

# Putting Value on Rail-Trails

**Beth Miller Howser**

**A** 1996 report titled the *National Bicycling and Walking Study*, prepared by the Rails-to-Trails Conservancy in Washington, D.C., estimates that 131 million Americans regularly bicycle, walk, skate, or jog for exercise, sport, or recreation. Walking is the most popular recreational activity in the

United States, with more than 100 million people of all ages walking for recreation from two to three times a week. In past years, more bicycles have been sold in the United States than automobiles, but bicycle owners say that there are few places near their homes where they can ride safely. What can local governments do to meet the needs of citizens participating in these newly popular recreational activities?

In the past decade, public calls have been made in federal, state, and local legislatures indicating a growing need for more local recreational facilities. In 1987, President Reagan's Commission on the American Outdoors (PCAO) recommended that a national system of greenways—a network of natural and man-made corridors connecting communities, parks, and recreation areas—be established. During the same time period, a new nonprofit

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organization called the Rails-to-Trails Conservancy, dedicated to preserving railroad corridors as trails, pointed out that disused rail corridors being considered for demolition could serve as blueprints for the network. This would allow corridors being lost to development, agriculture, and general neglect to be preserved for use for future transportation and communication needs.

PCAO agreed and in turn recommended that the thousands of miles of abandoned rail lines should become hiking, biking, and bridle paths. Counting on community and local support, the commission began the conversion of abandoned rail lines into multipurpose recreational trails, commonly referred to as rail-trails.

### **The Funding Process**

A major breakthrough in financing for these trails came in 1991, when Congress passed the Intermodal Surface Transportation Efficiency Act (ISTEA). This act was the stimulus that began to change the way people thought about federal transportation funding. It included a transportation enhancements provision that has turned out to have an enormous impact on the success of rails-to-trails projects. The provision established a major funding source for rail-trails and other types of bicycle and pedestrian facilities. ISTEA is the first federal transportation law that specifically allows bicycling and walking to be considered viable forms of transportation.

While ISTEA is a federal law, the adage "All politics are local" should govern the approach taken to acquiring funding. Local governments and citizen groups are encouraged to become actively involved in the funding process. Enhancement funds are obtained through a project selection process that includes the submission of a formal application. In most states, the project sponsor must be either a local government or a state agency, though some states allow nongovernmental organizations, such as trail groups, to submit the application.

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It also should be noted that the enhancements program is not a grant program. Most states require that a minimum of 20 percent of the total cost of the project be provided by the project sponsor. The remaining 80 percent is then drawn from federal transportation funds.

Many states have created statewide advisory committees to evaluate enhancement projects' eligibility. Typically, these committees include representatives of state departments of transportation (DOTs), citizen groups, and local governments. The benefit of local and citizen involvement is that it can ensure that the projects meet citizens' specific and unique transportation needs. Enhancement funds have been authorized for any of these 10 transportation enhancement activities:

1. Bicycle and pedestrian facilities.
2. Acquisition of scenic easements and scenic or historic sites.
3. Scenic or historic highway programs.
4. Landscaping and scenic beautification.
5. Historic preservation.
6. Rehabilitation and operation of historic transportation buildings, structures, or facilities, including historic railroad facilities and canals.

7. Preservation of abandoned railway corridors, including the conversion and use thereof for pedestrian and bicycle trails.
8. Control and removal of outdoor advertising.
9. Archaeological planning and research.
10. Mitigation of water pollution due to highway runoff.

Considering the distribution of enhancement funds through 1996, apparently many communities are listening to and acting on their constituents' calls for additional outdoor recreational facilities. In fact, more than half of the \$820 million awarded has gone to rail-trails, multiuse pathways, sidewalks, and bicycle lanes. Enhancement projects designed by communities have direct economic benefits to the local economy. Communities have experienced increased local tax revenue, along with new tourists and tourism opportunities. Many areas have seen a revitalization of the local business district or new development throughout the community. Studies have shown that the trails are a valuable amenity for businesses considering relocation and for families building or buying homes. This article will highlight these benefits and discuss examples of how communities have joined together to plan and maintain trails.

