



# ECONOMIC BENEFITS OF TRAILS AND GREENWAYS

## COMMUNITY GEMS

Like a magnificent gem on display, trails and greenways attract visitors from near and far. Many communities realize the economic potential of these highly desirable recreation destinations. Trails and greenways bring job growth in construction and maintenance as well as tourism-related opportunities like river rafting tours, bike rentals, restaurants and lodging. A National Park Service study revealed that the economic impact of a trail involves a combination of newly created trail-related jobs and the expansion of existing businesses related to travel, equipment, clothes, food, souvenirs and maps.<sup>1</sup> That is only the beginning of the importance these amenities can have for a community's economy. The ecological benefits of greenways can help communities mitigate costs associated with the control of water and air pollution and flood management. Dedicated trail and greenway corridors can also play a valuable role in preserving linear space for future infrastructure needs. Trails and greenways can increase perceived quality of life in a community, and consequently attract new businesses.



*Service-related businesses such as equipment rental and gift shops, and cafes like the Prairie Path Delicatessen in Illinois, spring up near trails and greenways to take advantage of their popularity. (Photo: Jean Mooring)*

Americans living in rural, suburban and urban communities are demanding that green places be protected as a way to maintain their quality of life. Local governments are finding they can no longer permit poorly planned development if they are to compete for residents and businesses and pay for the infrastructure costs associated with sprawling growth. Many companies seeking to relocate or establish a corporate headquarters have cited the availability of trails as a significant factor in their decision to choose one locale over another. Cities such as Providence, Rhode Island and Chattanooga, Tennessee, transformed industrial blight into beautiful and useful riverfront greenways and

## WHAT ARE TRAILS AND GREENWAYS?

Greenways are corridors of protected open space managed for conservation and recreation purposes. Greenways often follow natural land or water features, and link nature reserves, parks, cultural features and historic sites with each other and with populated areas. Greenways can be publicly or privately owned, and some are the result of public/private partnerships. Trails are paths used for walking, bicycling, horseback riding and other forms of recreation or transportation. Some greenways include trails, while others do not. Some appeal to people, while others exist primarily as a habitat for wildlife. From the hills and plains of inland America to the beaches and barrier islands of the coast, greenways provide a vast network linking America's special places.

“IN THE LAST 12 MONTHS, WE’VE HAD MORE TOURISTS THAN IN THE LAST 30 YEARS. BEFORE, THERE WASN’T ANYTHING TO BRING THEM HERE.”

— ROCKMART, GEORGIA MAYOR  
CURTIS LEWIS SPEAKING OF THE  
SILVER COMET TRAIL, MAY 6, 2002,  
ATLANTA JOURNAL-CONSTITUTION

trails as part of strategic plans to attract businesses and residents. Many cities have sought to emulate the success of the San Antonio Riverwalk in Texas, the anchor of the city's tourism economy by virtue of its links to popular stores, restaurants and other destinations. While the Riverwalk is a truly unique urban environment that would be difficult to emulate, many communities find that trails and greenways provide the tools to turn geographic resources into community trademarks that become focal points of civic pride and key attractors of new residents and businesses.

- Pittsburgh Mayor Tom Murphy, testifying at a Congressional hearing, credited trail construction for contributing significantly to a dramatic downtown revitalization. Miles of trails now connect millions of dollars of economic development, including new stadiums, housing, office space and riverfront parks.<sup>2</sup>
- A 1998 report by the Center for the Continuing Study of the California Economy found that conservation of open space and higher density development were essential to preserve a higher quality of life, an important factor in attracting employers and employees to California localities.<sup>3</sup>
- After considering several cities, Ruby Tuesday, Inc., moved its Restaurant Support Center to a site adjacent to the Greenway Trail in Maryville, Tennessee. Samuel E. Beall, III, chairman and CEO, stated, "I was very impressed with the beauty of the park, which helps provide a sense of community to this area, as well as the many benefits it provides to our more than 300 employees."<sup>4</sup>



*Cyclists stop at the Hartsburg Cafe and General Store while traveling along the Katy Trail State Park, Missouri. (Photo: Rails-to-Trails Conservancy)*

## AN ECONOMIC BOON FOR COMMUNITIES

The body of academic work regarding the economic benefits of trails and greenways is quite substantial. The methodology of such studies varies greatly, just as different trails vary in characteristics such as length, populations served, and the nature of adjacent residential and commercial areas. Therefore, it is difficult to apply the conclusions of one or two studies to every trail or greenway and predict what impact a new greenway might have on a given community. The fact that most greenways are multi-objective and can be viewed at different scales also makes economic evaluation more complex and difficult.<sup>5</sup> However, the evidence supporting the conclusion that trails and greenways improve local economies grows greater by the day. Across the United States, trails and greenways are stimulating tourism and recreation-related spending. Trail and greenway systems have become the central focus of tourist activities in some communities and the impetus for kick-starting a stagnating economy.

