How 21st Century Transportation Networks Help New Urban Economies Boom

A report from PeopleForBikes and Alliance for Biking & Walking
As the American economy slowly recovers, U.S. businesses are weighing their opportunities to make the most of that returning energy with new jobs, products and services.

And as the dust settles on the Great Recession, business leaders from coast to coast are seeing four related mega-trends reshaping American urban economies.

THE GREAT URBAN REBOUND

After 40 years of being synonymous with decay, inner cities have come alive and are booming with new development and residents. Twenty years of falling crime rates have helped make urban life desirable again, especially for young adults. As successful city centers fill with people, city leaders find that building high-quality bicycle networks is an efficient and appealing way to move more people in the same amount of space.

THE BATTLE FOR HUMAN CAPITAL

White-collar workers, from software developers to graphic designers to management consultants, are redefining the “service sector” — creating a digital workforce armed with technical skill and a generational preference for urban living. Companies and cities are scrambling to attract the most talented Millennials and Generation X-ers, who increasingly prefer downtown jobs and nearby homes.

RISING HEALTH CARE COSTS

Desk-bound jobs and sedentary travel modes are contributing to spiking health care costs and alarming obesity rates. It’s getting more and more costly for employers and insurers to finance health coverage for working families — and more cost-effective for cities and companies to lower their costs by incentivizing healthier living.

PLANNING FOR WEALTH, NOT TRAFFIC

After 50 years of framing their work around the automobile, retail analysts in both the private and public sectors are shifting to a new consensus: cars don’t spend money — people do. By closely studying the ways people move and do business in the urban environment, proponents of local business are boosting sales in retail districts by looking for optimal ways to use public street space.
A NEW BIKE LANE FOR A NEW ECONOMY

U.S. cities have discovered an unexpected tool to create new opportunities in urban economies: the protected bike lane.

The conventional bike lane is getting a makeover in American cities. No longer relying on just a few inches of white paint to give people on bikes a feeling of security and comfort on busy streets, modern protected bike lanes use curbs, planters, parked cars or simple posts to clearly separate bikes from auto traffic and sidewalks. They are proving effective in creating appealing places for everyone, but are especially inviting to new riders.

To show how these trends work, this report compiles the latest hard data and showcases interviews with 15 businesspeople in five U.S. cities where protected bike lane networks are expanding quickly: Austin, Texas; San Francisco, California; Portland, Oregon; Chicago, Illinois; and Washington, DC.

Of course, better bike lanes can’t singlehandedly solve every problem. They’re one of many tools cities are deploying to help boost business, and they aren’t magic. And, like all good transportation systems, they require smart investments and careful planning to thrive.

But as these stories and studies show, there’s a developing consensus in many American cities that great bike networks are worth the effort.
As cities across the country build better biking systems, it’s becoming clear to more businesses and politicians that, when used right, these networks are part of the path to prosperity. In fact, in the context of the new American urban economy, protected bike lanes promote economic growth in several common ways.

**FOUR WAYS PROTECTED BIKE LANES BOOST ECONOMIC GROWTH**

**FUELING REDEVELOPMENT TO BOOST REAL ESTATE VALUE**
As city populations grow, motor vehicle congestion increases. New roads are rarely an option in mature cities. Protected bike lanes bring order and predictability to streets and provide transportation choices while helping to build neighborhoods where everyone enjoys spending time. By extending the geographic range of travel, bike lanes help neighborhoods redevelop without waiting years for new transit service to debut.

**HELPING COMPANIES SCORE TALENTED WORKERS**
Savvy workers, especially Millennials and members of Generation X, increasingly prefer downtown jobs and nearby homes. Because protected bike lanes make biking more comfortable and popular, they help companies locate downtown without breaking the bank on auto parking space, and allow workers to reach their desk the way they increasingly prefer: under their own power.

**MAKING WORKERS HEALTHIER AND MORE PRODUCTIVE**
From DC to Chicago to Portland, the story is the same: people go out of their way to use protected bike lanes. By creating clear delineation between auto and bike traffic, protected bike lanes get more people in the saddle — burning calories, clearing minds, and strengthening hearts and lungs. As companies scramble to lower health care costs, employees who benefit from the gentle exercise of pedaling to work help boost overall hourly productivity and cut bills.