### **In the Beginning**

At one time, more than 300,000 miles of railroad track spread across the United States, connecting small towns to major urban areas and creating the largest transportation system in the world. Today, more than 3,000 miles of track are being abandoned each year, leaving many rural towns and communities with struggling economies. The rails-to-trails concept, however, has revitalized many rural areas in ways they never thought possible.

It has not been an easy process. There have been opposition and controversy surrounding the formation of the trails

in many communities. During the early stages of the planning process, one of the issues surrounding the trails was *railbanking*. In 1983, responding to the rapid loss of the nation's rail system through abandonment, Congress passed an amendment that authorized the Interstate Commerce Commission (ICC) to "bank" rail corridors for possible future railroad use as rights-of-way or for communication service. If a railroad was a willing seller and wished to cease operations along a particular corridor, the state, locality, or other public group could negotiate to assume financial and managerial responsibility for the right-of-way. If the agreement met with ICC-imposed terms and conditions, the corridor could be transferred and preserved with the intention that a future rail line would be an option if economically viable. In the meantime, the corridor could be developed for trail use.

This amendment to the National Trails Systems Act put many landowners and trail advocates at odds. Landowners, especially those whose original deeds contained reversionary rights along the rights-of-way, argued that denying property owners the use of the land without compensation was a "taking" and should be illegal. The issue was brought before the courts. A 1990 Supreme Court decision stated that railbanking is a valid use of congressional power, declaring that under the railbanking law a line is not considered officially abandoned, and therefore reversionary rights would not apply. Despite initial opposition, the landowners were forced to adapt to the trails, and many found that the trails were added benefits to their own economic and personal well-being.

As controversy surrounded railbanking, nearby landowners also feared that trail users would be rowdy and destructive of the land. These initial fears disappeared quickly when the rowdy visitors and vandalism never appeared. Instead, a different type of change was taking place. Most users of the trails were friendly, likable, and responsible; they

**ISTEA Reauthorization**

In 1991, Congress enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) and authorized \$155 billion in federal funds for the preservation, management, and expansion of the nation's surface transportation systems. ISTEA enhances the opportunity for partnership among all levels of government to develop transportation solutions that best meet locally defined long-term goals, regardless of mode. It also requires state and local governments to consider and manage the environmental, land use, and social implications of their transportation initiatives.

ISTEA funding expires on September 30, 1997. Congressional hearings on ISTEA reauthorization, commonly referred to as ISTEA II or NexTEA, already have taken place. Congressional and administration action in 1997 will determine the fate of more than \$23 billion annually in federal discretionary funds for state and local surface transportation investment.

respected the rights of the landowners and appreciated the beauty and natural surroundings of the environment. Before, when the tracks had been empty, the land had been used by vagrants, and littering was a problem in places. Once an area was frequented by walkers, runners, and bicyclists, however, vandalism and littering problems diminished. People who once were at odds with the trails now are avid users and are beginning to realize substantial economic benefits from the trails.

### **Economic Benefits**

Trails generate income and revenue in various ways. Older businesses that have been struggling for various reasons—including a decrease in traffic in a community due to the loss of the railroad—

have readjusted to meet the needs of trail users. Numerous stands and small convenience stores have opened near trails to furnish drinks, snacks, and assorted variety items. New businesses also have opened to meet the increased demand for such trail-related services as bike rentals and repairs and even lodging, along some of the longer trails.

For example, the 235-mile Katy Trail, which crosses nine counties and joins 35 towns in Missouri with populations ranging from 60 to 60,000, has estimated that 200,000 annual visitors support more than 100 trail-related businesses. Within weeks of the trail dedication, restaurants, pubs, bed-and-breakfasts, wineries, bicycle rental shops, antique dealers, and campgrounds opened to meet visitors' needs. An impact survey showed that trail users generated some \$3 million in local revenue on just the western half of the trail.

Local and state governments also gain from such benefits as the sale of trail passes in certain states and the additional income from utility easements along the corridors. They receive tax revenue from the new businesses and may enjoy a revived and thriving economy. Generation of sales tax revenue allows state and local governments to draw on outside revenue and, in the process, to avoid imposing higher levies on residents in their jurisdictions.

