

Presentation to 2019 Purdue Road School:

# The Economic Impact of Trails

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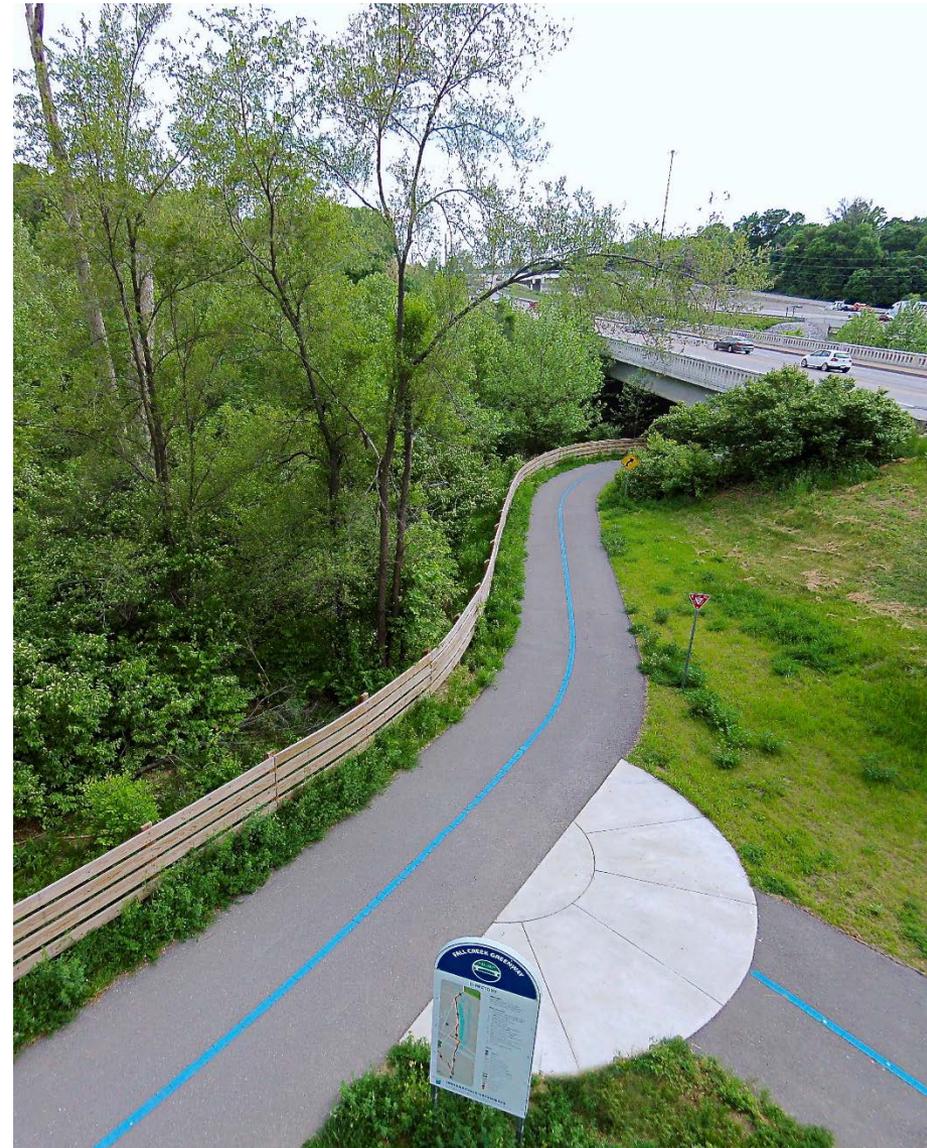
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# Do Trails Offer a Direct Economic Benefit?

**Trail networks are proven to:**

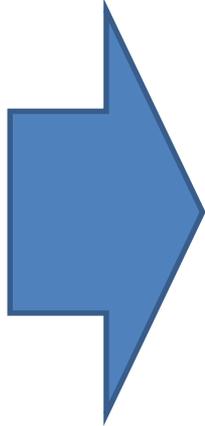
- Increase Tourism Spending
- Increase Local Economic Activity
- Increase Property Values



# TRAILS AND QUALITY OF LIFE



# Economic Development Trends Have Shifted



**Traditional:**

**Build Sites to Attract Businesses**

**Today:**

**Build Quality of Life to Attract Workforce**

# Trails Are Essential to Quality of Place

**#2 among 18 reasons to chose specific locations when buying property**

--National Association of Realtors and National Association of Homebuilders Study (in 2002)



# Why Do People Want to Live Near Trails?

People desire to live in walkable and bikeable communities because they offer:

- Interesting and attractive places
- People and Community
- Health and Fitness
- Increased feeling of safety and security



