

Land Trust Alliance *Fact Sheet*



Economic Benefits of Open Space Protection

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*From "Smart Investment Tip: Buy Land"
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"Communities that conserve land make an investment in future economic development. Companies frequently relocate where their top talent wants to live, and that is most often in places of natural beauty. When land is protected, the adjacent land often increases in value, with homes selling for 10–20 percent more than comparable homes without access to parks. Frederick Law Olmsted first demonstrated this principle in the late 1800's when he documented that Central Park caused \$5.4 million in additional annual tax revenues, quickly repaying the \$14 million cost of the park. American consumers seem to have grasped this simple economic principle: A survey by the National Association of Homebuilders concluded that new homebuyers value trails and natural areas above any other amenity. Saving land from development is often the best way to reduce government spending and avoid increases in property taxes. Many jurisdictions believe that they will make money from the property taxes on new subdivisions, ignoring the true cost of schools, roads, police, water, and storm water management. Studies show that it costs between \$1.04 and \$2 for every dollar of tax revenue to provide services to a typical subdivision, so current taxpayers end up subsidizing outsiders who bring increased traffic, crowded schools, and the

loss of the community's individual culture. It is also cheaper to protect clean water at its source than to build expensive water treatment facilities. New York City, for example, saved \$5 billion in construction costs by purchasing conservation lands around its reservoirs in the Catskill Mountains."



Information Resources

"Managing Growth: The Impact of Conservation and Development on Property Taxes in New Hampshire" was published by The Trust for Public Land in 2005. The study investigates whether there is an association between development and high or low property taxes. The report finds that in the long term, towns that have the most permanently protected land have generally lower tax bills. www.tpl.org/tier3_cd.cfm?content_item_id=19458&folder_id=258

"Economic Benefits of Parks and Open Space" was published by The Trust for Public Land in 1999. It presents data and examples that can help leaders and concerned citizens make the economic case for parks and open space conservation. The report also has an extensive bibliography. www.tpl.org/tier3_cdl.cfm?content_item_id=1145&folder_id=727

"Cost of Community Services Studies" published by The American Farmland Trust in 2002, details the cost in tax dollars for industrial and commercial, open space, and residential areas versus every \$1 of tax revenue. www.farmlandinfo.org/documents/27757/FS_COCS_11-02.pdf

“The Economic Impact of Protecting Rivers, Trails and Greenways Corridors” published by The National Park Service and RTCA in 1995, shows how rivers, trails, and greenway corridors have the potential to create jobs, enhance property values, expand local businesses, attract new or relocating businesses, increase local tax revenues, decrease local government expenditures, and promote a local community. There is also a good chapter on “Real Property Values.” www.nps.gov/pwro/rtca/econindx.htm.

“Economic Impact of Open Space in New Hampshire” (1999), prepared for The Society for the Protection of New Hampshire Forests – provides an independent analysis of the economic impacts of open space on the economy of the State of New Hampshire. www.rsginc.com/pdf/economic_impact.pdf

The Open Lands Initiative website is a project of the Western Governors’ Association. The Association assists western states that are grappling with growth issues and seeking to promote the conservation of open space. Their site offers a comprehensive bibliography of the literature on the economic benefits of open space. It contains over 100 citations addressing many different dimensions of this issue. www.westgov.org/wga/initiatives/tpl/ecoben.htm

“Profiting from Preservation” (2003) published by the Mosby Heritage Area Association (VA) focuses on the economic benefits to the John Singleton Mosby Heritage Area’s economy and the contribution preservation makes to our quality of life. The report also recognizes the exhilarating effects that preservation has on the spirits of those who partake in all that the region has to offer. www.mosbyheritagearea.org/profitfrompreservation.htm

Publications

“Sprawl Costs : Economic Impacts of Unchecked Development” (2005) by Robert Burchell, Anthony Downs, Sahar Mukherji, Barbara McCann In 1996, a team of experts undertook a multi-year study designed to provide quantitative measures of the costs and benefits of different forms of growth. *Sprawl Costs* presents a concise and readable summary of the results of that study.



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