

Land Conservation is Good Business  
By Gillian Ockner

Nationwide, we are coming to understand the economic value of land conservation. Access to natural areas is a key element in quality of life as people seek out balance between earning income and staying healthy, emotionally, physically, and spiritually. A survey by the National Association of Homebuilders concluded new homebuyers value trails and natural areas above any other amenity. Quality of life is also a priority for businesses. In Richard Florida's book, [The Rise of the Creative Class](#), businesses, with the freedom to choose a site, often select one with a high quality of life – including parks, open space, and easy access to the outdoors.

Communities around the nation are investing in ways to protect the livability of the places we choose to call home. However, choosing conservation of land over development is challenging, as the initial investment is concrete and often immediate whereas the benefits are usually long term and may seem vague when compared with the costs. In order to better tell the story of land conservation and economic benefit, we must look to relevant data to quantify the value we put on nature and apply to our decision-making.

We can quantify increases in property values. For example, in a study published in *Land Economics* in 2002, property sales in Michigan from the late 1970's through 2000 showed lots bordering permanently conserved forests sold for 19% to 35% more than lots further from the preserves, whereas properties adjacent to unpreserved forests showed little or no increased value. Research by the Land Trust Alliance shows that homes immediately adjacent to protected land sell for 10 to 20% more than comparable homes without access to parks.

We can quantify avoided public infrastructure expenditures. Conserving land along the sides of streams and other drinking water sources prevents polluted runoff draining directly into the water source. The Trust for Public Land and the American Water Works Association conducted a study of 27 water suppliers and discovered the more forest cover in a watershed, the fewer dollars suppliers must spend on treatment costs. For every 10% increase in the source area's forest cover, treatment and chemical costs decreased approximately 20%.

We can estimate reduced health care costs. With clean air and access to open space, people are more likely to get out and recreate. This is important in light of the recent increase in obesity among children and adults that results in many diseases and conditions the treatment of which were estimated nationally to cost \$117 billion in 2000. A group of studies reviewed in the *American Journal of Preventive Medicine* showed that "creation of or enhanced access to places for physical activity combined with informational outreach" produced a 48% increase in the frequency of physical activity. According to a 2007 report by the Milken Institute, reducing obesity to "reasonable and achievable" levels by using preventive measures could trim the incidence of disease by 14.8 million cases in 2023, saving \$60 billion in treatment costs and improving the nation's economic output by \$254 billion.

We can quantify affects on tax revenues. The American Farmland Trust has studied the economic benefits of various forms of development against the cost of delivering infrastructure and services to the development. Averaging the results of 128 "costs of

community services” studies completed in 25 states between 1989 and 2007 showed that for every dollar communities realized from residential development, they had to deliver \$1.16 in services. Open space conserved demanded only \$0.35 per tax dollar generated.

People are attracted to live in areas where outdoor recreation opportunities are plentiful and accessible and this population increase boosts local tax revenue. Retirees are among those moving to areas with high quality of life, which is significant to the economy when you consider the U.S. Census Bureau estimates by 2050 one in every four Americans will be 65 or older, and typically retirees pay more in local taxes than they use in services, not needing public schools, for example.

We can estimate economic activity generated. The National Association of State Park Directors reports that visitors to state parks across America in 2009 contributed \$20 billion to local and state economies, an significant return on investment given that overall budget expenditure nationwide is less than \$2.3 billion. According to the National Recreation and Park Association, studies have shown that for every \$1 million invested in parks and recreation infrastructure, at least 20 jobs are created.

While there has been significant decline in the agriculture and timber industries of Central Oregon over the last 30 years, we have experienced explosive urban growth. We have seen growth in the research and service industries centered on new and expanding economic areas including recreation, tourism, hobby farming, information technology, renewable energy, and medical/retirement services oriented towards an aging population. According to Economic Development for Central Oregon's *2011 Central Oregon Profile*, among the top five employers in Central Oregon in 2010 and 2011 were Sunriver Resort, Mt. Bachelor, St. Charles Health System and Bright Wood Corporation, a wood products company. All depended on protection of open space and forests, and more importantly, a certain quality of life is expected by their employees and customers.

How do we ensure the growth of these key sectors of our economy and protect environmental and social benefits of land conservation here in Central Oregon? We must continue to invest in local conservation organizations. We must continue to invest in businesses that support our growing outdoor-based communities. We must continue to thoughtfully expand our economy in areas that directly relate to the very reason many of us call Central Oregon home – because of our collective love affair with the land.

*For further information about the economic data provided in this article see the list of additional resources below.*

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### **Additional Resources**

Economic Development for Central Oregon, “2011 Central Oregon Profile.”  
[http://www.edcoinfo.com/CEDocuments/Downloads\\_GetFile.aspx?id=410663&fd=0](http://www.edcoinfo.com/CEDocuments/Downloads_GetFile.aspx?id=410663&fd=0)

Land Trust Alliance: "Economic Benefits of Open Space Protection" by Rand Wentworth.  
<http://www.landtrustalliance.org/conservation/documents/economic-benefits.pdf>

Land Trust Alliance: "The Economic and Tax-Base Benefits of Land Conservation."  
<http://www.landtrustalliance.org/conservation/documents/the-economic-and-tax-base-benefits-of-land-conservation>

Land Trust Alliance" "Annotated Bibliography for The Economic Benefits of Land Conservation." <http://www.landtrustalliance.org/conservation/landowners/annotated-bibliography-benefits-land-conservation>

The Trust for Public Land: "Conservation: An Investment That Pays." By Erica Gies  
<http://www.tpl.org/publications/books-reports/park-benefits/conservation-pays.html>

The National Association of State Park Directors: "America's State Parks Alliance Launched to Advocate Healthful and Economic Benefits Provided by the 50 States."  
<http://www.naspd.org/>

Bruce Aylward and Ray Hartwell, Ecosystem Economics LLC, Katrina Van Dis, Central Oregon Intergovernmental Council, Sally Duncan, Amy Ewing, and Sue Lurie, Institute for Natural Resources, Oregon State University, "Financing Mechanisms that Advance Ecosystem Services Markets and Promote Rural Sustainability: Phase II Report." June 2010. [http://oregonstate.edu/inr/sites/default/files/documents\\_reports/financing-for-esm-and-rural-sustainability.pdf](http://oregonstate.edu/inr/sites/default/files/documents_reports/financing-for-esm-and-rural-sustainability.pdf)