Creation of new jobs also generates more tax revenue through the payroll taxes of new employees. While the state or local government may have to hire new employees to help maintain and run the trails, this cost may be offset by the increase in taxes from new businesses and jobs near the trails. Consider this example: the Northern Central Railroad Trail in Maryland generated \$3,380,013 in trail-related spending in 1993, bringing in \$171,885 in state sales tax revenue. The 262 jobs supported by the Northern Central Trail added \$132,257 in income tax revenue to the state coffers, while Baltimore County gained \$72,742 in personal income tax surtaxes.

## Tourism

Communities are seeing a growth in overall tourism activity because of increased traffic on the trails. A study done by the National Park Service looked at three diverse trails: the Heritage Trail, which traverses rural farmland in eastern Iowa; the St. Marks Trail, beginning in the outskirts of Tallahassee, Florida, and reaching nearly to the Gulf of Mexico; and the Lafayette/Moraga Trail, 25 miles east of San Francisco. The study found that trail users spent an average of \$9.21, \$11.02, and \$3.97, respectively, per person per day as a result of their visits to each of the trails. The amount of "new money" (money that would not have been spent otherwise) brought into the economy was \$630,000, \$400,000, and \$294,000 annually for the Heritage, St. Marks, and Lafayette/Moraga Trails, respectively.

In Nebraska, more than \$2 billion is spent annually by nonresidents visiting the state and by residents on trips to places 100 miles or more from home. The state is blessed with such famous trails as the Lewis and Clark, Oregon, Mormon, Pony Express, and California Trails. Developing cross-county rail-trails that would give users some idea of what the early travelers on these Old West trails encountered offers much tourism potential for Nebraska. So, as the trails continue to be developed and improved, the Nebraska Travel and Tourism Division will actively promote them, and the facilities and activities found along their lengths, through maps and other travel information.

### Quality of Life as an Attractor of Relocation Projects

As mentioned, these trails have helped to revitalize the economies of small and rural towns. They also have been shown to attract new corporations and to influence homebuyers. Competition has become fierce for new corporations, and local governments are doing every-

## Resources

### Rails-to-Trails Conservancy

The vision of the Rails-to-Trails Conservancy is to create a vast network of trails across the nation, connecting city centers to the countryside and countless communities to each other . . . linking neighborhoods to workplaces and congested areas to open spaces . . . serving both transportation needs and the demand for close-to-home recreation.

Rails-to-Trails was established a little over 10 years ago to help convert America's abandoned railroad corridors into multifaceted trails for public use. When it opened its doors at the end of 1987, there were 90 rail-trails; today, there are more than 800, with more in the planning process.

The Conservancy's address is 1400 16th Street, N.W., Suite 300, Washington, D.C. 20036; telephone, 202/797-5400.

### National Transportation Enhancements Clearinghouse (NTEC)

NTEC is a central point of contact for information, resources, and referrals concerning all aspects of the implementation of the transportation enhancements program. It distributes reports and materials published by the Federal Highway Administration, publications from state departments of transportation, resources from the 1994 and 1996 National Transportation Enhancements Conferences, enhancements funding reports from the Rails-to-Trails Conservancy, enhancements-related documents from the National Bicycle and Pedestrian Clearinghouse, and other enhancements-related materials. The clearinghouse is a partnership of the Rails-to-Trails Conservancy, the Bicycle Federation of America, and the Federal Highway Administration.

Contact: Tim Lidiak, Project Manager, 1506 21st Street, N.E., Suite 210, Washington, D.C. 20036; telephone, 888/388-6832 (toll-free), 202/463-0641.

thing possible to win relocation projects. While businesses continue to look at the financial costs of relocation, they consider quality-of-life issues to be just as important. Corporations cite attractive communities that offer recreational, cultural, and educational amenities that will help to retain key personnel as major factors in selecting office locations. Trails provide new commuting options for employees, offer opportunities for light exercise and stress-reducing walks during the workday, and serve as safe environments for family recreation.

In an effort to revitalize its economy, Pueblo, Colorado, decided to improve its appearance and amenities to attract new business. Pueblo applied for and received a \$300,000 enhancement award to leverage additional investment in

trails and parks along the Arkansas River. These improvements are seen as among the most important components in turning around the city's economic decline. Trails and open space are becoming selling points for attracting new plants and corporations.

