



# The Economic Benefits of RECREATIONAL TRAILS

Studies are confirming that trails and green space are important community assets that can help spur economic development. From urban home buyers preferring to live along or near a trail to bicyclists and hikers making their way from town to town in a rural area, trails attract people and dollars.

## TRAILS AS AN ECONOMIC BOON

Tourism and recreation-related revenues from trails and greenways come in several forms. Trails and greenways create opportunities in construction and maintenance, rentals (such as bicycles, kayaks, and canoes), services (such as shuttle buses and guided tours), historic preservation, restaurants, and lodging. Community leaders and planners are now using trails as important parts of overall strategies for economic revitalization and building and strengthening local businesses.

- On the Virginia Creeper Trail, a 34-mile trail in southwestern Virginia, locals and nonlocals spend approximately \$2.5 million annually related to their recreation visits. Of this amount, nonlocal visitors spend about \$1.2 million directly into the local economies.<sup>1</sup>
- The 45-mile Mon River trail system in Morgantown, West Virginia, is credited by the Convention and Visitors Bureau for revitalizing an entire district of the city, with a reported \$200 million in private investment as a direct result of the trail.<sup>2</sup>
- The Florida Department of Environmental Protection Office of Greenways & Trails estimates an economic benefit of \$2.2 million annually from the 16-mile St. Marks Trail.<sup>3</sup>

## PROPERTY VALUES

A National Association of Homebuilders study found that trails are the second most important community amenity that

potential homeowners cite when choosing a new community. Trails were cited by 57 percent of prospective buyers in a 2004 survey by the association, ahead of public parks and outdoor pools.<sup>4</sup> Additionally, the study found that “trail availability” outranked 16 other options including security, ball fields, golf courses, parks, and access to shopping or business centers.

Those home-buyer preferences translate into increased property values and enhanced tax revenue for communities that incorporate trails into planning. In a study on the impact of trails on adjacent property values in Indianapolis, researchers found that the overall impact of trails on property values was estimated at more than \$140 million dollars.<sup>5</sup>

Other examples include the following:

- In Austin, Texas, increased property values associated with a single greenway were estimated to result in \$13.64 million of new property tax revenue.<sup>6</sup>
- The Shepard’s Vineyard housing development in Apex, North Carolina, added \$5,000 to the price of 40 homes adjacent to the regional greenway – and those homes were still the first to sell.<sup>7</sup>
- Land adjacent to a greenbelt in Salem, Oregon, was found to be worth about \$1,200 an acre more than land only 1,000 feet away.<sup>8</sup>
- In Dallas, developers report that there is a 25% premium for properties adjacent to the Katy Trail.<sup>9</sup>

## REFERENCES

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4. National Association of Realtors and National Association of Home Builders. (2002) Consumer’s Survey on Smart Choices for Home Buyers
5. Lindsey, G., Payton, S., Man, J., and J. Ottensmann. (2003) Public choices and property values: Evidence from greenways in Indianapolis. The Center for Urban Policy and the Environment.
6. Nicholls, S. and J. Crompton (2005) “The impact of greenways and trails on property values: evidence from Austin, Texas.” Journal of Leisure Research 37: 321-341
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8. Brabec, E. (1992) “On the value of open spaces,” Scenic America, Technical Information Series, Vol. 1, No. 2
9. Brown, S. (2006) “Making tracks to the Kay Trail: Urban path is an amenity that developers are rushing to incorporate into plans.” Dallas Morning News, December 22

## RESOURCES

American Trails hosts a website at [www.AmericanTrails.org](http://www.AmericanTrails.org) that is a comprehensive online source for information regarding trails and greenways. They also have compiled a list of studies and publications regarding the economics of trails: <http://www.americantrails.org/resources/economics/index.html>.

The Rails-to-Trails Conservancy maintains a website that also has a number of publications related to the economic impacts of trails. The site can be found at <http://www.railstotrails.org/index.html>.

