



## ECONOMIC FACT SHEET

### The Financial Benefits of Green Spaces

- Green space can improve property value. This has been documented in a number of publications and studies including:
  - *Smart Money* magazine indicated that consumers value a landscaped home up to 11.3 percent higher than its base price.<sup>1</sup>
  - A study by Aspen Environmental Companies found that a landscaping investment is nearly always recovered and can help reduce time on the market.<sup>2</sup>
  - *Money* magazine says: “attractively landscaping your yard can be one of the most cost-effective ways to boost your home’s curb appeal,” and emphasizes the value added by trees.<sup>3</sup>
  - In Canada, researchers at Quebec’s Laval University created a detailed survey study of 760 home sales and found that landscaping attributes (trees, flowers, plants, hedges) can “command a substantial market premium.”<sup>4</sup>
- Fast growth, major economic impact. According to a USDA-funded research report, the environmental horticulture industry [Green Industry], “is one of the fastest growing segments of the nation’s agricultural economy.”<sup>5</sup> Its economic impact was estimated to include:
  - \$147.8 billion in output      – \$64.3 billion in labor income      – \$6.9 billion in indirect business taxes
  - 1,964,339 jobs                      – \$95.1 billion in value added
- Businesses benefit. Roadside Studies by the University of Washington stated that drivers indicated it was easier to locate roadside businesses when they were framed by trees and vegetation, rather than having this green material removed.<sup>6</sup>
- Parks improve property value. There is a significant link between the value of a property and its proximity to parks, greenbelts and other green spaces. Studies of three neighborhoods in Boulder, Colo. indicated that property values decreased by \$4.20 for each foot away from a greenbelt.<sup>7</sup>
- Green space helps decrease air conditioning costs. Here are some useful references:
  - According to the California Energy Commission: “Planting the correct trees, shrubs, vines and groundcover can make your home both warmer in the winter and cooler in the summer. In fact, the right type of tree can reduce your summer cooling costs by 20 to 40 percent!”<sup>8</sup>
  - Computer models devised by the U.S. Department of Energy predict that the proper placement of only three trees will save an average household between \$100 and \$250 in energy costs annually.<sup>9</sup>
  - The cooling effect of an average size lawn is equal to about 9 tons of air conditioning.<sup>10</sup>

- Views of plants increase job satisfaction. Employees with an outside view of plants experience less job pressure and greater job satisfaction than workers viewing man-made objects or having no outside view. They also report fewer headaches and other ailments than workers without the view.<sup>11</sup>
- Nature increases worker productivity. Psychologists have found that access to plants and green spaces provides a sense of rest and allows workers to be more productive.<sup>12</sup>
- Landscaping renews business districts. Greening of business districts increases community pride and positive perception of an area, drawing customers to the businesses.<sup>13</sup>
- Quality landscaping means quality goods. A recent study found that consumers would be willing to pay, on average, a 12% premium for goods purchased in retail establishments that are accompanied by quality landscaping.<sup>14</sup>
- Employment and tourism boost. Employment opportunities are associated with the creation and long-term maintenance of urban open space, as well as tourism dollars of visitors from parks, gardens and civic areas (Woolley 2003).<sup>15</sup>
- Increases retail activity. Studies have proven that greenery and flowers attract shoppers and residents to urban areas...spurring economic growth.<sup>16</sup>
- Business growth. Small businesses choosing a new business location rank the amount of open space and proximity to parks and recreation as the number-one priority in site selection.<sup>17</sup>
- Protects drainage systems. The crown of a large tree is a freestanding anti-flood reservoir, in some cases intercepting so much rainfall that more than 1,500 gallons a year evaporates instead of hitting the ground. Chop down the tree, and you increase the volume of storm water a city must manage—something that especially affects older cities with aging drainage systems.<sup>18</sup>

**Bibliography:** Economic Fact Sheet

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