

# The Business Case for Investment in Bicycle and Pedestrian Facilities in Oregon

## White Paper Overview

### Purpose and General Approach

The purpose of the “Business Case” white paper is to identify a comprehensive range of potential benefits stemming from bicycle and pedestrian investments in Oregon. The white paper is intended to provide a greater understanding of potential benefits, contributing factors, considerations to support the process of identifying policies, and strategies and actions that when acted upon may provide direct and indirect benefits to non-motorized system users, Oregon communities, and the State in general.

### Potential Benefits

While this paper is not intended to estimate potential monetized benefits, it is important to note that it will summarize the current state of the practice in assessing bike and pedestrian investments, including the order of magnitude of benefits as identified in existing research and studies. It will identify the relevant factors and considerations and draw the connection to transportation policy so that ODOT can consider a fairly full spectrum of potential benefits in assessing the business case for investment in non-motorized travel facilities. This understanding will inform the policies, strategies, and actions in the Bicycle and Pedestrian Plan. Potential benefits may include the following categories: economic, mobility and accessibility, health, safety, environmental, livability, land values, and other potential benefits.

### Considerations

The following considerations will guide the approach of the business case and provide an appropriate policy context for the bicycle and pedestrian plan:

- *Language continuity* - Establish common language and parameters for discussing benefits and overall business case
- *Economic impacts vs. economic valuation and direct vs. indirect benefits* – Distinguish the difference between economic impacts and economic valuation. Some investments will generate identifiable economic impacts (i.e. have effects on the level of economic activity in a given area). Other investments will return user benefits or social impacts and contribute to achievement of the State’s transportation vision, goals and objectives
- *Generate new or additional benefits* – Investments need to bring about change in order to generate new or additional benefits. Examples include mode shift, location decisions by business and labor, increased cycling and walking by low activity populations, etc.
- *Geographic Scale and Net Benefits* – Discuss the importance of geographic scale in assessing benefits, and how the scale of analysis affects whether there are net economic benefits to the State as opposed to redistribution of benefits between regions, population groups or industry sectors
- *Overlapping benefits* - Discuss the degree to which policies, strategies and actions may produce the same or overlapping benefits, and the need to be aware of potential double counting and diminishing returns from investment in redundant projects or programs