



Economic Impacts of Bicycle Infrastructure Investments

Ohio Transportation Engineering
Conference

Craig Williams, AICP

Alta Planning + Design, Chicago

October 26, 2011

Economic Impact?



Economic Impacts

- Bikeways, Parks & Trails impact:
 - Tourism
 - Property Values
 - Community Cohesion
 - Direct Use
 - Health
 - Clean Water
 - Clean Air
 - Decreased Congestion
 - Employment



Sources, Sources, Sources

- “The Business Case for Active Transportation: The Economic Benefits of Walking and Cycling. Prepared for Better Environmentally Sound Transportation” Campbell, Richard and Wittgens, Margaret (2004)
- “Pathways to Prosperity: The Economic Impact of Investments in Bicycle Facilities,” A Case Study of the North Carolina Northern Outer Banks. North Carolina DOT, Division of Bicycle and Pedestrian Transportation (2004)
- “If/how cycling customers and cycling infrastructure affect the business bottom line” Dr. Kelly Clifton at Portland State University
- “Pedestrian and Bicycle Infrastructure: A National Study of Employment Impacts” Garrett-Peltier, Heidi (2011).
- “The Economic Benefits of Bicycle Infrastructure Investments.” The League of American Bicyclists
- “The Value of the Bicycle Related Industry in Portland” Alta Planning + Design (2008).
- “Costs and Benefits of Bicycling Investments in Portland,” Oregon Journal of Physical Activity and Health:

Sources, Sources, Sources

- “Estimating the Economic Benefits of Bicycling and Bicycle Facilities: An Interpretive Review and Proposed Methods.” Minneapolis, MN:
- “The Economic Impact of Bicycling in Wisconsin,” Governor’s Bicycle Coordinating Council, 2005. Bicycle Federation of Wisconsin in conjunction with the Wisconsin Department of Transportation
- “Bicycle Tourism in Maine,” 2001 Maine Department of Transportation
- “Pathways to Prosperity: the economic impact of investments in bicycling facilities,” North Carolina DOT, Division of Bicycle and Pedestrian Transportation, 2004
- “Bicycle-related Industry Growth in Portland,” 2008 Alta Planning + Design
- “Portland budget focuses on 'basic needs of the city'” OregonLive.com
- “Portland’s Green Dividend,” CEO’s for Cities, July, 2007
- “Bicycling for Transportation and Health: The Role of Infrastructure,” Journal of Public Health Policy, 2009

Sources, Sources, Sources

- “Two Approaches to Valuing Some of Bicycle Facilities’ Presumed Benefits,” Journal of the American Planning Association, 2006
- “The Business Case for Active Transportation: The Economic Benefits of Walking and Cycling,” B.E.S.T. Better Environmentally Sound Transportation, 2004
- “Economic Effects of Traffic Calming on Urban Small Businesses,” Department of Public Administration, San Francisco State University, 2003
- “Bike Lanes, On-Street Parking and Business: A study of Bloor Street in Toronto’s Annex Neighborhood,” 2009. Clean Air Partnership
- “Physical activity, absenteeism and productivity: an Evidence Review,” 2007; Davis, Adrian, and Marcus Jones,
- “Reduced sickness absence in regular commuter cyclists can save employers 27 million euros,” TNO Quality of Life, 2009

Sources, Sources, Sources

- “Property Values, Recreation Values, and Urban Greenways,” Journal of Park and Recreation Administration
- “Guidelines for Analysis of investments in Bicycle Facilities,” NCHRP Report 552, Transportation Research Board, 2006
- “It pays to invest in bikes, Cycling England tells councils” Bike for All, 2009
- “Bicycle Commuting and Facilities in Major U.S. Cities: If you build them they will come – another look” Transportation Review Board 2003 Annual Meeting. Dill, Jennifer and Theresa Carr
- “Measuring the Economic Value of a City Park System.” (2009). The Trust for Public Land

The Economic Benefits of Bicycle Infrastructure Investments

The League of American Bicyclists in 2009 reports:

- The Bicycling Industry is a \$133 billion business in the US
- 1.1 million jobs
- Generates \$17 billion in taxes
- \$46.9 billion is spent on meals, transportation, lodging, gifts and entertainment during bike trips and tours
- In **Colorado**, bicycling contributed \$1 billion to the economy from manufacturing, retail, tourism and bike races
 - Retail and manufacturing employ 1,213 people, with an annual payroll of \$34.1 million.
 - Half of all summer visitors at Colorado ski resorts spend time bicycling. Of those 700k people, 70% are from out of state and 40% said they would have altered their vacation destination if bicycling were not available