- According to a 1998 study, the direct economic impact of the Great Allegheny Passage exceeded \$14 million a year—even though the trail was only half-finished at that time.<sup>6</sup> In Confluence, Pennsylvania, one of the project's first trailhead towns, the trail has encouraged the development of several new businesses and a rise in real estate values.<sup>7</sup>
- In the months following the opening of the Mineral Belt Trail in Leadville, Colorado, the city reported a 19 percent increase in sales tax revenues.

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ROPERTIES ALONG THE TRAIL HAVE TAKEN  
OFF...I’VE GOT A LIST OF 300 PROSPECTIVE BUYERS  
WAITING FOR PROPERTY ALONG THE RIVER AND  
TRAIL, AND THEY’RE WILLING TO WAIT JUST FOR  
THOSE PROPERTIES.”

— SUZAN BEAL, A SALES ASSOCIATE WITH  
COLDWELL BANKER REAL ESTATE

Owners of restaurants and lodging facilities report that they are serving customers who have come into town specifically to ride the trail. The trail has helped Leadville recover from the economic blow of a mine closure in 1999.<sup>8</sup>

- The Mineral Wells to Weatherford Rail-Trail near Dallas, Texas attracts approximately 300,000 people annually and generates local revenues of \$2 million.<sup>9</sup>
- Visitors to Ohio's Little Miami Scenic Trail spend an average of \$13.54 per visit just on food, beverages and transportation to the trail. In addition, they spend an estimated \$277 per person each year on clothing, equipment and accessories to use during these trail trips. The total economic benefit is impressive considering there are an estimated 150,000 trail users per year.<sup>10</sup>
- The Mispillion River Greenway in Milford, Delaware, is credited with inspiring downtown reinvestment and a net gain in new businesses, with more than 250 people now working in a downtown that was nearly vacant 10 years ago.<sup>11</sup>

## IMPACTS ON PROPERTY VALUES

Trails and greenways increase the natural beauty of communities. They also have been shown to bolster property values and make adjacent properties easier to sell. Perhaps the most famous example of the ability of dedicated greenspace to have such an impact is New York City's Central Park. Within 15 years of its completion, property values doubled and the city raised millions of dollars through taxes.<sup>12</sup> These economic impacts are seen across the country:

- A 1998 study of property values along the Mountain Bay Trail in Brown County, Wisconsin shows that lots adjacent to the trail sold faster and for an average of 9 percent more than similar property not located next to the trail.<sup>13</sup>
- In a 2002 survey of recent home buyers sponsored by the National Association of Realtors and the National Association of Home Builders, trails ranked as the second most important community amenity out of a list of 18 choices.<sup>14</sup>
- Realizing the selling power of greenways, developers of the Shepherd's Vineyard housing development in Apex, North Carolina added \$5,000 to the price of 40 homes adjacent to the regional greenway. Those homes were still the first to sell.<sup>15</sup>

## COMBINING ENVIRONMENTAL AND ECONOMIC BENEFITS

Trails and greenways can play an important role in improving water quality and mitigating flood damage. Greenways preserve critical open space that provides natural buffer zones to protect streams, rivers and lakes from pollution run-off caused by fertilizer and pesticide use on yards and farms. They also can serve as flood plains that absorb excess water and mitigate damage caused by floods. Such conservation efforts make good sense because they save communities money in the long run.

