

BENEFITS OF COMPLETE STREETS

## Complete Streets Stimulate the Local Economy

Making it easier for residents and visitors to take transit, walk, or bike to their destinations can help stimulate the local economy. People living in Dallas, TX save an average of \$9,026 annually by switching from driving to taking transit, and those in Cleveland, OH save an average of \$9,576.<sup>1</sup> The total savings from biking, walking, or taking transit instead of driving can really add up across a city, ranging from \$2.3 billion in Chicago<sup>2</sup> to an astounding \$19 billion a year in New York City<sup>3</sup>. This “green dividend” means that residents can spend that money in other ways, such as housing, restaurants, and entertainment, that keep money circulating in the local economy. And it’s not just big cities that see these impacts: in Wisconsin, economic benefits from public transit alone are \$730 million.<sup>4</sup> Providing the infrastructure for people to get to work by walking, biking or taking transit can provide a boost to the economy in other ways, too: traffic congestion costs businesses in the San Francisco Bay Area over \$2 billion a year due to time employees spent stuck in traffic, and the total cost of congestion in the Los Angeles region tops \$1.1 billion each year.<sup>5</sup> A Complete Streets approach has the power to recapture some of that cost.



Complete Streets increase foot and bicycle traffic for local businesses. *Photo Flickr.com user dewitahs.*

Local businesses see many benefits in improving access to people traveling by foot or bicycle. When a bike lane was added along Valencia Street in San Francisco's Mission district, nearby businesses saw sales increase by 60 percent, which merchants attributed to increased pedestrian and bicycle activity.<sup>6</sup> Similarly, a study in Toronto showed that nearly three-quarters of merchants along Bloor Street expected that better bicycle and pedestrian facilities would improve business.<sup>7</sup>

Implementing Complete Streets policies can have economic benefits even before the projects are finished. Road improvement projects that include bike and pedestrian facilities create more jobs during construction than those that are only designed for vehicles, per dollar spent.<sup>8</sup> Adding or improving transit facilities is good for jobs, too. During the recent economic downturn, each stimulus dollar invested in a public transportation project created twice as many jobs as one spent on a highway project.<sup>9</sup>

Better bicycle infrastructure can create jobs directly, too. Cycling adds over \$556 million and 3,400 jobs to Wisconsin's economy through increased tourism, bicycle manufacturing, sales and repair, bike tours, and other activities.<sup>10</sup> Similarly, there's a \$90 million benefit to the city's economy from Portland, Oregon's bicycling industry<sup>11</sup>, and the state of Colorado reaps a benefit of over \$1 billion each year from bicycle manufacturing, retail, and tourism.<sup>12</sup>

## Complete Streets spur private investment

The investment that communities make in implementing Complete Streets policies can stimulate far greater private investment, especially in retail districts and downtowns where pedestrians and cyclists feel unwelcome. In Washington, D.C., design improvements along a three-quarter mile corridor in Barracks Row, including new patterned sidewalks and traffic signals, helped attract 40 new businesses and nearly 200 new jobs, along with increases in sales and foot traffic.<sup>13</sup> Lancaster, California added pedestrian safety features as part of a downtown revitalization effort, including a pedestrian-only plaza, wider sidewalks, landscaping and traffic calming. The project spurred \$125 million in private investment, a 26% increase in sales tax revenue, and 800 new jobs, after a public investment of \$10.6 million.<sup>14</sup> And in Mountain View, California, the addition of space for sidewalk cafes and a redesign of the street for pedestrians were followed by private investment of \$150 million, including residential, retail and offices, resulting in a vibrant downtown destination.<sup>15</sup>

## Complete Streets raise property values

Complete Streets policies lead to networks of streets that are safe and accessible for people on foot or riding bikes, which in turn raises property values. In a survey of 15 real estate markets from Jacksonville, Florida to Stockton, California a one-point increase in the walkability of a neighborhood as measured by WalkScore.com increased home values by \$700 to \$3,000.<sup>16</sup> For neighborhoods in the Washington, D.C. region, becoming one step more walkable on a five-point scale can add \$9 per square foot to retail rents and nearly \$82 per square foot to home values.<sup>17</sup> This increase is amplified when walkable neighborhoods are near each other<sup>18</sup>, demonstrating the value of networks of Complete Streets connected throughout a community.

The preference for walkable neighborhoods is likely to increase in coming decades, too, as today's young college graduates flock to downtowns and close-in suburbs. The population of college-educated 25 to 34 year olds in these walkable neighborhoods has increased by 26% in the last decade<sup>19</sup>, creating a workforce that can further add to economic growth in these communities.

It's not just sidewalks: bike paths add value to neighboring properties as well. One North Carolina neighborhood saw property values rise \$5,000 due to a nearby bikeway, while research showed that bike paths in Delaware could be expected to add \$8,800 to neighboring home values.<sup>20</sup> Even design elements like street trees can raise property values. Having trees on the street in front of homes in Portland, Oregon added more than \$7,000 to selling prices.<sup>21</sup>

Even with higher housing prices, walkable neighborhoods are good for working families. People living in communities that give them the option to walk, bike or take transit to their destinations often pay less in total housing and transportation costs than those who live in areas with lower housing prices that are more auto-dependent.<sup>22</sup> When coupled with programs to maintain access to affordable housing, families of all incomes can realize the economic benefits of Complete Streets.