Economic Benefits of Bicycle Infrastructure Investments - Wisconsin / Maine

- **Wisconsin** accounts for 20 percent of bicycle manufacturing in the U.S.
 - Overall, the bicycling industry contributes \$556 million and 3,418 jobs to the **Wisconsin** economy.
 - Wisconsin also hosts a number of popular bike races and attracts visitors to its trails, in part, through the availability of multi-day tours, generating tourism dollars
- **Maine**, since 1991 has made a concerted effort to improve its bicycle infrastructure by widening shoulders and creating shared-use paths. They generate \$66 million a year in bicycle tourism

Economic Benefits of Bicycle Infrastructure Investments - NC Outer Banks

North Carolina's Outer Banks

- Generates \$60 million in economic activity through bicycle tourism.
- They spent \$6.7 million on bicycle infrastructure
- Have seen an annual **nine to one** return on that one-time investment.
- Bicycle tourists there tend to be affluent and educated
- 680,000 annual visiting bicyclists support 1,400 jobs in the area.
- Study shows that the quality of bicycling in the Outer Banks influenced vacation planning

Economic Benefits of Bicycle Infrastructure Investments - Quebec Canada

- **Québec**, Canada has also seen a measurable impact of bicycle tourism on its economy.
- In 2000, Province-wide spending by bicyclists totaled \$166 million.
- The Québec bicycle industry generated sales over \$181 million, supporting 2,800 jobs and generating \$17.2 in tax revenues for Québec and \$13.6 million in national taxes.
- To draw tourists and encourage cycling, Quebec developed a network of 2,702 miles of bicycle paths and roadway routes called **La Route Verte**, which is promoted as the “best bicycle route in the world.”

Economic Benefits of Bicycle Infrastructure Investments - Portland Oregon

Portland, Oregon

- Platinum-level Bicycle Friendly Community
- saw \$90 million in bicycle-related activity in 2008
- 60 percent came from retail, rental, and repair, with manufacturing and distribution, bicycle events, and professional services, such as bike messengers and coaching and legal expertise
- Mayor Sam Adams** has proposed setting aside **\$500,000** specifically for bicycle programs and projects to “provide more Portlanders an affordable option for getting around the city.”
- As a result of policies to encourage bicycling and maintain urban density, which reduce auto-dependency, Portland residents **save on transportation costs** and have more money to spend on things they value.
- Compared to the distance and time spent commuting to work in the median American city, Portlanders travel **2.9 billion fewer miles** and spend **100 million fewer hours, saving \$2.6 billion a year**

Economic Value of a City Park System (TPL)

- Trust for Public Land, 2009
- Tourism – San Diego
 - 5% come for parks
 - They spend \$114m
 - City receives \$8.6m direct sales & tax revenue
 - Residents' wealth increases by \$40m
- Direct Use – Boston
 - Free or inexpensive recreation to residents
 - Value of \$354m
- Health – Sacramento
 - Medical savings from active recreation = \$20m



Economic Value of a City Park System (TPL)

- Clean Water – Philadelphia
 - Absorbed run-off saved \$6m in storm-water management
- Clean Air – Washington DC
 - 4800 acres of tree cover saved \$1.1 air pollutant removal
- Community Cohesion
- Property Values



Property values

- Housing Prices - Indianapolis/Marion County
 - Greener vegetation = Positive effect on housing prices
- Hudson River Park
 - 20% increase home values
- Little Miami Scenic Trail
 - Hedonic price model on housing
 - \$7 increase per foot closer to trail



Property values

- Green Streets for Active Aging – Portland
 - Study of 1300 homes
 - Price premium for green street treatments
 - \$968 each
 - More value if neighborhood-wide
- Bicycle Boulevards - Portland
 - Survey: Boulevards had positive impact on:
 - Home values
 - Quality of life
 - Sense of community
 - Noise
 - Air quality
 - Convenience for bicyclists



Employment Impacts

- Pedestrian and Bicycle Infrastructure: A National Study of Employment Impacts
 - Employment created for bicycle, pedestrian, and road infrastructure design & construction
 - Bicycling projects create 11.4 jobs per \$1m
 - Pedestrian projects create 10 jobs per \$1m
 - **Multi-use trails create 9.6 jobs per \$1m**



Employment Impacts

- Bikeways & Trails often allow transportation options for employees to get to work



Questions?

Craig Williams, AICP
Alta Planning + Design
30 E Division St, Suite 7A
Chicago IL 60610
312.305.5557

craigwilliams@altaplanning.com

www.altaplanning.com

