ECONOMIC BENEFITS OF GREENWAYS

Presentation to NWA Trails Task Force

Charles A. Flink, FASLA, President, Alta/Greenways
What are the economic benefits?

- Greenways generates revenues and jobs for Americans.
- Greenways helps to reduce the cost of public services.
- Greenways adds value to the American landscape and improves the value of surrounding property.
- Greenways offers an excellent return on investment (ROI)
GREENWAYS GENERATES NEW REVENUES
"Place is becoming the central organizing unit of our economy and society."

Richard Florida, *Rise of the Creative Class*
Greenways Tourism

Economic impact of the Riverwalk is between $2.4 and $4.3 billion

San Antonio Riverwalk
Impact of Tourism on Economy

- Tourism is the 1st, 2nd, or 3rd largest economic engine in *every state in the nation*. (source: Civic Tourism, 2010)

- Tourism generated **$5.4 billion** in economic impact in Arkansas and employs 58,336 persons

- Salaries and wages from tourism is **$1 billion**.
  
  (Source: Arkansas Tourism, 2010)
Impact of Tourism on Economy

- Tourism in Benton and Washington counties is among top 5 in Arkansas.
- Tourism revenue is more than $690 million in NW Arkansas.
Economic Benefits of Cycling

- Bicycling industry contributes $133 billion a year to the U.S. Economy
- Supports 1.1 million jobs
- Generates $17.7 billion in federal, state and local taxes
- Bicycle tourists spend $47 billion on meals, transportation and lodging

Source: League of American Cyclists 2009
North Carolina Transportation Secretary Lyndo Tippett announced the results of a new study that shows bicycling facilities boost tourism dollars and jobs. The study focused on the northern Outer Banks, where it was projected that bicycling tourists make an annual economic impact of $60 million and generate support for 1,400 jobs for the region.”

NCDOT 2003 Report - *Pathways to Progress*
Who are Bicycle Tourists?

- 87% earn more than $50,000/year
- 78% completed college
- 73% rate themselves as intermediate skill rider (less than 10–49 miles per month)
- During trip to Outer Banks, rider rode approximately 14 miles per day on their bike
GREENWAYS ARE VALUE ADDED
American developers are selling **lifestyle communities** – the hottest product is the “greenspace” community – sometimes referred to as “the golf course community without the golf course!”
Greenways affect on real estate

National Association of Realtors & the National Homebuilders Association – residential properties realize a 10 to 20% gain in value the closer they are located to greenspace.
Real estate developers understand the relationship

“65% of respondents felt that their home would be easier to sell due to presence of nearby trail.”

Omaha Recreational Trails Study – University of Nebraska
A place designed to inhabit the land without inhibiting its true nature, revealing its wonder gradually, intentionally.

Briar Chapel, a new-home community just outside of Chapel Hill, North Carolina, has been intentionally designed to inhabit the land without inhibiting its true nature. Discover diverse neighborhoods, parks, schools, acres of open space, miles of nature trails and healthy homes constructed with green building principles that all lead to an improved quality of life.
Briar Chapel, Chatham County, NC
Del Webb Sun City Trails
Greenways improve values

- Charleston and Huntington, West VA
  - Parks increase value of homes within a census tract by $2,600
  - Presence of trails increase median home values by $10,600 to $11,060
  - $280 million in property valuation added
  - $980,000 in incremental property tax revenues for community

Source: Center for Business and Economic Research, Marshall University, December 2003
The way in which communities managed natural resources matters to the business community.

"We heard the jogging trails were great – never mind the airport and the universities and the fact that the area is friendly to chemical developers. We wanted the jogging trails."

Steve Brechbiel, Spokesperson Reichold Chemical
Raleigh News & Observer, September 17, 1993

Greenways attracts business

Health care is one of the leading concerns of American business
“Investing in our greenway system has made us more competitive in the world market place, and in fact is one reason that companies choose to locate in the Park.”

Elizabeth Rooks, Vice President for Development, Research Triangle Foundation of North Carolina
Greenville, SC transformation
Liberty Bridge/Falls Park
Greenville, South Carolina

More than $200 million in private sector investment
Mayor Knox White
Glendale, CO transformation

With an investment of $4 million from Arapahoe County Open Space program, Glendale is transforming the one-square mile urban city into a family friendly community & an economic success.
Infinity Park is the centerpiece of Glendale’s economic revitalization, which is expected to net a $40 million impact.

Source: City of Glendale
Infinity Park, Glendale, CO
Walton Family Foundation is financially supporting the development of a 2 county, 6 city regional greenway – Razorback Regional Greenway.
Razorback Greenway was one of the 42 TIGER II funded projects in the nation.

