

Neighborhood Sidewalks Increase Property Values, 2018.

PURPOSE.

CharacterTowns.org was curious about the relationship between neighborhood sidewalks and residential property values. To find the answer, a study was completed that compared the property value of homes on one side of the street with sidewalks to homes on the other side of the same street without sidewalks. The presence of many instances with similar homes in the same neighborhood with sidewalks on only one side of the street facilitated the study.

THE AREAS OF STUDY.

- Ibis Drive in the City of Orlando, 2 Blocks
- Weeks Avenue in Orange County
- White Avenue in Orange County
- North Westmoreland Drive in the City of Orlando

CONCLUSIONS.

- 1. Sidewalks are associated with higher property values.** The analyses shows that higher residential property values are associated with the presence of sidewalks on the same side of the street as the home.
 - **Total Value:** Residential home values were measured by Total Value provided from both Zillow and the Orange County Property Appraiser.
 - Homes on Weeks and Westmoreland with sidewalks on their side of the street have total property values ranging from 2.6% to 27% higher than homes across the same street without sidewalks.
 - Home on Ibis have values about equal regardless of the presence of a sidewalk.
 - Homes on White without sidewalks have higher property values than those with sidewalks.
 - **Square Foot Value:** Residential home values were calculated on a “square foot” basis from the same two sources.
 - Homes with sidewalks on their side of the street have “square foot” value between 2.8% and 10.1% higher than homes across the same street without sidewalks with the exception of those homes on White Ave..
- 2. The financial payback comes quick.** The cost of a 4’ wide sidewalk is about \$4 per lineal foot, or \$200 per year for a 50 foot wide lot. A \$200,000 home taxed at 6 mills provides tax revenues of \$1200 annually. If the value of the home increases by 1% due to the presence of sidewalks, tax receipts go up by \$12/year and the cost of the sidewalk is covered in 16 years, the following years being “gravy”. A 5% increment produces an additional \$60/year for a 3 1/3 year pay-off.
- 3. The community benefit is felt immediately.** In addition to the city’s financial gain, the community’s aesthetic, safety and walkability gain is felt immediately.

OVERVIEW.

The Sidewalk and Property Value Study was initiated while walking the neighborhood and noticing that some neighborhood streets had sidewalks on both sides of the street, some streets had sidewalks on only one side and some had none. Not a stupendous observation until linked with the notice that some streets were “nicer” than others. Nicer being defined as better lawn maintenance, better home maintenance, home additions and street trees.

The other overriding factor is the homogeneity of the neighborhoods examined; all were older neighborhood from the 1940s and 1950s with visually similar value ranges and visually similar distinguishing features from one block to the next. The presence or absence of sidewalks was the only observable differentiator – hence the question, are sidewalks associated with higher property values?

APPROACH.

Each block had sidewalks on only one side of the street. Based on the visual homogeneity of the streets, these blocks were chosen as the laboratory for a controlled experiment. In general:

- the streets had the same pavement type with similar tree canopies,
- the streets were neighborhood streets excepting White Ave. which is a minor collector.
- the homes were in the same platted subdivisions with similar lot sizes,
- the homes were all built within a few years of each other,
- the homes were in the same school district and
- there were few instances where the original home was demolished and replaced.

THE STUDY AREAS.

- **Ibis Drive** in Audubon Park, Orlando, is a large neighborhood with lots platted and single family homes built in the mid and late 1950s. The neighborhood is homogeneous and the two block section of the street selected for study had sidewalks on only the north side of the street. The area studied was two blocks long with four block faces and 36 single family homes. Table One present individual results for the two blocks.
- **White Avenue** in the Fernway Subdivision along South Fern Creek Avenue in Orange County, Florida, had similar characteristics of homogeneity. The White Avenue section was one block long with two block faces and 28 homes. The sidewalk was only on the north side of the street.
- **Weeks Avenue**, also in the Fernway Subdivision, was a cul-de-sac immediately north of White Avenue; one block long with two block faces and 28 homes. The sidewalk was on the south side of the street.
- **N. Westmoreland Drive** in the College Park, Orlando, Florida neighborhood. The neighborhood has several hundred homes, mostly platted and built in the immediate post-World War II period with occasional demolition/new homes activity, home expansions and improvements. No streets were brick in the studied blocks. The initial blocks selected for study were along North Westmoreland Drive from New Hampshire Street south to Golfview Street...a four block section, or eight block faces, with 30 fronting homes. Sidewalks were only on the west side of the street.

DETERMINATION OF HOME VALUES BY LOCATION.

The two variables sought were total market value of each home and the value per square foot. These variables were determined as follows:

- The Orange County Property Appraiser's [OCA] records are well organized and available on-line. For the OCA files, three data points were recorded for each home: market value, year built, living area [square feet]. Market value was divided by living area to produce value per square foot.
- Zillow files were used as a second source. The Zillow estimated market value was recorded and divided by OCA data on living area square footage to produce a second value per square foot.