- The estimated annual value of the water filtration attributed to wetlands along a three-mile stretch of Georgia's Alchoy River is \$3 million.<sup>16</sup>
- The lowest cost estimate for a water treatment alternative to natural water filtration created by wetlands in the Conagree Bottomland Swamp in South Carolina was \$5 million.<sup>17</sup>
- Approximately 10 million homes are located in flood plains across America. The Federal Emergency Management Agency estimates that flooding causes more than \$1 billion in property damages every year.<sup>18</sup> Converting these areas to greenways would free that money to be spent on other needed projects. After years of devastating losses from flooding, Tulsa, Oklahoma, designed a greenway along Mingo Creek that preserved and enhanced the floodplain to include woodlands, wetlands, parks and trails. As a result of this and other important measures, flood insurance rates in Tulsa dropped by 25 percent.<sup>19</sup>

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“THE TRAIL IS ALREADY ATTRACTING A LOT OF PEOPLE, AND WE'RE JUST STARTING TO MARKET IT. IT'S A MAJOR ASSET FOR OUR REGION, NOT ONLY BECAUSE OF THE TOURIST DOLLARS IT'S ATTRACTING, BUT ALSO BECAUSE IT'S A KEY PIECE OF OUR ECONOMIC REBUILDING EFFORTS.”

—U.S. CONGRESSMAN JOHN P. MURTHA (D-PENN.)  
SPEAKING OF THE GREAT ALLEGHENY PASSAGE

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## HELPFUL RESOURCES

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Greg Lindsey and Michael Przybylski, *Economic Considerations in Planning Urban Greenways: A Brief Review*, Indiana University Purdue University at Indianapolis, Center for Urban Policy and the Environment, June 1998. Available online at [www.urbancenter.iupui.edu/reports/Grnwy%20PDF%20Files/98-C14%20EconConUrGrwy.pdf](http://www.urbancenter.iupui.edu/reports/Grnwy%20PDF%20Files/98-C14%20EconConUrGrwy.pdf).

## ENDNOTES

1 *The Impacts of Rail-Trails, A Study of Users and Nearby Property Owners from Three Trails*, National Park Service, Rivers, Trails and Conservation Assistance Program, 1992.

2 Testimony before the Committee on the Judiciary of the U.S. House of Representatives, June 20, 2002.

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4 *Enhancing America's Communities: A Guide to Transportation Enhancements*, National Transportation Enhancements Clearinghouse, November 2002, p. 11.

5 Greg Lindsey and Michael Przybylski, *Economic Considerations in Planning Urban Greenways: A Brief Review*, Indiana University Purdue University at Indianapolis, Center for Urban Policy and the Environment, June 1998.

6 Stephen Farber, University of Pittsburgh and Pennsylvania Economy League, Inc., *An Economic Impact study for the Allegheny Trail Alliance*, January 1999, i-ii.

7 *Enhancing America's Communities*, p. 17.

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9 *A Guide to Transportation Enhancements*, National Transportation Enhancements Clearinghouse, 1999, p. 11.

10 Ohio-Kentucky-Indiana Regional Council of Governments, *Trail Users Study, Little Miami Scenic Trail*, 1999, p. 15-32.

11 *Enhancing America's Communities*, p. 14.

12 Neighborhood Open Space Coalition, *Urban Open Space: An Investment that Pays*, New York City, 1990.

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14 *Consumer's Survey on Smart Choices for Home Buyers*, National Association of Realtors and National Association of Home Builders, April 2002.

15 Don Hopey, "Prime Location on the Trail," *Rails-to-Trails*, Fall/Winter 1999, p.18.

16 Steve Lerner and William Poole, *The Economic Benefits of Parks and Open Space*, The Trust for Public Land, 1999, p. 41.

17 Floodplain Management Association, "Economic Benefits of Wetlands," *MFA News*, July 1994.

18 "National Flood Insurance Program," Federal Emergency Management Agency, [www.fema.gov/fima/nfip.shtm](http://www.fema.gov/fima/nfip.shtm), accessed April 1, 2003.

19 "Reducing Flood Damage – Naturally – in Tulsa," *American Rivers*, [www.amrivers.org/floodplains toolkit/tulsa.htm](http://www.amrivers.org/floodplains toolkit/tulsa.htm), accessed April 1, 2003.



**ABOUT THE CLEARINGHOUSE:** A project of Rails-to-Trails Conservancy, the Trails and Greenways Clearinghouse provides technical assistance, information resources and referrals to trail and greenway advocates and developers across the nation. Services are available to individuals, government agencies, communities, grassroots organizations and anyone else who is seeking to create or manage trails and greenways.



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