

The Economic Benefits of Open Space, Recreation Facilities and Walkable Community Design

Research conducted by Active Living Research, a national program of the Robert Wood Johnson Foundation, with direction and technical assistance provided by San Diego State University, May 2010

Purpose: This research synthesis focuses on “private” benefits that accrue to nearby homeowners and to other users of open space.

Location: This review gathered information on cities across the United States.

Study Design: This research synthesis reviews the sizable body of peer-reviewed and independent reports on the economic value of outdoor recreation facilities, open spaces and walkable community design.

Key Findings:

- Open spaces can have a positive effect on nearby residential property values and can therefore lead to higher property tax revenues for local governments (3).
 - In 2000, a park within 1,500 feet of a home increased the sale price \$845 to \$2,262 (3).
 - In 1990, natural forest areas within 1,500 of a home increased the sale price on average \$10,648; compared to \$1,214 for urban parks, \$5,657 for specialty parks (play grounds, skate parks) and \$8,849 for golf courses (3).
- Parks that are excessively busy, unattractive, or poorly maintained have a negative impact on home values (4).
- In Calvert County, Maryland, a 148 acre increase in preserved agricultural land increased housing values within a one-mile radius generated \$251,674—enough tax revenue to purchase an additional 88 acres of parkland in one year (4).
- The level of economic impact recreational areas have on home prices depended on how far the home is located from the open space (5).
 - Increases in property values existed 500 to 600 feet away from the park (5).
 - Parks greater than 30 acres may affect home values up to 1,500 feet away; however, 75% of premium values occur in the 500 to 600 foot range (5).
 - Small parks close to residential areas may have a larger impact on more houses than a large park located further away (5).
- Open space in urban areas provides a greater economic benefit than open space in rural areas (6).
 - The higher the population density of an area, the greater value open space will have (6).
- Open space land, recreation areas and compact developments may provide fiscal benefits to municipal governments (7).
 - Developing where there is existing infrastructure may increase benefits associated to open space.
 - Providing municipal services to a house on a large lot far from existing infrastructure cost Prince William County in Virginia \$1,600 more than was returned in taxes and other revenues (7).
- Compact, walkable developments can increase home sale prices and enhance marketability and faster sales or leases than conventional developments (8).
 - Compact, walkable subdivisions in South Kingston, Rhode Island sold for \$122,000 to \$125,000 per acre; whereas conventional subdivisions sold for \$107,000 to \$109,000 per acre (9).