

Active Living Research

Using Evidence to Prevent Childhood Obesity
and Create Active Communities

FACT SHEET

JULY 2012

Economic Benefits of Communities that Support Physical Activity

When people live in neighborhoods where they can comfortably walk or bike to workplaces, shops, and services, and where they can easily access parks and open spaces, they are more likely to be physically active and are less likely to be overweight or obese.

This fact sheet highlights the economic value of outdoor recreation facilities, open spaces and walkable community design. It shows the benefits that accrue to nearby homeowners, businesses and local or state governments. .

Parks and recreation areas can increase the value of nearby homes.

- A study of 16,400 home sales in Portland, Ore. found that the existence of a park within 1,500 feet of a home increased its sale price by between \$845 and \$2,262. Larger parks had an even greater impact on property values.
- Data from Calvert County, MD showed that for every 1 percent increase in preserved open space, the increase in housing values within a one-mile radius generated \$251,674 — enough tax revenue to purchase an additional 88 acres of parkland in one year.
- One study estimated that the average household living half a mile from open space would be willing to pay \$4,104 more for a home to live a quarter mile closer to the open space.

Open space, recreation areas and walkable neighborhoods may benefit municipal governments through higher tax revenues and cost savings.

- A greenbelt in Boulder, Colo. that helped to increase the value of surrounding homes by approximately \$5.4 million was shown to potentially generate \$500,000 annually in property tax revenue for the neighborhood.

FAST FACTS

- Homes near parks can sell for up to \$2,262 more than homes without parks nearby.
- Open spaces can lead to higher property tax revenues for local governments by increasing values of nearby homes.
- A study in Nebraska found that for every \$1 spent on trails, there was almost \$3 in savings in direct medical costs.

This fact sheet highlights findings from the research synthesis *Economic Benefits of Open Space, Recreation Facilities and Walkable Community Design*



Full research synthesis is available at:
<http://www.activelivingresearch.org/econbenefit>

Scan with a QR code reader to view the full synthesis:



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- One study found that a half acre lot in a centrally located, walkable neighborhood costs \$198 less in annual water and sewer service and \$72,000 less in additional costs over 30 years than a comparable lot in the suburbs.
- A Rhode Island study showed the state could save more than \$1.4 billion over 20 years, or \$71.6 million per year, if the state's next 20,000 housing units were built within existing urban areas instead of in undeveloped areas. This study showed savings on roads, schools and utilities and calculated the benefits of agricultural lands not lost and urban centers not decayed.

Interest in and demand for traditional neighborhood development, also known as compact or walkable development, is growing.

- A national survey of developers noted considerable consumer interest in higher density, mixed use, pedestrian-oriented places, which are alternatives to conventional, low-density, automobile-oriented suburban development.
- This demand is expected to continue as demographic changes and consumer preferences shift toward denser, more compact residential environments.
- Compact developments featuring open space, trails and greenways have sold more quickly than similar properties elsewhere and often have a high rate of presold units.

Summary

Urban parks and recreation areas not only provide opportunities for physical activity, they also provide economic benefits to residents, municipal governments and private real estate developers. Parks tend to increase the value and sale price of homes and property located nearby.

Neighborhoods designed to preserve open space through compact development can help reduce construction and maintenance costs, and yet command higher prices.