## Lehigh Valley Return on Environment



Lehigh Valley Planning Commission 2014













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#### INTRODUCTION

- Open space influences life—supplies basic human needs, health and well-being, jobs and the economy, and supporting plant and animal diversity.
- The LVPC, Lehigh and Northampton counties and municipalities appreciate the environmental and social value of open space.
  - > LVPC Comprehensive Plan
  - Actively preserving farmland, acquiring open space, and providing recreational opportunities.
- What has been lacking—an economic valuation of the benefits provided by open space.



#### **OBJECTIVES**

#### To document:

- 1. The current state of the environment
- 2. The monetary value of natural system services
- 3. The monetary value of outdoor recreation and the number of participants
- 4. The monetary value of improved air quality through reduced healthcare costs
- 5. The increased property values due to proximity to open space



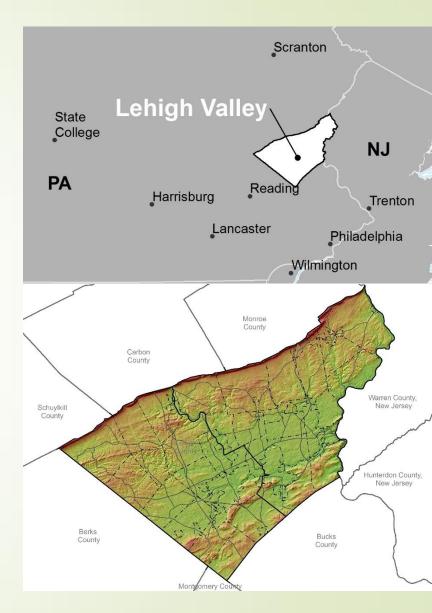
#### **USE OF RESULTS**

- To inform land use policy and decisions
- To provide information for open space purchase or easement investment decisions
- To reinforce landscape approaches for habitat connectivity and protection
- To inform strategies to reduce flooding and protect water quality and water supply
- To inform strategies for economic development



#### THE PLACE

- Lehigh Valley—one of the fastest growing regions in the Commonwealth.
- The Kittatinny Ridge
  - Internationally-recognized for its role in bird migration in the Atlantic Flyway
  - Part of one of Pennsylvania's largest Important Bird Areas
- Important resources are documented within the Natural Resources element of the Comprehensive Plan The Lehigh Valley...2030.





#### **OPEN SPACE CONSUMERS**

- In 2010, 647,232 people were living in the Lehigh Valley.
- ► LVPC projects that the population will be 873,954 by 2040—35% increase over three decades.
- About 75% participated in some form of outdoor recreation within the past 12 months (DCNR/Penn State University, April 2015).
- Quality and quantity of open space resources available to businesses are critical to business function.
  - Recreational opportunities contribute to the health of the region's workforce—translates into avoided medical, workers compensation and lost productivity costs.



- Air Quality
- Water Quality
- Land Cover and Habitat
- Wildlife



#### Air Quality

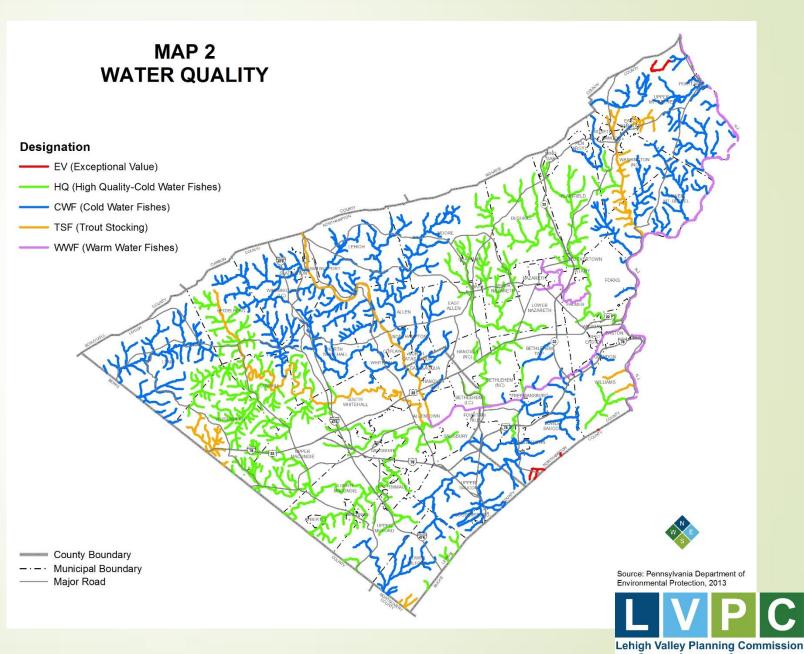
- ➤ Lehigh Valley fails to meet Federal Clean Air Act standards
- ≥ 2013 State of the Air report
  - High levels of year-round and daily pollution
  - Allentown-Bethlehem-Easton Metropolitan Statistical Area:

14<sup>th</sup> worst – Year round particle pollution 22<sup>nd</sup> worst for short-term particle pollution

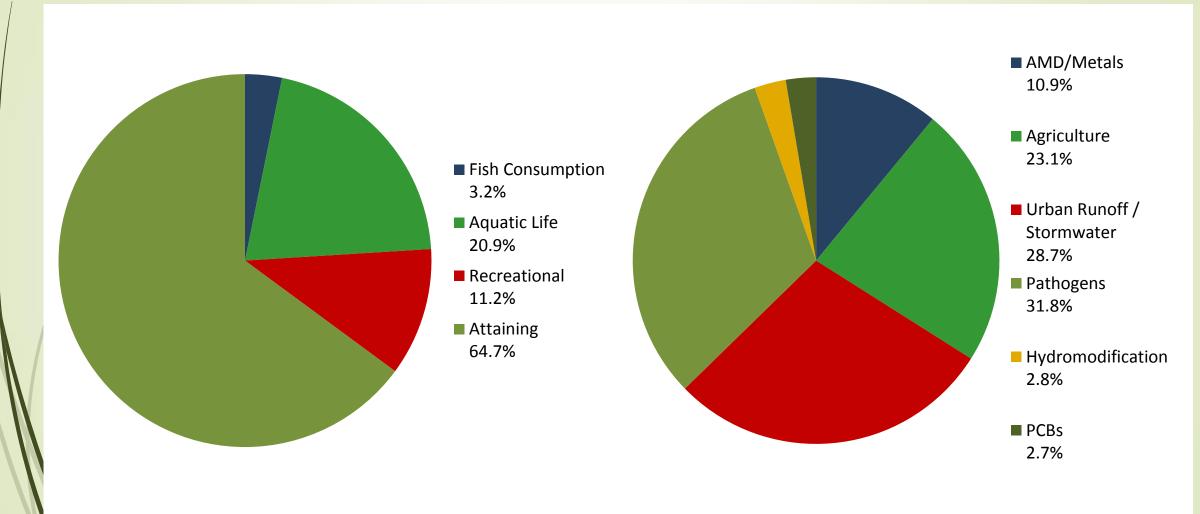
> Annual average levels are decreasing



- Water Quality
  - Protected Use Classifications
    - Aquatic Life
    - Water Supply
    - Recreation and Fish Consumption
    - Special Protection