# What is the impact of trails on property values?

## Trails result in increased property values:

- San Antonio: 2%
- Southwest Ohio: 9%
- New Castle County, DE: 4%
- Methow Valley Washington: 10% premium
- Austin: 6-20%
- Indianapolis: 11%

Source: Headwaters Economics Spring 2016



# Outdoor Recreation is an Economic Engine

**THE  
OUTDOOR  
RECREATION  
ECONOMY  
GENERATES:**

**\$887 BILLION**

IN CONSUMER SPENDING ANNUALLY



**7.6 MILLION**

AMERICAN JOBS



**\$65.3 BILLION**

IN FEDERAL TAX REVENUE



**\$59.2 BILLION**

IN STATE AND LOCAL TAX REVENUE



April 2018 Outdoor Industry Association Report

# Outdoor Recreation is an Economic Engine

Americans spend more money on cycling (\$97 billion) than on video games (\$61 billion)

## Cycling generates:

- 847,000 jobs
- \$28 billion in salaries
- \$7 billion in federal taxes
- \$6.3 billion in state/local taxes.

April 2018 Outdoor Industry Association Report



# The Status of Cycling is on the Rise

## “Cycling is the New Golf”

- Business Insider – February 2015
- New York Times – August 2016
- The Economist – August 2013
- CNN Money – August 2014

## 33%+ of Trail Visitors Reported Incomes Over \$100,000

- Great Allegheny Passage Economic Impact Study – (2007-2008)
- Katy Trail Economic Impact Report – July 2012 by Missouri State Parks



# Cycling is For Everyone

Cycling is one of the most income diverse activities in the United States.

## Bike Commuter Breakdown

- Richest Quartile: 20%
- Second Quartile: 22%
- Third Quartile: 19%
- Poorest Quartile: 39%

*Source: 2006-2010 U.S. Census Transportation Planning Products via AASHTO*



# CASE STUDIES



# Great Allegheny Passage

## OVERVIEW

<b>Length</b>	150 miles
<b>Start/End</b>	Pittsburg, PA to Cumberland, MD
<b>Trail Users/Year</b>	800,000
<b>Impacts</b>	<ul style="list-style-type: none"><li>• 1/3 of users report incomes over \$100k</li><li>• 30% of town gross business revenues attributed to trail</li><li>• \$50m/year impact</li></ul>

### Sources:

- Great Allegheny Passage Economic Impact Study – (2007-2008)
- 2012 Trail Town Business Survey Report – Frostburg State University



# C&O Towpath

## OVERVIEW

<b>Length</b>	184.5 miles
<b>Start/End</b>	Washington DC to Cumberland, MD
<b>Trail Users/Year</b>	4.7 million
<b>Impacts</b>	<ul style="list-style-type: none"><li>• 64.4% of businesses report revenue increases at least somewhat a direct result of the trail</li></ul>



# Swamp Rabbit Trail

## OVERVIEW

<b>Length</b>	20 miles
<b>Start/End</b>	Greenville, SC to Travelers Rest, SC
<b>Trail Users/Year</b>	500,000
<b>Impacts</b>	\$6.7m in trail tourism from out-of-town visitors

Source: Furman University



# Virginia Creeper Trail

## OVERVIEW

<b>Length</b>	34 miles
<b>Start/End</b>	Abington, VA to Damascus VA to VA/NC Border
<b>Trail Users/ Year</b>	100,000
<b>Impacts</b>	<ul style="list-style-type: none"><li>• \$1.2m annual spending by visitors</li></ul>

Source: Virginia Tech



# Katy Trail

## OVERVIEW

<b>Length</b>	238 miles
<b>Start/End</b>	Clinton, MO St. Louis, MO
<b>Trail Users/ Year</b>	400,000
<b>Impacts</b>	<ul style="list-style-type: none"><li>• \$18.6m economic impact</li><li>• 34% of visitors had incomes over \$100k</li><li>• Locals spend \$11/day</li><li>• Visitors spend \$30/day</li><li>• Overnight visitors spend \$297/trip</li></ul>

### Sources:

- Katy Trail Economic Impact Report – July 2012 by Missouri State Parks



# Monon Trail

## OVERVIEW

<b>Length</b>	26 miles
<b>Start/End</b>	10 <sup>th</sup> Street to Westfield
<b>Trail Users/Year</b>	471,000 (in Broad Ripple)
<b>Impacts</b>	<ul style="list-style-type: none"><li>• 6% of land within ½ mile of the trail has been redeveloped in Indy</li><li>• 11.4% in increase in property values in Indy</li></ul>