Learn more at [www.smartgrowthamerica.org/completestreets](http://www.smartgrowthamerica.org/completestreets).

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<sup>1</sup> American Public Transportation Association. (2012, July). Transit savings report. Retrieved 2012, August 8, from <http://www.publictransportation.org/tools/transitsavings/Pages/default.aspx>.

<sup>2</sup> CEOs for Cities. (2008, February). Chicago's green dividend. Retrieved 2012, August 8, from <http://www.ceosforcities.org/city-dividends/green/special-reports/chicago/>.

<sup>3</sup> CEOs for Cities. (2010, April). New York dividend. Retrieved 2012, August 8, from <http://www.ceosforcities.org/city-dividends/green/special-reports/new-york-city/>.

<sup>4</sup> The Wisconsin Department of Transportation. (2003, November). Economic benefits of public transit (0092-03-07). Madison, Wisconsin: McLawhorn, N. PDF.

<sup>5</sup> Local Government Commission Center for Livable Communities (n.d.). The economic benefits of walkable communities. PDF.

<sup>6</sup> National Complete Streets Coalition (2012, February 22). It's a safe decision: Complete streets in California. Retrieved 2012, August 8, from <http://www.completestreets.org/webdocs/resources/cs-in-california.pdf>.

<sup>7</sup> The Clean Air Partnership (2009, February). Bike lanes, on-street parking and business: A story of Bloor Street in Toronto's Annex Neighborhood. PDF.

<sup>8</sup> Political Economy Research Institute. (2011, June). Pedestrian and bicycle infrastructure: A national study of employment impacts. University of Massachusetts, Amherst: Garrett-Peltier, Heidi. Retrieved 2012, August 8, from [http://www.peri.umass.edu/fileadmin/pdf/published\\_study/PERI\\_ABikes\\_October2011.pdf](http://www.peri.umass.edu/fileadmin/pdf/published_study/PERI_ABikes_October2011.pdf)

<sup>9</sup> Smart Growth America. (2011, February 4). Transportation funding and job creation. Retrieved 2012, August 8, from <http://www.smartgrowthamerica.org/2011/02/04/new-report-reveals-smart-transportation-spending-creates-jobs-grows-the-economy/%5D>.

<sup>10</sup> Bicycle Federation of Wisconsin. The economic impact of bicycling in Wisconsin PDF.

<sup>11</sup> Alta Planning + Design (2008, September). The value of the bicycle-related industry in Portland. PDF.

<sup>12</sup> Colorado Department of Transportation. The economic impact of bicycling in Colorado. PDF.

<sup>13</sup> Barracks Row Main Street (2005, May 9). Barracks Row in Washington D.C. National Trust for Historic Preservation. Retrieved 2012, August 8, from <http://www.preservationnation.org/resources/case-studies/gamsa/2005/barracks-row-washington-dc.html>.

<sup>14</sup> National Complete Streets Coalition (2012, February 22). It's a safe decision: Complete streets in California. PDF.

<sup>15</sup> Local Government Commission Center for Livable Communities (n.d.). The economic benefits of walkable communities. PDF.

<sup>16</sup> CEOs for Cities (2009, August). Walking the walk. Retrieved 2012, August 8, from <http://www.ceosforcities.org/research/walking-the-walk/>.

<sup>17</sup> Leinberger, C.B. (2012, May 25) Now coveted: A walkable, convenient place. New York Times. Retrieved 2012, August 8, from <http://www.nytimes.com/2012/05/27/opinion/sunday/now-coveted-a-walkable-convenient-place.html>.

<sup>18</sup> The Brookings Institution. (2012, May 25). Walk this way: The economic promise of walkable places in metropolitan Washington D.C. (16). Washington D.C.: The Brookings Institute. Retrieved 2012, August 8, from <http://www.brookings.edu/research/papers/2012/05/25-walkable-places-leinberger>.

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<sup>19</sup> CEOs for Cities (2005, December). The young and restless in a knowledge economy. Retrieved 2012, August 8, from <http://www.ceosforcities.org/research/the-young-and-restless-in-a-knowledge-economy>.

<sup>20</sup> Smith, R. (2011, May 3) Local bike paths mean higher house prices. Crikey. Retrieved 2012, August 8, from <http://blogs.crikey.com.au/rooted/2011/05/03/local-bike-paths-mean-higher-house-prices/>.

<sup>21</sup> Jaffe, E. (2011, September 30) The economics of urban trees. The Atlantic Cities. Retrieved 2012, August 8, from <http://www.theatlanticcities.com/housing/2011/09/where-trees-rule-real-estate/223/>.

<sup>22</sup> Center for Neighborhood Technology (2010, March). Penny wise and pound foolish: New measures of housing + transportation affordability. Retrieved 2012, August 8, from <http://www.cnt.org/repository/pwof.pdf>.