➤ Water Quality Impairment

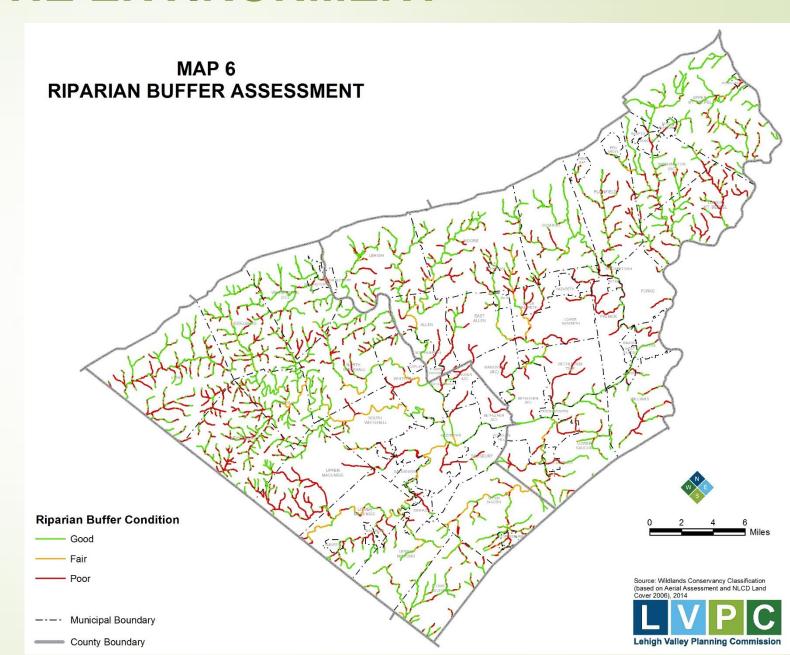




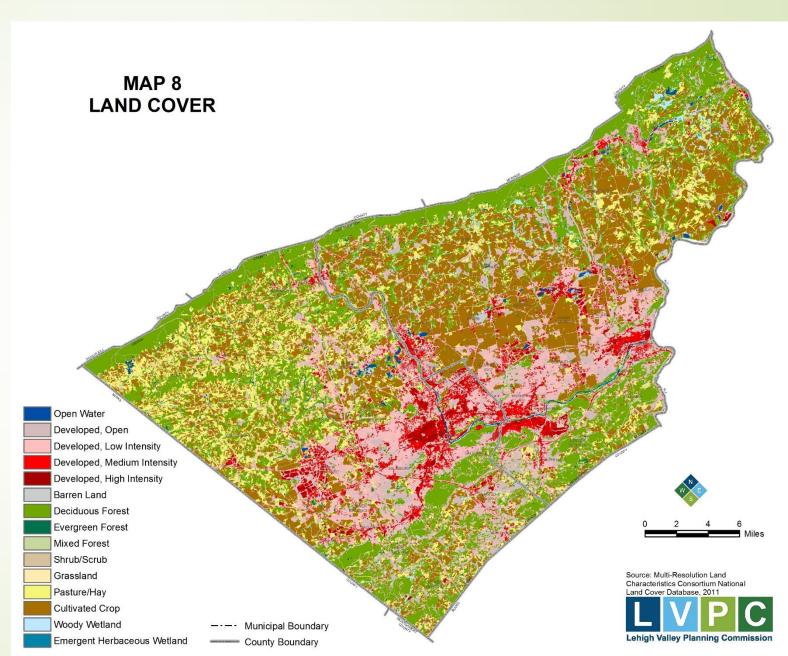
- Water Quality
  - > Class A Wild Trout Streams
    - Designated by PA Fish & Boat Commission, 34 stream miles
  - > Aquatic Communities
    - Analysis included in the 2013 Natural Heritage Inventory Update
    - Identified conservation and restoration priorities based on 8 land cover variables



