

## Neighborhood Sidewalks Increase Property Values.

### PURPOSE.

**CharacterTowns.org** was curious about the relationship between neighborhood sidewalks and residential property values. As a result, 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 FIVE AREAS OF STUDY.

- Ibis Drive in the City of Orlando, 2 Areas
- Weeks Avenue in Orange County
- White Avenue in Orange County
- N. Westmoreland Drive in the City of Orlando

### CONCLUSIONS.

- Something unusual is going on with property values on White Avenue; the data for White is reported in Table One, but due to the outlier values of the data, it has been excluded from the final 4 Area Analysis and results, below. In the 5 Area Analysis:
  - The Zillow data, when averaged for total and “per square foot” values, shows sidewalks are associated with higher property values; 2.9% for total value and 3.6% per square foot.
  - The OCPA’s data is mixed and the averages for both values are negative; homes without sidewalks are valued higher than homes with them.
- In the four Area Analyses, higher residential property values are associated with the presence of sidewalks on the same side of the street as the home.

- Residential home values were measured by Total Value provided from Zillow and the Orange County Property Appraiser. Homes with sidewalks on their side of the street have total property values between 1.3% and 5.1% higher than homes across the same street without sidewalks.
- 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 6.8% and 8.21% higher than homes across the same street without sidewalks.
- 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 and additional \$60/year for a 3.33 year pay-off.
- In addition to the city’s financial gain, the community gain is felt immediately.

### OVERVIEW.

The study of property values and sidewalk 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 and additions and street trees.

The other overriding factor is the homogeneity of the neighborhood of some 700 homes; an older neighborhood from the 1940s and 1950s with visually similar value ranges and no discernible 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. While the three areas studied were separate with different home values, each block was homogeneous:

- the homes were on the same street,
- they had the same pavement type,
- they were in the same platted subdivisions with similar lot sizes,
- they were all built within a few years of each other,
- they were in the same school district and
- there were few instances of a demolished original home replaced by a bigger home. Westmoreland had more significant trees, but on both sides of the street. The other areas had fewer front yard and street trees but they were evenly distributed on both sides of the street.

### THE FIVE STUDY AREAS.

- 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. The initial block selected for study was N. 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.
- 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 on the north side of the street. The Study Area was two blocks long, 4 block faces, with 36 single family homes.
- White Avenue and Weeks Avenue [2 Study Areas] 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, two block faces and 28 homes with the sidewalk only on the north side of the street. Weeks Avenue was a cul-de-sac immediately north of White Avenue; one block, two block faces, 28 homes with a sidewalk on the south 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 records are well organized and available on-line. For the OCPA files, three data points were recorded for each home: market value, year built, living area [square feet]. Market value divided by living area produced value per square foot.
- Zillow files were used as a second source. The Zillow estimated market value was recorded and divided by OCPA data on living area square footage to produce a second value per square foot.

### A PRACTICAL CONSIDERATION.

Sidewalks in all three Study Areas were installed decades after the construction of the original homes.

The Ibis and Westmoreland Study Areas are within 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. This introduces the idea that trees may be a determinant of property values, or they may determine which homeowners best maintain their yards and homes. This may be a factor in the outlier data for White Avenue. But, excluding the White Avenue data, the results below indicate that sidewalks are associated with higher home values.

### SUMMARY RESULTS.

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

- 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%.
- 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% - 99%].
- The Zillow versus the OCPA 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 the new sidewalks on the north side of the street; the White sidewalk was on the south side.

## Character *Neighborhoods*

- Westmoreland runs north-south with the sidewalk on the west side. This directional orientation doesn't seem to matter.
- Street by street:
  - 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.
  - White Avenue is the oddity. It 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.
  - Westmoreland Drive experienced significantly higher total values (20% to 27%) and neutral or negative per square foot values with sidewalks.
  - Weeks Avenue homes had higher total home value with sidewalks but almost 3%; and higher per square foot values by over 4%.
- 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)	\$OCA (k)	Avg. Year Built	Living Area [SF]	\$ per Sq. Foot	
						Z	OCPA
w/IBIS A	[ 8]	\$326	\$247	1956	1484	\$220	\$166
wo/IBIS B	[ 8]	332	244	1955	1550	214	157
<b>w/wo</b>		<b>.982</b>	<b>1.012</b>			<b>1.028</b>	<b>1.057</b>
w/IBIS F	[10]	329	234	1958	1432	229	163
wo/IBIS B	[ 8]	332	244	1955	1550	208	157
<b>w/wo</b>		<b>.991</b>	<b>.959</b>			<b>1.101</b>	<b>1.038</b>
w/WHITE	[11]	217	126	1963	1280	169	98
wo/WHITE	[14]	276	201	1988	1623	170	123
<b>w/wo</b>		<b>.786</b>	<b>.627</b>			<b>.994</b>	<b>.797</b>
w/WEEKS	[11]	205	118	1959	1096	187	107
wo/WEEKS	[14]	199	115	1960	1105	180	104
<b>w/wo</b>		<b>1.030</b>	<b>1.026</b>			<b>1.039</b>	<b>1.057</b>
w/W'MORELAND [13]		504	406	1951	2777	181	146
wo/W'MORELAND [16]		397	337	1947	2185	181	154
<b>w/wo</b>		<b>1.270</b>	<b>1.205</b>			<b>1.000</b>	<b>.948</b>
<b>5 AREA AVERAGE:</b>							
With Sidewalks		\$316	\$226			\$197	\$136
Without Sidewalks		307	228			190	139
<b>w/wo</b>		<b>1.029</b>	<b>.991</b>			<b>1.036</b>	<b>.978</b>
<b>4 AREA AVERAGE [without White]:</b>							
With Sidewalks		\$341	\$251			\$205	\$145
Without Sidewalks		315	235			195	143
<b>w/wo</b>		<b>1.082</b>	<b>1.068</b>			<b>1.051</b>	<b>1.013</b>

**Notes:**

- **w/wo** = the with sidewalk values divided by the without sidewalk values
- **w/** is with sidewalks; **wo/** is without sidewalks
- \$Zillow = homes values from Zillow, thousands of dollars
- \$OCA = home values from the Orange County Property Appraisers Office, thousands of dollars
- Average Year Built and Living Area from OCPA records.

Source: wck | planning