



## **Economic Benefits of Bicycling in Urban Environments**

[www.marinbike.org](http://www.marinbike.org)

### **Relevance to the Marin Bicycle Network**

Marin County, California is home to some of the best bicycling in the country. Over the past ten years, the Marin County Bicycle Coalition has been working to expand and enhance the bicycle network within the County. Marin County has seen a 118%-125% increase of bicycling over the last 10 years due to bicycle infrastructure improvements such as pathways, bike lanes, shared use lanes, intersection improvements and bicycle parking. It is well documented through research that improved infrastructure results in new riders, and an increase of bicycle traffic near local businesses brings additional customers that may not previously have been on the road in that area due to poor or non-existent bicycling infrastructure.

### **Reduced Health Costs/Increased Health Benefits**

The positive effects of bicycling are well known and have been extensively documented, especially within the public health sector. Health professionals tout that regular bicycling can have significant impacts on a person's well being, leading to weight loss, lowered blood pressure, increased strength and mobility, and ultimately lower healthcare costs both to individuals and society.

### **Bicyclists Spend Money**

In addition, research on economic benefits, by Rutgers University<sup>i</sup>, University of California Davis<sup>ii</sup>, University of Minnesota<sup>iii</sup>, University of Colorado<sup>iv</sup>, University of Michigan<sup>v</sup>, the National Bicycle Tour Directors Association<sup>vi</sup>, Local Government Commission<sup>vii</sup> and numerous state Departments of Transportation<sup>viii, ix, xi</sup> all echo these basic findings: bicyclists riding through a town will stop and spend money. The Rails-to-Trails Conservancy ([www.railstotrails.org](http://www.railstotrails.org)) has demonstrated that re-purposing abandoned rail lines into bicycling and walking trails increases tourism dollars spent in each community through which the trail passes<sup>xii, xiii, xiv</sup>. In addition, the International Mountain Biking Association (IMBA) ([www.imba.org](http://www.imba.org)), and the Bikes Belong Coalition ([www.bikesbelong.org](http://www.bikesbelong.org)) have both conducted studies concluding that are positive economic impacts to communities when bicycling increases<sup>xv</sup>.

For example, the Rails-to-Trails Conservancy cites many examples from all over the country, such as:

- Trails and bikeways in Pittsburgh, PA contributing significantly to downtown revitalization, including millions of dollars in economic development.
- After opening of a bikeway in Leadville, CO, the city reported a 19% increase in sales tax revenue.
- The average cyclist that stops to eat spends nearly \$18 in Ohio, \$23 in Colorado, and \$34 in California.
- A study<sup>xi</sup> 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.

One factor repeatedly cited by studies is that bicycling is an activity that occurs on a “human scale” – that is, at a speed that allows the cyclists to take in their surroundings and interact with their environment. Within an urban area, this means that cyclists will frequently stop to shop, investigate, and/or discover the area that they are in. Inevitably, this leads to more money being spent within a community.

For example, in communities that have bicycle facilities within a commercial area, the types of establishments that could experience financial benefits include:

- Convenience and drug stores where commuters can pick up items on their way to and from work, or while running errands
- Entertainment establishments within a couple miles of the main bicycle route – such as movie theaters or venues with live music
- Food and drink establishments, especially those offering quick and nutritious meals
- Coffee houses and bakeries for quick and pick-me-up snacks
- Bicycle retail outlets for sales and repairs
- Lodging facilities within two miles of the main bicycle route, through bicycle tourism
- Boutique stores

Communities such as Portland Oregon, Madison Wisconsin, and Davis California have all seen the economic benefits of bicycling.

- In Portland OR, cyclists spend more time and money in the downtown area, as noted by the Bicycle Transportation Alliance. Downtown shoppers report



- feeling less pressed for time due to worries about time remaining on parking meters or hourly rates at parking garages.
- Madison, WI strategically placed bike racks outside many of their businesses in the downtown area and saw a 3% overall increase in sales tax revenues in the areas where they deployed the new bike racks.
  - Davis CA shops command a rent premium along major cycling routes because they bring in so much business.
  - In a 2002 survey of recent homebuyers 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>xi</sup>

In conclusion, bicyclists, like motorists, need good infrastructure to help support them. The types of needs include adequate bicycle parking, and safe and convenient roadway infrastructure to create an interconnected bicycle network of bike lanes, paths and routes. Creating such a system will result in economic benefits for local communities in the form of increased customers for businesses, higher sales tax revenues from new purchases, and increases in property values. As such, when decisions need to be made about land use and transportation infrastructure, it's important to note that bicycling brings business.

## **End Notes**

<sup>i</sup> "Socioeconomics of Urban Travel: Evidence from the 2001 National Household Travel Survey," Transportation Quarterly, Vol. 57, No. 3, summer 2003, pp. 49-78. (with John Renne).

<sup>ii</sup> <http://stc.ucdavis.edu/research/>

<sup>iii</sup> <http://www.lrrb.org/pdf/200450.pdf>

<sup>iv</sup> <http://www.americantrails.org/resources/economics/biketourismcolo.html>

<sup>v</sup> Antonakos, Cathy. (1993). Environmental and Travel Preferences of Cyclists. University of Michigan Doctoral Thesis.

<sup>vi</sup> Personal conversations between 2004 and 2005.

<sup>vii</sup> Better Models For Development in California: Ideas for Enhancing Small Towns and Suburban Communities, By: Edward T. McMahon with Shelly Mastran; Published by The Conservation Fund and Local Government Commission

<sup>viii</sup> [http://www.ncdot.org/transit/bicycle/safety/safety\\_economicimpact.html](http://www.ncdot.org/transit/bicycle/safety/safety_economicimpact.html)

<sup>ix</sup> [www.dot.wisconsin.gov/business/econdev/docs/impact-bicycling.pdf](http://www.dot.wisconsin.gov/business/econdev/docs/impact-bicycling.pdf)

<sup>x</sup> [www.maine.gov/mdot/opt/pdf/biketourismexecsumm.pdf](http://www.maine.gov/mdot/opt/pdf/biketourismexecsumm.pdf)

<sup>xi</sup> [http://www.railstotrails.org/resources/documents/resource\\_docs/tgc\\_economic.pdf](http://www.railstotrails.org/resources/documents/resource_docs/tgc_economic.pdf)

<sup>xii</sup> Economic Benefits of Trails and Greenways, published by the Rails to Trails Conservancy

<sup>xiii</sup> [http://www.railstotrails.org/resources/documents/whatwedo/TrailLink%2007%20program\\_Economic%20Develop.pdf](http://www.railstotrails.org/resources/documents/whatwedo/TrailLink%2007%20program_Economic%20Develop.pdf)

<sup>xiv</sup> <http://www.railstotrails.org/whatwedo/trailadvocacy/ATFA/index.html>

<sup>xv</sup> <http://www.bikesbelong.org/economicstats>