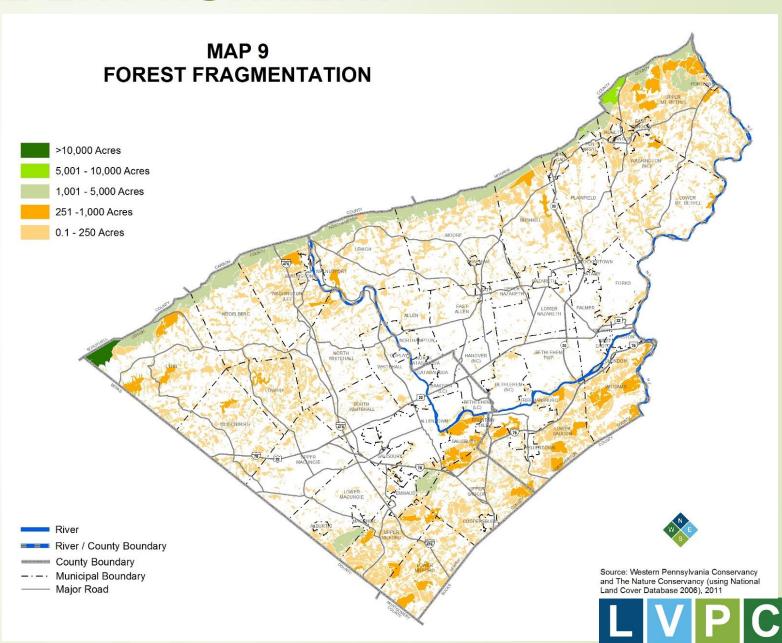
- Water Quality
  - Restoration Needs and Strategies
    - Dam Removal approx. 50 existing dams, 13 removed past few years
    - Riparian Buffer Re-Establishment







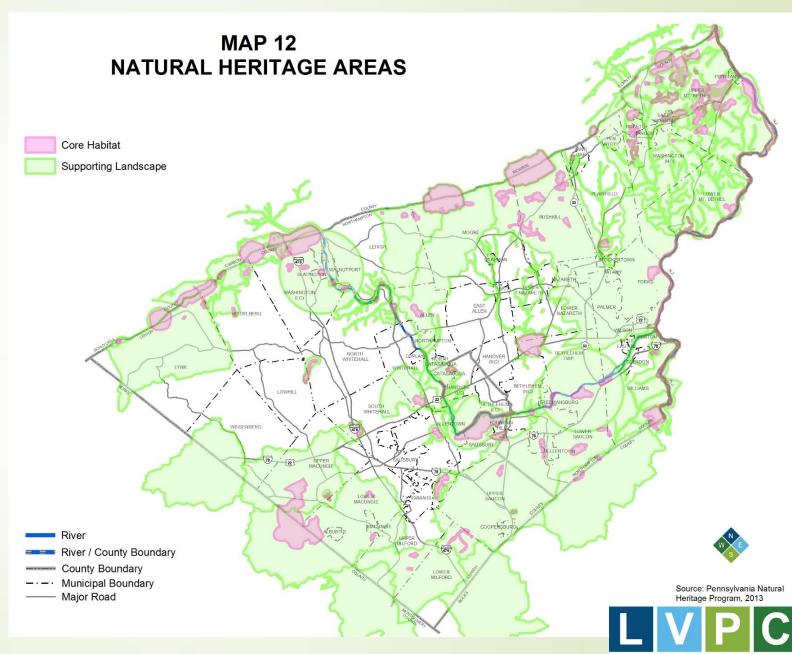
- Land Cover and Habitat
  - Forest Fragmentation & Wildlife Impacts
  - Forest Health and Natural Resource Management



- Land Cover and Habitat
  - > Wetlands
    - Rare, threatened and endangered species habitat
    - Nearly 4,700 acres in the Lehigh Valley
  - > Steep Slopes
    - Prevent erosion and protect water quality
    - High biodiversity micro-habitats and microclimate gradients
    - LVPC offers a steep slope model regulation