**INCREASING RETAIL VISIBILITY AND SALES VOLUME**
In growing urban communities, protected bike lane networks encourage more people to ride bikes for everyday trips. And when people use bikes for errands, they’re the ideal kind of retail customers: regulars. They stop by often and spend as much or more per month as people who arrive in cars. Plus, ten customers who arrive by bike fit in the parking space of one customer who arrives by car.
FUELING BOOMING REAL ESTATE MARKETS

It’s an iron law of real estate: Land is more valuable if more people can get to it easily.

As more Americans — especially Millennials and Generation X-ers — gravitate towards urban centers, many city neighborhoods are seeing massive population influxes. With space at a premium, people need robust transportation systems to move from home to work to shops.

Low-stress bike networks can help relieve pressure on the street system. By making biking safe and pleasant for a broader range of people, bike lanes are bringing more residents, employees and customers to neighborhoods without swamping streets with traffic. They help free the street system for buses, freight and essential car trips.

And as city dwellers prioritize dog-walking and bike-riding over sitting in traffic, investment is flowing toward streets that are built for connectivity and comfort.

In other words: location, location, location.
CREATING MAIN STREET

Langley Investment Properties
Portland, OR

Everything was in place for Wade Lange's project, a 21-story tower with 657 apartments and 44,000 square feet of retail space. The only problem: the four-lane street below was sterile and boring. Nobody spent time on it.

So Lange threw his weight behind a plan to remove two auto travel lanes from NE Multnomah Street and replace them with a pair of protected bike lanes.

“It’s about visibility — if you’re driving by at 35 mph in a car, you’re not going to stop,” said Lange, vice president of property management for Langley Investment Properties. “But you slow the traffic down, you do landscaping and you get more people walking, and suddenly the retail exists.”

Lange and other landlords in Portland’s job-oriented Lloyd District see the more attractive, bike lane-calmed road as part of its transformation into a livelier “16-hour district” that will be active from 7 a.m. to 11 p.m.

“It just becomes a more active street than it ever was before,” Lange said. “A place where pedestrians want to spend their time.”

INVITING APPRECIATION

David Baker + Partners Architects
San Francisco, CA

David Baker, founder and principal at David Baker + Partners Architects, was dubbed “a starchitect for the common man” for his firm’s work designing green buildings and innovative housing complexes.

Baker’s motivation for supporting a new protected bike lane along San Francisco’s Second Street, though, is “purely selfish: I’d like to have my employees safe on the way to work.”

But Baker is also thinking about his own bottom line. As a veteran in Bay Area real estate and development, he’s been around long enough to see that wide streets with fast-moving car traffic tend to depress property values, while buildings on streets with new bicycle facilities and pedestrian improvements have appreciated.

"I own the office. I know that if we have protected bike lanes out there, it will improve my property value,” he said. “World class bike networks can’t come soon enough.”

$510 For every quarter mile nearer to an off-street bicycle trail, the median home value in Minneapolis-St. Paul increases by $510. ¹

83% of residents near Washington, DC’s 15th Street protected bike lane say it’s a valuable asset to the neighborhood. ³
HAPPIER TENANTS

Brookfield Office Properties

Washington, DC

By 2005, Kathy Card, a 20-year veteran of the DC real estate market, knew the Chinatown area was on the upswing. When the chance came to buy a building in the neighborhood, her firm jumped.

Good choice.

“People were like, ‘Isn’t that area a bit sketchy?’” Card recalled. “Now, it’s the most sought-after neighborhood in DC.”

There’s one thing Chinatown is still missing, Card says: a protected bike lane, like the ones the city has been adding downtown. New bike lanes could bring more order to the fast-moving thoroughfare and boost her buildings’ appeal to the private-sector office tenants she targets.

But on H Street, which currently has two auto travel lanes in each direction plus auto parking, people riding bikes have to “take their life in their own hands,” Card said. “You really need to have nerves of steel to do that right now.”