Pueblo's property owners were among the groups originally concerned about the impact that the trails would have on their lives, as well as their property values. But studies have shown that closeness to trails has not adversely affected the desirability or values of personal properties, and in many cases, homeowners have felt that the presence of a trail would allow their properties to sell faster and at increased values. New homebuyers along the trail have indicated that the trail either had no effect on their decision to purchase

the home or added to the home's appeal. It also has been shown that nearby landowners are avid trail users.

These are the lion's share of the economic benefits related to the trails: increased tax and sales revenues to state and local governments, new businesses and revitalized older businesses, additional tourism activity and revenue, and added appeal to new and relocating corporations and homeowners. But the benefits do not stop there. While each individual jurisdiction sees unique impacts and results from the trails, many experience a greater sense of livability within the community.

Rail-trails offer adults and children the chance to integrate physical activity into such everyday activities as trips to work, shops, and schools. Trails promote exercise while decreasing health problems and reducing health care costs. This in turn may enhance the health of workers and lessen the number of sick days taken within organizations. Organized and impromptu physical activity for youth may help to prevent youth violence and improve self-esteem, when children experience the benefits of sports and exercise.

## Environmental Benefits

There also is a large environmental and conservation benefit to trail development. The corridors have been shielded from intensive agriculture and development, and many of them afford critical nesting cover, escape cover, and high-quality winter cover for a variety of wildlife species during the year. The greenways also provide wildlife with travel corridors between habitats. Because trails can run along natural drainage systems, they form a valuable, natural system that is vital to the daily and seasonal movements of wildlife. If these trails were not preserved through enhancement projects or other means, they would likely be developed for commercial or residential property or intensive agricultural use, and this critical system would become fragmented and its stability damaged.

## Readings

*ISTEA and Trails: Enhancement Funding for Bicycling and Walking*, a report prepared by the Rails-to-Trails Conservancy, Washington, D.C., for the 1996 National Transportation Enhancements Conference, 1996.

*Analysis of Economic Impacts of the Northern Central Rail-Trail*, PKF Consulting, June 1994.

*The Impacts of Rail-Trails: A Study of Users and Nearby Property Owners from Three Trails*, U.S. Department of the Interior, National Park Service, Rivers and Trails Conservation Program, 1992.

"Rails-to-Trails: Recreation Trail Development in Nebraska," *NEBRASKAland*, June 1994.

"Twenty-five of America's Best Enhancement Projects," *1996 National Transportation Enhancements Conference: Better Transportation, Better Communities*, Suzanne H. Mackay and Frank Vespe, 1996.


## Community Heritage

Finally, the development of trails preserves a community's historic and cultural heritage. As mentioned, railroads often were developed originally in response to historic activities and facilities. Many of the rail-trail projects take advantage of the historic preservation component of the enhancement program to rehabilitate such older facilities as train depots, railroad bridges, and tunnels. Communities also have developed trailside museums and interpretive exhibits to help preserve the history of the railroads. Preserving the trails has showcased the important role that railroads had in the development of the country, as well as keeping routes open for future use as the need arises.

## Commuting Options

One of the additional benefits of rail-trails is the prospect of new commuting options for communities. Given the land use and development patterns of communities, new options are highly desirable. With enhancements funding, it is becoming easier to develop and implement these projects. With these options in place, more people in large and small communities are able to walk or bike on their daily trips. New trails and pathways connect workers to their businesses, and well-marked bike lanes, signs, and signals clearly indicate the nonmotorized traveler's right-of-way and his or her place on the road.

A major merit of these commuting options is the fact that roadways are becoming less congested and therefore the amount of pollution in the air is being lowered. As fewer cars are used and more nonmotorized forms of transportation serve the needs of communities, air quality will improve, and the environment will benefit.

Transportation needs are changing, and new models are being developed to better meet these varied needs. With the signing of the ISTEA and with the transportation enhancements program, local governments are able to fund transportation projects to aid in economic development, to increase tourism, and to advance community livability. Among the most successful of these enhancement programs are rail-trails. With more than 750 rail-trails currently producing more than \$1.5 billion in economic benefits, communities can expect the future to be even brighter. By the year 2000, communities could be sharing more than \$6 billion in rail-trail benefits across the country. By preserving and improving on abandoned railroad corridors, local governments are planning for their futures. 

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