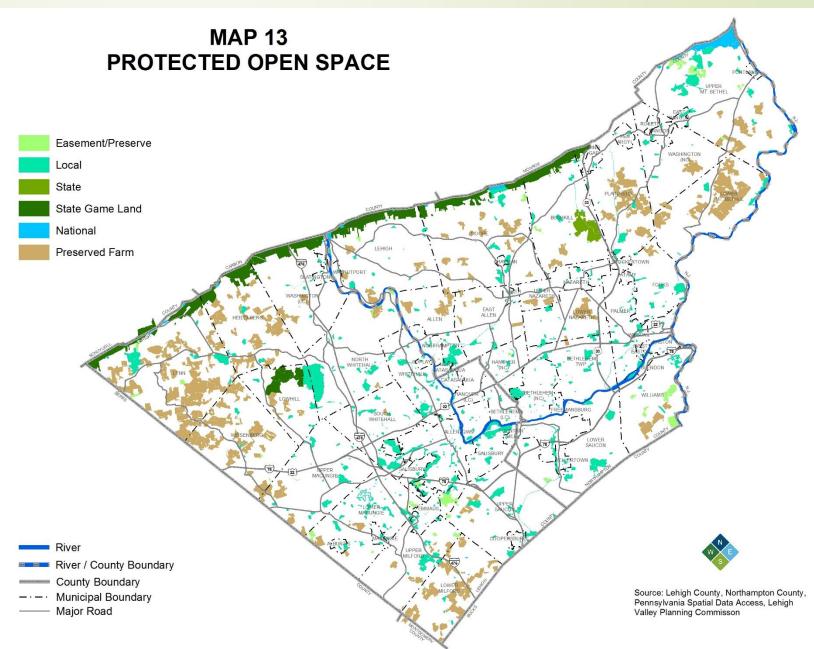


- Land Cover and Habitat
  - Important Natural Areas
    - Matural Heritage
       Inventory 111
       species of concern
       and 8 high quality
       natural communities
       at 123 sites
    - Kittatinny Ridge





> Land Protection



- Land Cover and Habitat
  - ➤ Land Preservation Strategies
    - Connectivity
    - Rare, Threatened and Endangered Species Protection
    - Water Quality Protection
  - > Private Lands and Conservation

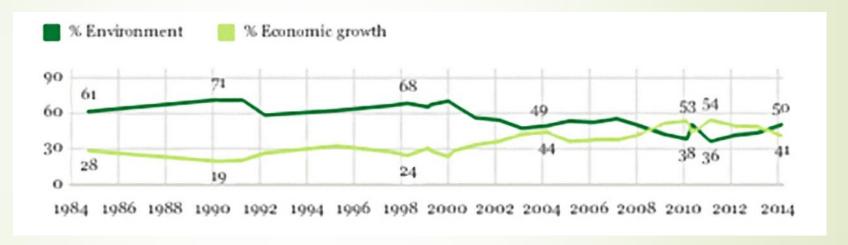


#### ■ Wildlife

- ➤ Habitat Types dominated by forests (27% of land cover), primarily deciduous
- ➤ Habitat Loss and Degradation primary cause for species decline
- > Mammals
- > Birds
- Reptiles and Amphibians
- > Fish



 Attitudes about environmental protection and economic growth are evolving.



Source: Gallup, Inc., 2014



2. Attachment to where people live and their quality of life is impacting economic development.

Soul of the Community project, 2008:

43,000 people interviewed in 26 communities over three years

**Social Offerings** – Places for people to meet each other and the feeling that people in the community care about each other.

Openness – How welcoming the community is to different types of people, including families with young children, minorities and talented college graduates.

**Aesthetics** – The physical beauty of the community, including the availability of parks and green spaces.

Source: John S. and James L. Knight Foundation and Gallup, Inc., 2011



- 3. The "green business" trend is tied to open space.
- 4. Evidence shows nature's positive impact on stress management, healthy lifestyles and well-being by providing:
  - Opportunities for exercise and outdoor activities
  - Contact with nature
  - Cleaner air
- 5. People are increasingly interested in outdoor recreation.
  - U.S. Forest Service reported increases in several outdoor recreation activities between 1999 – 2001 and 2005 – 2009.
  - PA DCNR's 2009 survey 31% of respondents said they would be increasing their outdoor activity in the next 5 years



6. Investing in green infrastructure can be very cost-effective.

Impacts of Forest Cover on Water Treatment

Watershed Forest Cover	Average Annual Water Treatment Cost	Incremental Cost Decrease as Forest Cover Increases
10%	\$923,450	-19.1%
20%	\$746,790	-21.5%
30%	\$586,190	-20.5%
40%	\$465,740	-20.7%
50%	\$369,380	-19.6%
60%	\$297,110	-10.070

Source: Ernst, Caryn, Richard Gullick, and Kirk Nixon. 2004. "Conserving Forests to Protect Water." Opflow 30:1,4-7.