### Sources:

- Indy Greenways Master Plan



# Summary - Trails Are an Economic Engine

## **QUALITY OF LIFE**

Essential to quality of life

## **WORKFORCE ATTRACTION**

Essential to attracting a competitive workforce

## **ENGAGE OUTDOOR RECREATION INDUSTRY**

\$900 billion industry

## **ATTRACT HIGH INCOME RESIDENTS AND VISITORS**

33%+ of Cyclists earn >\$100k

## **INCREASED PROPERTY VALUES**

10%+ premium

## **INCREASED TAX REVENUES**

Essential to attracting a competitive workforce

## **ATTRACT TOURISM**

Spending can be \$300/day for overnight stays

## **ATTRACT DEVELOPMENT**

High development/redevelopment rates along trails

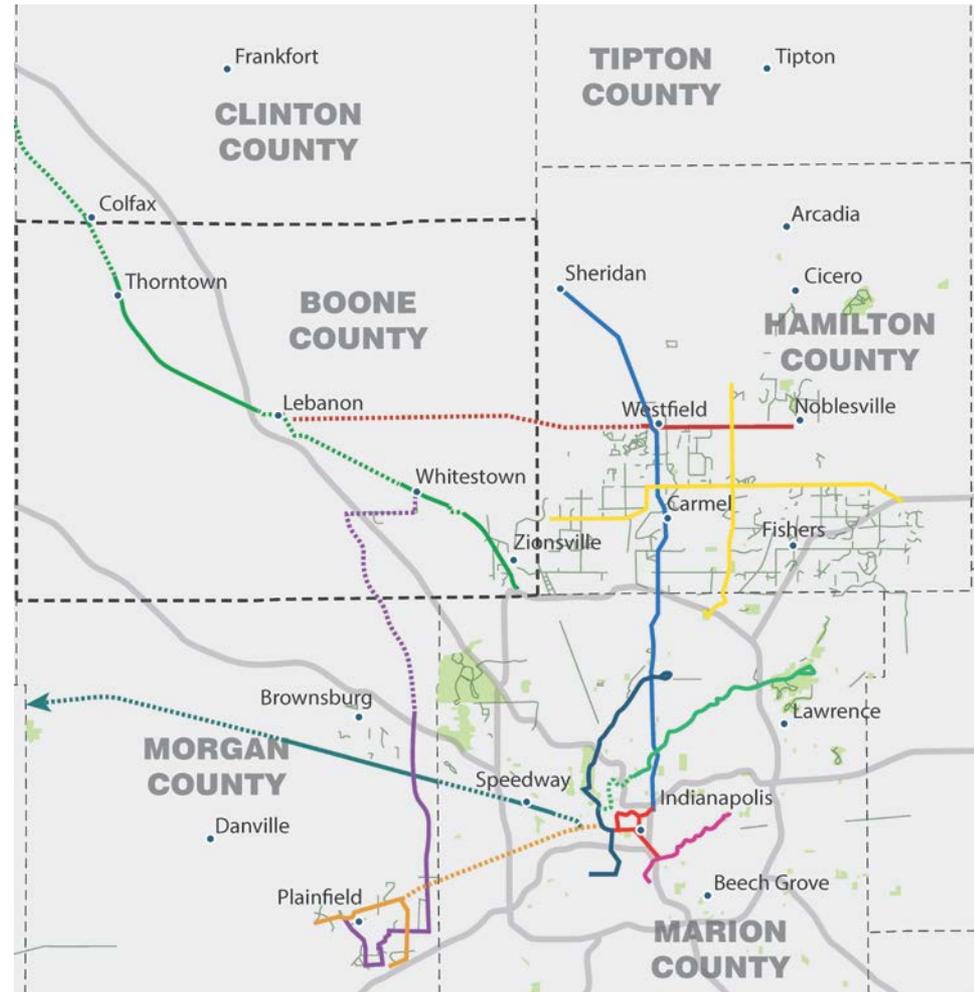
# CAPTURING TRAIL OPPORTUNITIES



# Keys to Economic Success: Connectivity

## Connectivity

- Connect regionally
- Connect communities
- Connect districts
- Connect attractions



# Keys to Economic Success: Town Services

## Town Services

- Food/Drink/Snacks
- Retail
- Bike Shops
- Lodging



# Keys to Economic Success: Development

## Trail Oriented Development:

- Restaurant
- Retail
- Residential
- Parks/Public Spaces
- Redevelopment



# Keys to Economic Success: Tourism

## Attract Visitors:

- Why should people visit this trail?



# Supporting Culture is Critical

## Supporting a Culture of Walking and Cycling is Critical to Economic Success:

- Welcoming culture
- Programming to support walking and cycling
- Support services (signage, water, air, bike parking, shade)



# Thank You

**Presenter:**

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