

URBAN UPDATE

ECONOMIC BENEFITS OF CYCLING IN URBAN ENVIRONMENTS

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The Australian Institute of Urban Studies SA held the public event *Good for business: human-powered connection* to discuss how the promotion of cycling and cycling friendly urban environments can improve retail and commercial precincts and local neighbourhoods.

This Urban Update has been informed by the event and the broader conversation on cycling in urban environments:

ECONOMIC BENEFITS

- Various surveys and studies have found places that have undertaken public realm improvement projects, including cycling improved infrastructure, are more likely to attract shoppers more often. ⁱ
- A study by the New York Department of Transport has noted a large majority of people visit built up, dense urban areas by walking, cycling or by public transport. ⁱⁱ
- The study found that improvements to the public realm resulted in an increase in retail sales and economic activity. ⁱⁱⁱ
- The study also noted that people that walk or ride to dense urban areas spend more per capita at local businesses. ^{iv} Cyclists potentially spend more as they have spent less money on travelling and or car parking fees.
- Business owners have traditionally resisted the removal of car parking spaces, fearing this will result in a decline in customers.
- However, in one Victorian study it was found that whilst cyclists might spend less than motorists, the space required to support one cyclist was 1/6th the space required for one car park. Cycling infrastructure was significantly more efficient in terms of space and therefore would provide higher returns for those businesses. ^v
- In one street in San Francisco, where vehicle speeds were reduced and alternative travel options were encouraged, 40% of traders reported an increase in sales and 60% of traders experienced an increase in the number of customers that rode bicycles. ^{vi}
- Reducing vehicles and restricting movement can reduce the rate of accidents and risks to pedestrians and customers.
- Business operators and property owners that openly support cycling will attract cyclists.
- Promoting cycling and the renewal of urban infrastructure supports employment growth in bicycle-related industries and broader economic activity.

- There are emerging examples of sustainable cycling communities that generate knowledge-sharing and collaboration between bicycle makers, retailers and customers.

CITY, STATE AND GLOBAL BENEFITS

- Cycling reduces impacts on road infrastructure and therefore reduces costs for Governments, Councils and the wider community.
- Cycling can reduce vehicle emissions and environmental impacts and costs.
- Cycling complements broader planning policies such as urban infill and densification.
- Cycling and cycling infrastructure is compatible with ‘fine grain’ urban development.
- Cycling improves physical condition, mental health and wellbeing and promotes positive community interaction.
- A strong cycling economy and culture can unlock a hugely undervalued cycling tourism and recreation industry in South Australia, beyond major events like the Tour Down Under. With appropriate support, there is potential to make Adelaide and South Australia a ‘bike capital’ with a global reputation.
- Cycling can empower communities to build strong relationships with their urban environments and public institutions. In this way, cycling has a direct impact on citizen participation – a major pillar of stable democratic societies.

SUMMARY

Cycling helps develop vibrant local communities and economies, creates healthy cities, improves the urban and broader environment and celebrates and revitalises civic engagement.

Whilst capital expenditure on public realm projects and cycling infrastructure can initially be viewed as expensive, investment decisions should also consider;

- the overall and cumulative long term cost savings and benefits to the health system (cycling increases physical activity and improves wellbeing);
- increased productivity;
- reduced congestion and more efficient use of existing infrastructure and land;
- reduced maintenance of road infrastructure; and
- reduced impacts on the overall environment.

The AIUS-SA encourages further investment and studies into the overall costs and benefits of cycling, cycling infrastructure and public realm improvement projects.

The AIUS-SA also encourages public discussion that is elevated above a ‘cars versus bikes’ or ‘us versus them’ debate. Only then can we build a greater understanding of cycling’s value in urban life and generate better information for decision-making bodies and the wider community.

The AIUS-SA welcomes input from its members, public leaders, policymakers, stakeholders and the wider public and is open to further discussion on issues relating to cycling.

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REFERENCES

ⁱ New York City Department of Transportation, *The Economic Benefits of Sustainable Streets*, p.9 viewed 8 October 2018, <<http://www.nyc.gov/html/dot/downloads/pdf/dot-economic-benefits-of-sustainable-streets.pdf>>.

ⁱⁱ New York City Department of Transportation, *The Economic Benefits of Sustainable Streets*, p.9 viewed 8 October 2018, <<http://www.nyc.gov/html/dot/downloads/pdf/dot-economic-benefits-of-sustainable-streets.pdf>>.

ⁱⁱⁱ New York City Department of Transportation, *The Economic Benefits of Sustainable Streets*, p.9 viewed 8 October 2018, <<http://www.nyc.gov/html/dot/downloads/pdf/dot-economic-benefits-of-sustainable-streets.pdf>>.

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^v Rachele, J. 2016, *Do the sums: bicycle-friendly changes are good business*, The Conversation, viewed 8 October 2018, <<https://theconversation.com/do-the-sums-bicycle-friendly-changes-are-good-business-58213>>.

^{vi} Rachele, J. 2016, *Do the sums: bicycle-friendly changes are good business*, The Conversation, viewed 8 October 2018, <<https://theconversation.com/do-the-sums-bicycle-friendly-changes-are-good-business-58213>>.