- 7. The pattern, size and connectivity of open space and native habitat is increasingly important.
- 8. Creating stewardship zones along open space boundaries increases natural system services.
  - Conservation design subdivisions clustering home sites
  - Stewardship programs for landowners (e.g. backyard conservation actions)



9. Property values are positively impacted by open space.

10. Americans are showing a growing interest in organic, locally-grown food.

- Lehigh Valley's 1,002 farms on 153,000 acres of farmland produce a market value of agricultural products of \$134.4 million annually.
- Approximately \$17 million is the actual economic activity generated by the local food economy



#### **ECONOMIC VALUE ANALYSIS**

Natural System Services

Water Supply, Water Quality, Disturbance (Flood) Mitigation, Pollination, Biological Control, Wildlife Habitat and Soil Formation/Retention

■ Air Quality

Pollutant Removal, Carbon Sequestration and Carbon Storage

Outdoor Recreation

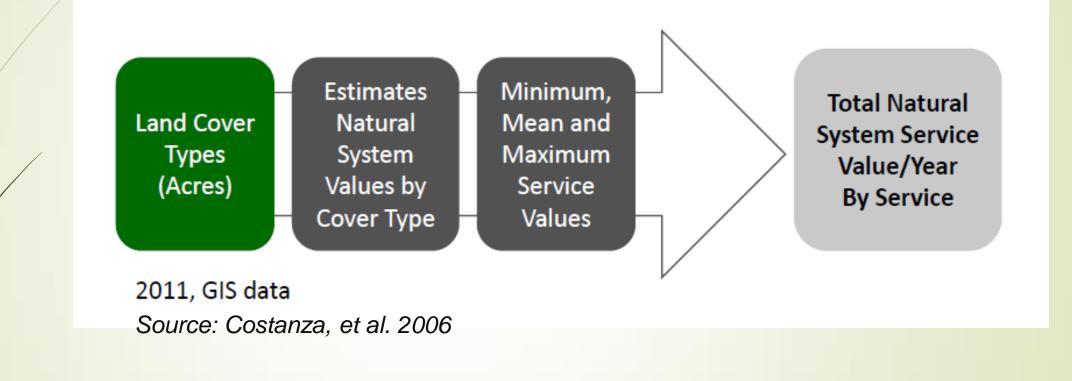
Participation rates; Direct, Indirect and Induced Impacts