A PRACTICAL CONSIDERATION.

Sidewalks in the White and Week area were installed with construction of the original homes.

New sidewalks were installed in the Ibis and Westmoreland Study Areas by the City of Orlando. The installation of sidewalks in these two neighborhoods was a recent program of the City of Orlando to fill missing gaps in their sidewalk system and to provide a sidewalk on at least one side of all city streets. A 2014 power point show prepared by Jeff Arms, HDR, formerly with the City of Orlando, documents the programs. From a practical perspective, the side of the street that had a sidewalk added was determined by the ease of construction, block face by block face. Large trees, power boxes or other physical impediments influenced the decision about which side of the street would be the location of the new sidewalk.

The first reaction to this information was that the results of the study would be compromised; but on second thought, the results are still useful. The ease of construction approach responded mostly to the presence of large trees; so the side of the street with the fewest large front yard or street trees was favored for sidewalk location. The value created by the addition of the sidewalks eclipsed the inherent value of the established canopy trees.

SUMMARY RESULTS.

The results below indicate that the presence of sidewalks was associated with higher property values. The results of the analysis of the Study Areas are reported on Table One.

- On a total value basis, the results were split 50/50; half the homes had higher value with sidewalks [1.2% to 27.0%] and half had a lesser value [62% to 99%].
- The data shows that on a property value square foot basis:
 - six of the ten block faces with sidewalks had higher property values than the block faces without; ranging from 2.8 to 10.1 percent higher values.
 - one block face had the same value per square foot with and without sidewalks.
 - three block faces had higher values without sidewalks; ranging from 79% to 99%.
- The Zillow versus the OCA data sources did not appear to make much difference in the results in the value per square foot results; they showed more variation in the total value results.

- Ibis and Weeks had sidewalks on the north side of the street; the White sidewalk was on the south side. Westmoreland runs north-south with the sidewalk on the west side. This directional orientation doesn't seem to matter. White Ave. being a minor collector may be significant.
- Street by street:
 - **Ibis:** The two blocks of Ibis had home values with sidewalks 2.8% to 10.1% higher on a square foot basis and also higher total value on one of the two blocks according to the OCPA data although slightly less with the Zillow data. Table One shows separate results for the two blocks.
 - **White:** White Avenue is the oddity. White Avenue is a minor collector street in the southern edge of the City and did not appear to have any unusual features; however, on both a total value and square foot basis, home values were higher on the side of the street without sidewalks.
 - **Weeks:** The homes with sidewalks on Weeks Avenue had consistently higher property values.
 - **Westmoreland:** Westmoreland Drive experienced significantly higher total values (20% to 27%) and neutral or negative per square foot values with sidewalks.
- With Ibis and Westmoreland it appears the City was rewarded with higher property values for their investment in sidewalks thus creating economic value in addition to community value.
- As always, more study would be useful.



Ibis Drive with urban curbs.



Weeks Avenue with "Miami" curbs.



White Avenue with "Miami" curbs.



Westmoreland Drive with urban curbs.

**Table One
COMPARISONS
Property Values with and without Sidewalks
By Study Area, 2018**

Street	[# Homes]	\$Zillow (k)	\$OCPA (k)	Avg. Year Built	Living Area [SF]	\$ per Sq. Foot	
						Z	OCPA
w/IBIS Block A	[8]	\$326	\$247	1956	1484	\$220	\$166
wo/IBIS Block B	[8]	332	244	1955	1550	214	157
w/wo		.982	1.012			1.028	1.057
w/IBIS Block F	[10]	329	234	1958	1432	229	163
wo/IBIS Block B	[8]	332	244	1955	1550	208	157
w/wo		.991	.959			1.101	1.038
w/WHITE	[11]	217	126	1963	1280	169	98
wo/WHITE	[14]	276	201	1988	1623	170	123
w/wo		.786	.627			.994	.797
w/WEEKS	[11]	205	118	1959	1096	187	107
wo/WEEKS	[14]	199	115	1960	1105	180	104
w/wo		1.030	1.026			1.039	1.057
w/WESTMORELAND	[13]	504	406	1951	2777	181	146
wo/WESTMORELAND	[16]	397	337	1947	2185	181	154
w/wo		1.270	1.205			1.000	.948
STUDY AREA AVERAGE:							
With Sidewalks		\$316	\$226			\$197	\$136
Without Sidewalks		307	228			190	139
w/wo		1.029	.991			1.036	.978

Notes:

- **w/** is with sidewalks; **wo/** is without sidewalks
- **w/wo** = the “with” sidewalk values divided by the “without” sidewalk values
- \$Zillow = home values from Zillow, thousands of dollars
- \$OCPA = home values from the Orange County Property Appraisers Office, thousands of dollars
- Average Year Built and Living Area from OCPA records.
- The White Ave. situation skewed the results; the other areas showed sidewalks were associated with higher property values.

Source: wck | planning