Card says good bike lanes can help the area complete its journey from a place people just want to get through to a place they want to get to. It’s a trend as plain as the constant flow of people checking bikes in and out of the busy nearby Capital Bikeshare station.

“This neighborhood has just turned a 180 in the last 15 years,” she said. “Obviously the demand is there.”

11%

Homes within a half-mile of Indiana’s Monon Trail sell for an average of 11% more than similar homes farther away.²

SOLD

Rio Grande Street, Austin, TX
Transportation has always been at the heart of a city’s prosperity. Once, sitting on the right river junction or rail hub was enough to guarantee generations of successful businesses.

Globalization has ended that guarantee. Now, the natural resources that keep cities competitive are residents with knowhow. Cities and companies can best prosper by attracting and retaining people with the skills and talents that fit the niches the global economy needs.

And for a rising generation of workers who’ve grown up amid the urban rebound, traffic jams and office parks are the last places they want to spend time.

That’s why companies that rely on young talent are increasingly seeking offices in central cities with good bike facilities. The appealing transportation options give workers the commutes they prefer – and the lower demand for auto parking, in turn, makes it possible for small companies to afford the neighborhoods where workers thrive.

Today’s cities are actively creating vibrant city life to attract top talent and economic development.
The Sign of a Good City

Signal
Chicago, IL

Working in a city with comfortable bike lanes is so important to Jeff Judge that when his business was considering a relocation, his first bit of research was the bike lane network near his potential new headquarters.

Judge recently weighed moving his marketing startup, Signal, from Chicago to Boston when a Massachusetts-based company approached him about acquisition.

“The first thing I looked at was what the bike infrastructure is like in Boston,” said Judge. “It’s so important to me...” Cities that invest in biking infrastructure are going to win. It’s better for business. It’s better for planning. It’s better for infrastructure. It’s better all around.”

Signal is a marketing platform for small businesses. Judge’s small team works out of 1871, a coworking space for digital startups in downtown Chicago’s Merchandise Mart.

“We’re close to many protected bike lanes downtown,” explained Judge, who rides in Chicago’s new protected bike lanes on his commute to work. “For me and for my employees, it makes a big difference.”

As Judge sees it, protected bike lanes are great for businesses that choose to locate downtown. “They’re good for general health of the employees,” he said. “People work long hours, and it’s great to be out running, riding, walking. It encourages physical health and makes workers more mobile.”

Judge noted that plenty of skilled technology workers, faced with employment options in many parts of the country, are lured to coastal or mountainous cities because of their proximity to outdoor activity.

“It’s a recruiting tactic for companies from the West Coast,” he offered. “Come here and you can go snowboarding on your lunch break!” But for cities that lack natural resources that readily lend themselves to outdoor recreation, next-generation bicycle infrastructure can be a powerful lure. “With Chicago, cycling is important,” said Judge. “We take advantage of what we can do.”

A Shift to Car-Lite Life

The average young person is driving less and biking and taking transit more.

<table>
<thead>
<tr>
<th>City</th>
<th>% Change in Driving</th>
<th>% Change in Biking</th>
<th>% Change in Transit</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego</td>
<td>+24%</td>
<td>-23%</td>
<td></td>
</tr>
<tr>
<td>Los Angeles/OC</td>
<td>+40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NYC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boston</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bay Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seattle</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Venture Capital Investments Go Urban

An increasing percentage of U.S. venture capital investment in the same metro area now takes place in urban ZIP codes, as opposed to suburban ones.

<table>
<thead>
<tr>
<th>Region</th>
<th>% Venture Capital in Urban ZIP Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego</td>
<td>92%</td>
</tr>
<tr>
<td>Los Angeles/OC</td>
<td>79%</td>
</tr>
<tr>
<td>NYC</td>
<td>78%</td>
</tr>
<tr>
<td>Boston</td>
<td>73%</td>
</tr>
<tr>
<td>DC</td>
<td>69%</td>
</tr>
<tr>
<td>Bay Area</td>
<td>86%</td>
</tr>
<tr>
<td>Seattle</td>
<td>84%</td>
</tr>
</tbody>
</table>
SKILLED WORKERS

PRIORITIZING PEOPLE

Pollinate
Portland, OR

It wasn’t until after he decided to start a business that Ben Waldron learned just how important a good bike commute was becoming to Portland’s creative workers.

