

GREENWAYS

THE CENTS BEHIND GOING GREEN

BY EMILY OAKSFORD



Grand Forks Greenway, Minnesota

THE “GREEN” WAY TO CORRIDOR CREATION

Open space within urban and suburban communities generates health and fitness benefits, community involvement, and economic enrichment to municipalities, as well as aesthetic value. Parks and open space systems enhance the economic value of adjacent and nearby areas, demonstrating the value residents place on the combination of pedestrian connections between key places and the natural and aesthetic beauty that greenway systems provide. Almost all comprehensive plans of cities now include the need to create networks of open spaces throughout neighborhoods and communities. Municipalities that do not have existing greenways or corridors must find funding and develop design and land acquisition strategies to create these green connections. Often, creating open space in already developed communities requires innovative means.

The positive relationship between parks and property values is well established, while research studying property values corresponding with proximity to greenbelts is becoming more conclusive. “A study of property values near greenbelts in Boulder, Colorado, noted that housing prices declined an average

of \$4.20 for each foot of distance from a greenbelt up to 3,200 feet.”¹

Economic Impacts

Whether greenbelts have a positive impact on property values depends on the attractiveness of the natural environment. For instance, in Austin, Texas neighborhoods, the quality and use of the greenway is an important factor in whether the space creates an increase in land value. Steeper slopes and dense scrub vegetation that provide no active recreational space have little impact on property values, while better-designed sections have a positive impact.

Researchers found that in some areas, land value increased when a home was located near more passive neighborhood parks; property nearer to more programmed recreational parks or facilities saw smaller land value increases. This may not be true for all cases, however: an Indianapolis study attributes the property tax gain coming predominantly from the active, multi-use Monon Trail (\$120.4 million) and less from the other seven conservation corridors in the region (\$46.1 million).

Besides the gains to private property holders, greenways can contribute significantly to increases in public funds through larger property tax revenues generated by property assessed at a higher value. This, along with publicly-run services along the trails, helps to pay for creation and maintenance. In the Indianapolis study of public greenways (both active multi-use trails and conservation corridors), researchers found that increases to property values because of adjacency or proximity to the greenways created an additional \$166.5 million from taxable property value.²

GREENWAY FUNDING: CASE STUDIES

The more residents and city and town officials understand that parks and greenways can increase land value, the more support these projects will get from the public as well as key stakeholders in an area. Parks planning, although funded through municipal governments, sometimes requires additional funding in order to provide optimal service for residents of and visitors to a community. Therefore, it is important to involve the private sector through business arrangements, non-profit organizations, or public-private partnerships when initiating new parks planning as a way to gain financial support and funding.

Orlando, Florida

In Florida, individual municipalities acquire most land for greenway and trail systems through a statewide funding program, the Department of Environmental Protection's Florida Forever program, which is responsible for acquiring, protecting, and restoring land within the state. Now there are gaps in funding that impact the extent of municipal acquisition and long-term maintenance agreements. In the case of the Cady Way Trail in the Orlando region, individual municipal governments purchased land for the trail from individual land owners, but the funding for the land acquisition would not pay for land acquired through condemnation. Subsequently, certain portions of the trail still remain on private land and are not part of the state's conservation easements; here, private land owners are responsible for maintenance of the trail.

Grand Forks, Minnesota

City agencies developed Minnesota's Grand Forks greenway plan largely for economic reasons after a major 1997 flood destroyed several downtown blocks and left the two adjacent cities in need of an economic boost. The proposed trail, designed and constructed between 1998 and 2001, connects the land between the levees of Grand Forks, North Dakota, and East Grand Forks, Minnesota. From the beginning of the project, the economic benefits were well-addressed and publicized to the community. City officials estimated the city would "gain

as much as \$630,000 per year in ticket revenues" from public events held on the greenway.³ Furthermore, the decision of a private developer to locate its large private retail and outfitting store, Cabela's, at the riverfront and directly on the greenway was a huge advantage to the area. It acted as a catalyst for other developments to come and use the public services already provided.

New York, New York

In 1999, New York City had a key chance to obtain new public open space and create a greenway on an unused, elevated rail line—the High Line—through the western side of Manhattan Island. The New York City Council regarded this as a catalytic opportunity; as a statement of support, the council announced in 2003 that it would provide \$15 million of the total \$65 million cost to restore the High Line. Although it was only a fraction of the total development cost, City Council's initial move sent a signal of commitment in a strategy to "attract major private, corporate, foundations, and federal funds."⁴ Increasing publicity for the High Line led local and statewide politicians to lobby for financial support through various transportation and parks grants. The non-profit organization "Friends of the High Line," collected donations from area supporters and stakeholders who realized that property values as well as retail sales could benefit from the development of this sky-level greenway.

Conclusion

Despite the complex and sometimes arduous planning processes of greenways and open space systems, the benefits of their creation are highly apparent. Not only do private property owners gain from increases in land value, but cities benefit as well through higher tax revenue from increases to assessed property value. Having both public and private financial support behind



Proposal for the High Line

these open space systems is key, because while initial funding for these open space networks continues to be difficult, supporters of these projects can find help through private, public, and political agreement to accomplish their goals. Once constructed, used, and enjoyed, these natural and urban pedestrian corridors' true value comes from their power to increase the quality of life for both residents and visitors.

Endnotes

- ¹ "Economic Impacts of Protecting Rivers, Trails, and Greenway Corridors," in *Rivers, Trails and Conservation Assistance: National Park Service*, 4th Edition, 1995, 16.
- ² S. Nicholls, "Measuring the impact of parks on property values," *HighBeam Encyclopedia: Parks & Recreation* (1 March 2004) 124.
- ³ T. Schroeder and J. James, "Collaboration in Greenway Development: Case Study of the Grand Forks Greenway," Presented at Recreation and Tourism Trends 2000, Lansing, Michigan, September 2000.
- ⁴ Lynne Sagalyn, "The Political Fabric of Design Competitions," *Politics of Design: Competitions for Public Projects*, Catherine Malmberg, ed., (Policy Institute for the Region, 2006), 37.