

Economic Benefits of Open Space

Pinal Partnership Open Space Initiative Workshop

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Open space can provide a wide range of benefits to the citizens of Pinal County. These benefits include the use of parks and natural areas for recreation, riparian areas for bird watching and observing other wildlife, and maintaining working ranch and farm lands which protect our iconic Arizona landscapes and heritage. But does preservation of open space protect the bottom line?

Leading experts in the field assert that it does and here are just a few examples:

- ▶ Known as the “proximate principle”, a study by J.L. Crompton of Texas A&M University states that the market values of properties located near a park or open space are frequently higher than those of comparable properties located elsewhere. Though conventional wisdom is often that development is the “highest and best use” of vacant land for the purpose of increasing municipal revenues, the opposite is often true. When open space is transformed into homes, the taxes of existing residents invariably increase because, while development generates tax revenue, the cost of providing public services and infrastructure to that development is more likely to exceed the tax revenue streaming from it (http://www.njkeepitgreen.org/documents/econbens_landconserve.pdf).



- ▶ In 2003, two Arizona Game & Fish Department reports entitled “Non Consumptive Wildlife Related Recreation in Arizona” and “The Economic Impact of Fishing and Hunting” quantified the benefits of bird watching and other watchable wildlife activities, along with fishing and hunting expenditures, respectively. Here are some results:

- Estimates revealed Arizona’s average yearly income from bird watching and viewing other wildlife in Arizona reached \$1.5 billion.
- In 2001, fishing and hunting expenditures alone were approximately \$20 million in Pinal County (http://www.azgfd.gov/pdfs/w_c/FISHING_HUNTING%20Report.pdf).
- Also in 2001, Pinal County received over \$50 million in retail sales related to non consumptive wildlife related recreation. This number is almost doubled (\$98 million) when including salaries and wages, tax revenues, and the multiplier effect (http://www.azgfd.gov/pdfs/w_c/AZ%20County%20Impacts%20-%20Southwick.pdf).



- ▶ Dr. Rosalind Bark-Hodgins and her colleagues from the University of Arizona have studied human behavior as reflected in economic transactions, including sale of homes and purchase of water. Dr. Bark found that people pay for residential proximity to riparian habitat, whether or not they own the habitat or even have access to it. In fact, homeowners are willing to pay up to 27% more for a home next to such areas. In subsequent work supported by Tucson Water addressing water conservation, they also found that households located nearby richly vegetated areas, specifically natural preserves, riparian corridors and golf courses, use significantly less outdoor water (http://rfcd.pima.gov/reports/pdfs/water_environment91109.pdf).