July 2008 seemed like “probably the worst time in economic history” to strike out on your own, Waldron recalled. But he and his colleague Levi Patterson had the itch. So they rented a few hundred square feet in central Portland and co-founded Pollinate, an advertising agency.

When Pollinate started hiring, they found that bike accessibility was a key recruiting asset.

“It used to be a perk,” Waldron said. “Now it seems like it’s a right.”

Five years later, Waldron estimates that 20 of Pollinate’s 30 employees bike to work regularly. The company negotiated bike access into their lease two years ago; for their next move, he plans to look for a building with bike lockers and showers.

The people Pollinate wants to hire expect to be able to bike in comfortably if they want. And in Portland’s increasingly creative-service-oriented economy, Waldron said, no competitive edge is more important to his business than the team of workers he can offer.

“We help our clients develop ideas and help create and foster them,” Waldron said. “The only thing that does that is the people here. Our only benefit is the people that we have.”

LICENSE TO DRIVE: A LOWER PRIORITY

The percent of people 16-24 with a driver’s license peaked in 1983 and is now at its lowest rate since 1963. 5

CREATIVE CULTURE

Capital Factory
Austin, TX

Fred Schmidt is addicted to entrepreneurship. The founder of two downtown retail stores and two technology companies in Austin, Texas, Schmidt believes that innovative transportation networks are essential to building a robust downtown economy.

“Every one of my companies has a strong alternative transportation focus,” Schmidt said. “We try to engage with people who are already thinking that way in order to build a creative culture correctly.”

To this end, Schmidt looks for office locations that are central, transit oriented, walkable and bikeable. As Austin moves towards being a more bicycle-friendly city, Schmidt hopes the city will soon boast more protected bike lanes to provide safe transportation networks for retail workers and tech employees alike.

“Tech companies, especially in the game industry, like to be where there’s a lot of buzz, where there’s entertainment and energy. In order to attract those type of companies, we need to continue to provide buildings and workspaces and infrastructure that supports the culture that thrives on that type of urban environment.”

Schmidt acknowledged that the process would not be easy. “We’re having to literally recreate a lot of our cities in order to get there,” he said. “Building a world-class city means doing it a different way, a better way, a more responsible way.”

“Getting to permanent, dedicated, protected bike lanes is the ultimate grail.”
HEALTHIER, MORE PRODUCTIVE WORKERS

Americans have been losing battles with waistlines for decades, and we’re paying for it not just in our daily lives but in the explosion of our health care costs.

Due to falling physical activity, the current generation of U.S. children could be the first in 200 years to have lower life expectancies than their parents. Among Medicare recipients, diabetes alone, often tied to obesity, now engulfs 32 percent of Medicare dollars and 4 percent of the entire federal budget.

Directly or indirectly, employers are paying for this — and passing the cost on to local economies in the form of slow-rising wages and positions that companies can’t afford to fill.

With rapid growth in health care expenses, everyone is seeking ways to manage risks and costs. By choosing locations with good bike access, employers offer their workers the preventative medicine of daily exercise, conveniently bundled into the trip to work. Building physical activity into a daily commute lengthens lives, strengthens bodies and makes people the best workers they can be: happy, fully alive and ready to start a productive day.
American health insurers are under intense pressure to hold down operating costs. “We’ve got a very trim budget,” Shannon Mayorga, executive assistant to Kaiser Permanente Northwest’s vice president for human resources, said. “Affordability is really the mantra right now.”

Making salaries go further is one reason Kaiser Northwest, a regional health insurance and care provider, was a major backer of a new protected bike lane outside its Portland headquarters, Mayorga said.

“All the literature clearly shows that healthy people perform more effectively,” he said. “Less sick days. The performance is higher on a day-to-day level. Productivity goes up. There’s definitely a correlation between wellness and business viability.”

