor recreation. Popular outdoor recreation activities in the county include wildlife viewing, birdwatching, camping, hiking, mountain biking, equestrian activities, and hunting.

Several nature-based industries, or industries that derive renewable products from nature or process locally sourced renewable products into value-added goods, are considered part of the economic base of the Santa Cruz County economy, including ranching, and the growing wine industry.



The county has a long history of conservation, restoration, and preservation (C&R) activities, with much of this activity increasing in recent years. A strong community of organizations and volunteers support these efforts and work collaboratively to preserve and protect the county's unique natural environment.

Looking Forward

- Strong opportunities for growth exist in many areas of the NBRE, such as renewable energy, nature-based tourism, and wineries and wine tourism. Conservation, restoration, and preservation is also an industry in the county with strong momentum, characterized by high levels of collaboration between organizations in this area. Opportunities exist to help foster the NBRE by leveraging regional initiatives and coordinating efforts to preserve working ranch landscapes, promote outdoor recreation opportunities, ecotourism and agritourism, and increase public awareness of benefits of restored ecosystems.
- Santa Cruz County's rich biodiversity, natural beauty, and engaged NBRE community make it a dynamic location for studying the economics of conservation, restoration, and other nature-related economic activity. This study uses a regional economic analysis framework to examine the NBRE's role in Santa Cruz County's economy. It presents

the contributions of the NBRE in commonly used measures, such as dollar and jobs. While this information is useful from a regional economic development perspective, it only captures one type of value attributable to the natural environment. It does not capture economic values that are not bought and sold in a market economy but are associated with the benefits that humans derive from nature. A companion study of such benefits would contribute a fuller understanding of these values.

About the Report

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