“The Razorback Greenway will be good for the Northwest Arkansas economy and the health of our people. Healthy people and a good economy mean good business.”
Economic Development
Shiloh Walk, Springdale
Greenway systems generate millions each year in new revenue from local tourism operations. Many systems will return $3 in revenue for every $1 in expenditure invested.
GREENWAYS HELP TO REDUCE THE COST OF PUBLIC SERVICES
What public services benefit?

- Water quantity and water quality management
- Transportation
- Health Care
- Growth and development
Each year, on average, 100 Americans die and more than $2 billion in damages is caused from flooding of communities.

90% of all US natural disasters result from flooding.

Flooding of homes and businesses is preventable through proper community planning and development.

Source: National Oceanic and Atmospheric Administration, 2005
Red River, North Dakota
Flooding devastates Grand Forks

April 1997 Flood
Cabela's Inc. surprising decision

Cabela's, East Grand Forks, MN
47 million birders in the United States

Birders spent $35.7 Billion on birding trips and associated equipment . . . . which generated $10.5 Billion in state and federal tax revenue

Birding supported the creation of 671,000 jobs nationwide.

Source: 2006 Economic Study on Bird Watching
## Revenues from the Greenway

### Red River Greenway, Grand Forks, ND

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<th>Base Dollars</th>
<th>Total Dollars</th>
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<tr>
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Revenue from six fee events (Source: Greenways Inc. 1998)
Greenway Day, June 2004 attracted more than 50,000 tourists to downtown Grand Forks.
Red River Greenway Amenities
River Revival

Grand Forks, N.D. has come back a long way since a disastrous flood in 1997. Could it teach New Orleans a thing or two? By Christopher Steiner

When the order to evacuate Grand Forks, N.D. came down, Jon C. Larson and his 20 Sure Foot Corp. employees scrambled to their vehicles and scattered. Hours after the decree was issued on Apr. 18, 1997 the cantankerous Red River crashed over levees and inundated the town. Two days later Larson and his general sales manager, Wayne Wiege, returned to the chaos. "Anything downstairs that wasn't bolted down was floating," Jon says. He recalls turning to Wiege and asking, "Is the compressor going by right there?" It was.
“about the best example we have to date” when it comes to flood protection as a public amenity

Kevin Holden
USACE
Surgeon General is asking American communities to install trail systems.

President’s Council on Physical Fitness – “build more trails”
The US spent $1.7 trillion in health care costs in 2003, which is 15% of our GDP, and 4.3 times what we spent on National Defense.

Source: National Coalition on Health Care, 2005
Health Benefits of Trails

- Reduce obesity
- Increase physical activity
- Control hypertension
- Protect against developing non-insulin dependent diabetes
- Improve symptoms of mild-to-moderate depression and anxiety
- Reduces the chance of premature death
- Reduce arthritis pain
- Prevent osteoporosis

(Centers for Disease Control, 2004)
Child Obesity Epidemic

- Cardiac Risk Factors
- Type 2 Diabetes Risk Factors
- Orthopedic Problems
Active Community Environments

- Places that support & promote physical activity for people of all ages and abilities
- Predominant features: sidewalks, bikeways, trails, parks and other recreational facilities
- Close to where people live and work and are easily accessible
Greenways connect us with the Outdoors, Popular Destinations, and Each Other.
A Choice in Transportation

Offer an equivalent quality choice

Improve transportation efficiency
Q: When you tour the nation, what are people telling you they want changed in their communities?

A: People want alternative forms of transportation, they don’t want to own two or three cars. And they want green space, biking and walking paths, but they want the amenities too – access to shopping, restaurants, health care.

Interview with US DOT Secretary Ray LaHood, October 2009, AARP Bulletin
GREENWAYS RETURN ON INVESTMENT
“Smart conservation is just as important as smart growth. Smart conservation is proactive, large-scale and coordinated. We need to think of open space as a form of infrastructure, just as we think of roads as infrastructure. It must be viewed as a necessity, not an amenity. It must be preserved through a public investment, not leftover money. And, it must be preserved as a connected, contiguous system, not fragmented and preserved in isolation.

- Ed McMahon, Senior Fellow, Urban Land Institute, 2005
Support Outdoor Access
Conclusion

- Multiple Returns on Investment in Trails and Greenways:
  - Job creation and retention
  - Improves value of adjacent land uses
  - Improves quality of life and health of citizens
  - Generates revenues, improves the tax base and provides a growing source of income for communities
THANK YOU!

For more information:
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