By making healthy commutes easier for the 1,000 employees in its office building, Kaiser is maximizing those benefits. “There’s an intrinsic value in community health,” Mayorga said. “We’re really excited about the prospect of moving the needle with people who don’t typically have exposure to bike commuting.”

**BOOOSTING PERFORMANCE**

**Kaiser Permanente Northwest**
Portland, OR

American health insurers are under intense pressure to hold down operating costs.

“We’ve got a very trim budget,” Shannon Mayorga, executive assistant to Kaiser Permanente Northwest’s vice president for human resources, said. “Affordability is really the mantra right now.”

Making salaries go further is one reason Kaiser Northwest, a regional health insurance and care provider, was a major backer of a new protected bike lane outside its Portland headquarters, Mayorga said.

“All the literature clearly shows that healthy people perform more effectively,” he said. “Less sick days. The performance is higher on a day-to-day level. Productivity goes up. There’s definitely a correlation between wellness and business viability.”

By making healthy commutes easier for the 1,000 employees in its office building, Kaiser is maximizing those benefits.

“Theres an intrinsic value in community health,” Mayorga said. “We’re really excited about the prospect of moving the needle with people who dont typically have exposure to bike commuting.”

**SMALLER WAISTLINES, LOWER COSTS**

A regional trail network in Portland, OR helps area residents avoid gaining 17 million pounds each year, saving the region $155 million per year in obesity-related health care costs. 7

**BIKE INCENTIVES CONTAIN COSTS**

After instituting incentives for bicycling to work, Quality Bicycle Products (QBP)’s Human Resources department reported an overall decrease of 4.4% in health care costs at their Bloomington, MN headquarters, compared to average increase of 24.6% in health care costs for companies across the nation for the same time period. 8

**THE NEW GYM MEMBERSHIP**

**CREDO Mobile**
San Francisco, CA

As a growing mobile network operator in San Francisco, CREDO Mobile could choose to move to a more isolated campus outside of the city.

But Becky Bond, vice president and political director at CREDO, said that the company stays put because it’s surrounded by region’s best bike and transit infrastructure.

“Just like our employees have access to a gym and quality healthcare, we think that bicycling can be an important benefit,” said Bond. “We pay the premium to be located in downtown because it means our employees can enjoy the benefits of public transit and can bike to work.”

The City by the Bay is adding more bike lanes, and city officials plan to install new protected bikeways on its streets soon. CREDO employees have embraced the growth in bike infrastructure.

“As we’ve seen improvements in the bike plan, more of our employees bike to work,” Bond noted. “More protected bike lanes would be such a boon to employees’ health and safety.”

**BETTER BIKE LANES ATTRACT RIDERS**

If you build it, they will come. Folks are more likely to bike if protected bike lanes are available. 9

Cities that added protective bike lanes saw bike traffic growth, compared to pre-installation levels.

- **Buffered bike lanes on Spruce and Pine Streets in Philadelphia**: +266%
- **Protected bike lane on Kinzie St. in Chicago**: +55%
- **Protected bike lane on Columbus Avenue in NYC**: +56%
- **Protected bike lane on Dunsmuir St. in Vancouver, Canada**: +54%
- **Buffered median bike lanes in Washington, DC on Pennsylvania Ave.**: +200%
- **Protected bike lane on Prospect Park West in NYC**: +190%
- **Protected bike lane on Market St. in San Francisco**: +115%

**PORTLAND, OREGON**

**$155 MILLION**

**HEALTH**

**HEALTH**
HEALTH

WAKING WORKERS UP

Field Museum
Chicago, IL

When Karen Bean moved from Chicago’s suburbs to its close-in Pilsen neighborhood, she soon realized that in a bustling city, biking to work just made sense. But once she started, Bean, who works as a staff photographer for Chicago’s renowned Field Museum, realized that biking was doing great things for her body, too.

“When you drive home, all you want to do is go to sleep,” Bean said. “I get up and I ride my bike and I ride back home. … I’m at a much healthier weight, and in general I do feel better.”

Though she never would have predicted it, she’s even decided to pedal through Chicago’s icy Januaries — aided, recently, by the city’s fast-growing network of protected bike lanes.

“It makes me actually do some activity in the winter,” Bean said.

Around the museum, Bean is now an evangelist for biking, talking up the health and energy it’s brought her with her co-workers. The protected lanes, she said, have been a help because they advertise biking to people who, like Bean a few years ago, had never really thought about it.

“I’ve gotten a lot more people to try out biking just using those lanes,” Bean said. “After doing it for a couple weeks, it kind of sticks.”

DAILY RECHARGE

American Bar Association
Chicago, IL

As Cheryl Zalenski was working her way up the ranks of her career, she would go to a gym every evening after work. But as she advanced, the time was harder to fit in. The answer for her schedule, Zalenski found, was a tool she’d lost track of after college: the bicycle.

“Having that time to recharge your brain gives you more creative energy and allows you to come up with ideas that you wouldn’t while sitting and staring at the computer,” said Zalenski, a middle manager at the American Bar Association’s Chicago headquarters.

She’s certain that bike commuting makes her better at her job, and that Chicago’s fully signalized and protected bike lane on Dearborn Street, one of her frequent routes, makes the street better for bikes and cars alike.

“The cars who are turning left seem to be more calm about knowing their turn is going to come, and waiting in their row during that period,” Zalenski said. “It seems to be a more calm and much more peaceful traffic situation.”

In retrospect, Zalenski said, the choice of biking as a way to build physical health into a busy schedule seems obvious.

“I was like, how come I didn’t do that sooner?” she said.

PROTECTED LANES’ APPEAL

Protected bike lanes make riding feel safer and get more people moving.

UP TO 99%
Of riders in new protected bike lanes in San Francisco and DC said the facilities made biking safer.

UP TO 30%
Said they had already increased their biking as a result.

BETTER SAFETY, MORE BIKING

Physical fitness improves work. 11 People who ride their bike regularly benefit in many different ways.

UP TO 32%  USE FEWER SICK DAYS
UP TO 55%  HAVE LOWER HEALTH COSTS
UP TO 52%  INCREASE PRODUCTIVITY

© Bob Vonderau

UP TO 30%
Said they had already increased their biking as a result.
American shop owners in cities have a terrific problem on their hands: their neighborhoods are filling up with people.

This wouldn’t even be a problem, of course, if it weren’t for the bulky device most people bring with them wherever they go: a car. For many customers who drive to shops and restaurants, patronizing a store means hunting for scarce parking and crawling through traffic. And for some retailers, winning the race for customers means giving passers-by a compelling enough reason to suffer through the process of storing their vehicle.

To fix these problems, some cities have demolished buildings or built garages to provide more parking — huge expenses that can actually hurt the increasingly valuable neighborhoods they aim to serve. But others have focused on a tool that, it turns out, is ideal for short retail trips: the bicycle. Equipped with baskets or racks, a regular bike can carry the day’s shopping. Increasingly popular cargo bikes offer even more capacity.

A new round of entrepreneurial innovators are discovering that protected bike lanes can help modern retailers get more customers in the door and boost sales. Though customers who bike to a store tend to buy less in a single visit, they return more often, spending as much or more over time than the average customer who arrives by car.

Because bicycles are quick to park and space-efficient, bikes turn people into the customers of retailers’ dreams: easy to attract, cheap to serve and more likely to return again and again.
THE MODERN MINIMART

Green Zebra Grocery
Portland, OR

Good bike access isn’t optional for Lisa Sedlar’s Green Zebra Grocery. It’s the key to a whole new business model that’s bringing fresh food to more neighborhoods.

After 17 years as a corporate leader in grocery businesses, Lisa Sedlar saw a new trend: more shoppers seemed to be choosing to make small daily grocery trips by foot or bike instead of big weekly ones by car.

So Sedlar launched the first location of a 7,000-square-foot mini-grocer that includes a cook-from-scratch kitchen, fresh-cut meat, a massive salad bar, grab-and-go sandwiches and beer and wine on tap.

The model can only succeed in bringing fresh food to new areas, she figures, if about 30 percent of customers come in by foot, bike or public transit.

That’s why Sedlar’s first location has more on-site bike parking spaces (20) than car spaces (17). It’s also why she’s joined a group pushing to remove a lane of auto traffic on the road that goes past her shop, Lombard Street, to make room for a wide or protected bike lane, green bike markings and better pedestrian crossings.

“It’s never not going to be a main thoroughway,” Sedlar said. “I would totally take away a travel lane. That’s what makes the most sense.”

DROP-IN DINING

694 Wine & Spirits
Chicago, IL

For 694 Wine & Spirits, a new protected bike lane outside the bar meant a big increase in notoriety.

“It’s created more traffic,” said owner Chris Dunstatter. “There are so many cyclists on here.”

The new steady stream of passers-by on two wheels is great news for the bar. The local lounge, which serves meats, cheeses and boutique spirits, was able to open a sidewalk café thanks to the new lane — boosting the bar’s seating capacity and public profile.

“There’s just a little more acknowledgement of the business now because people bicycle by instead of driving by,” he continued. “When you’re in a car, you can’t really see what’s going on. But when you’re cycling by, you take a little more notice of everything. We have more curb appeal, more window shoppers.”

“When they created the bike lane, they removed parking from this side of the street, which also meant removing parking signs,” said Dunstatter. “Because they did that, we were able to get a sidewalk café permit. Now we have a little more notoriety, so people know where we are a little better.”

The new sidewalk café has improved business and gives customers a place to watch bicyclists stream by.

“Any small business owner should push for something that’s going to bring by traffic at a slower rate,” Dunstatter said. “Parking is going to be a problem at first, but everyone adapts after a while.”

BIKE SHOPPING: SMALLER TRIPS, MORE VISITS

People who arrive to a business on bike spend less per visit but visit more often, resulting in more money spent overall per month. 12

In Portland, OR, people who traveled to a shopping area by bike spent 24% more per month than those who traveled by car.

Studies found similar trends in Toronto and three cities in New Zealand.

<table>
<thead>
<tr>
<th></th>
<th>AVERAGE SPENDING PER TRIP</th>
<th>AVERAGE SPENDING PER MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto</td>
<td>$13.70</td>
<td>$61.03</td>
</tr>
<tr>
<td>Bike</td>
<td>$10.66</td>
<td>$75.66</td>
</tr>
</tbody>
</table>

BIKE LANES PART OF SALES BOOST

In New York City, after the construction of a protected bike lane and other improvements on 9th Avenue, local businesses saw up to a 49% increase in retail sales, compared to 3% increases in the rest of Manhattan. 15

9th Avenue 49% Increase in sales
Rest of Manhattan 3% Increase in sales
PARKING, OUTSIDE THE BOX

Green Apple Books
San Francisco, CA

There never seemed to be anywhere for a car to park outside Pete Mulvihill’s bookshop. Which was exactly why he wanted to replace one of the auto parking spots with a bike parking corral.

To someone who spends less time than Mulvihill thinking about the way streets work, his plan might seem counterintuitive. But for an independent bookstore, being part of an efficient transportation system isn’t a matter of theory. It’s a matter of survival.

“It takes a couple hundred people walking in our store every day to keep our doors open,” said Mulvihill, co-owner of Green Apple Books in San Francisco’s Richmond District.

So Mulvihill got the city parking department to put 10 bike parking spots where one parked car used to sit.

“It benefits drivers by having fewer cars, it benefits cyclists by having a place to park, it benefits pedestrians by having fewer bikes on the sidewalk,” Mulvihill said.

Mulvihill’s intuition is backed by hard science. A growing body of scholarship shows that although people on bikes usually spend less per shopping trip than people in cars, they more than make up for it by visiting the same retailers more often and by using up less parking space when they do. Foot for foot and minute for minute, a full bike corral tends to be about four times more lucrative to nearby businesses than a full auto parking space.

“The refrain is that bookstores are a dying thing, but most of us have had growing sales in the last couple years,” Mulvihill said. “People value having our store here. They vote with their dollars on the retail landscape.”

Alamo Drafthouse Cinema
Austin, TX

Alamo Drafthouse Cinema, named “Best Theater Ever” by Time Magazine and “Coolest Movie Theater in the World” by Wired, is expanding rapidly in cities across the country. Founder and CEO Tim League hopes to see protected bike lanes expand at a similar rate.

“When a city builds protected bike lanes correctly, they are most certainly used,” said League. “In an urban center, bike lanes are going to create a community that will use the lanes for their commerce.”

League is a frequent bike rider in Austin, Texas, where Alamo got its start.

“I tend to frequent the businesses that are on the most friendly routes to bike,” said League. “Commerce on a protected bike lane is great, because you don’t need the parking that you need for cars, and people can stop anytime they want to.”

When a business faces a choice between a good bike lane and several parking spots, League thinks it should be an easy decision.

“The amount of parking loss is incidental when you’re exchanging minimizing parking for creating a community of people that are going to be biking past your business,” League said. “All the forward-thinking cities are doing it.”

66% of merchants see increased sales.

When San Francisco reduced car lanes and installed bike lanes and wider sidewalks on Valencia Street, two-thirds of merchants said the increased levels of bicycling and walking improved business. Only 4 percent said the changes hurt sales. 14

19 cents: retail revenue per hour per square foot of on-street auto parking.
69 cents: retail revenue per hour per square foot of bike parking. 13

Melbourne, Australia, 2008

BETTER BIKING, MORE CUSTOMERS

Visible Fun
Alamo Drafthouse Cinema
Austin, TX

Alamo Drafthouse Cinema, named “Best Theater Ever” by Time Magazine and “Coolest Movie Theater in the World” by Wired, is expanding rapidly in cities across the country. Founder and CEO Tim League hopes to see protected bike lanes expand at a similar rate.

“When a city builds protected bike lanes correctly, they are most certainly used,” said League. “In an urban center, bike lanes are going to create a community that will use the lanes for their commerce.”

League is a frequent bike rider in Austin, Texas, where Alamo got its start.

“I tend to frequent the businesses that are on the most friendly routes to bike,” said League. “Commerce on a protected bike lane is great, because you don’t need the parking that you need for cars, and people can stop anytime they want to.”

When a business faces a choice between a good bike lane and several parking spots, League thinks it should be an easy decision.

“The amount of parking loss is incidental when you’re exchanging minimizing parking for creating a community of people that are going to be biking past your business,” League said. “All the forward-thinking cities are doing it.”

66% of merchants see increased sales.

When San Francisco reduced car lanes and installed bike lanes and wider sidewalks on Valencia Street, two-thirds of merchants said the increased levels of bicycling and walking improved business. Only 4 percent said the changes hurt sales. 14

19 cents: retail revenue per hour per square foot of on-street auto parking.
69 cents: retail revenue per hour per square foot of bike parking. 13

Melbourne, Australia, 2008

Better Biking, More Customers

When San Francisco reduced car lanes and installed bike lanes and wider sidewalks on Valencia Street, two-thirds of merchants said the increased levels of bicycling and walking improved business. Only 4 percent said the changes hurt sales. 14

19 cents: retail revenue per hour per square foot of on-street auto parking.
69 cents: retail revenue per hour per square foot of bike parking. 13

Melbourne, Australia, 2008

Retail Sales
ABOUT THE AUTHORS

MICHAEL ANDERSEN
The PeopleForBikes Green Lane Project
PeopleForBikes is leading the movement to improve bicycling in America — and to improve America through bicycling. The PeopleForBikes Green Lane Project works closely with cities to build better bike lanes to create low-stress streets.

MARY LAURAN HALL
Alliance for Biking & Walking
The Alliance for Biking & Walking is the North American coalition of over 200 state and local bicycling and walking advocacy organizations. The Alliance creates, strengthens and unites leaders who are transforming communities into great places to bike and walk.
Sources


Data from National Household Travel Survey 2001 and 2009. Figure for biking is in total trips; figure for transit and car is in person-miles traveled.


FIND OUT MORE AT:
GreenLaneProject.org
BikeWalkAlliance.org