Property Value

Premium attributed to living within ¼ mile of protected open space



## VALUE TRANSFER MODEL FOR NATURAL SYSTEM SERVICES





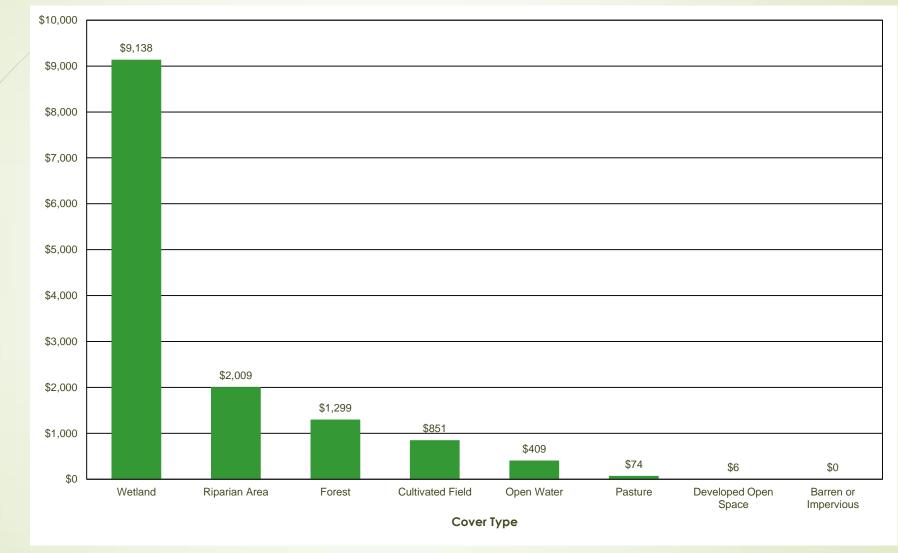
#### LAND COVERAGE ACREAGES BY COUNTY

Land Use	Lehigh County	Northampton County
Barren	781	1,232
Cultivated Crops	48,994	76,973
Developed High Intensity	3,842	3,397
Developed Medium Intensity	9,865	10,217
Developed Low Intensity	24,105	21,828
Developed Open Space	22,837	32,272
Forest	60,637	62,771
Open Water	1,369	2,394
Pasture	44,494	22,696
Wetlands	2,424	5,081
Riparian	3,491	2,630
Total	222,839	241,492

Source: Econsult Solutions, Inc., 2014



## NATURAL SYSTEM SERVICES MEAN ECONOMIC VALUE PER ACRE OF LAND PER YEAR BY COVER TYPE



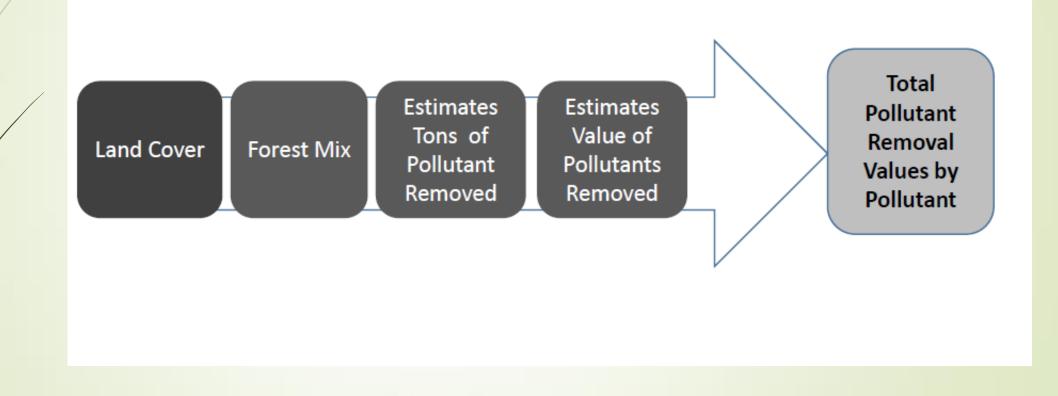


#### NATURAL SYSTEM SERVICES

#### **Key Findings:**

- Highest natural system services on a per acre basis—wetlands, riparian corridors and forests
- Green infrastructure along streams
  - > Reduced tax dollars by avoiding more than \$110.3 million annually in expenditures
    - Water supply—\$45.0 million
    - Disturbance (flood) mitigation—\$50.6 million
    - Water quality—\$14.7 million
- Natural areas provide annually
  - > \$22.4 million in pollination
  - > \$2.5 million in biological control services
  - > \$219.5 million in habitat for insects, birds, animals and plants
  - > \$0.8 million in soil formation/retention
- Summary—natural system services on open space provide an estimated value of \$355.5 million or more each year.

# AIR QUALITY i-TREE MODEL PROCESS





# TREE CANOPY COVER BY LAND COVER (ACRES)

Cover Type	Lehigh County	Northampton County
Barren	15	9
Cultivated Crops	862	462
Developed High Intensity	4	14
Developed Medium Intensity	128	480
Developed Low Intensity	1,808	3,449
Developed Open Space	4,613	7,648
Forest	46,383	53,390
Open Water	0	0
Pasture	185	425
Wetlands	12,055	3,461
Total	66,053	69,337

Source: Econsult Solutions, Inc., 2014 (51)



# POLLUTANT REMOVAL ECONOMIC VALUES (MILLIONS/YEAR)

Pollutant	Low	Average	High		
Lehigh County					
Ozone	\$2.80	\$10.40	\$13.40		
Particulate Matter 10	\$0.20	\$7.30	\$11.30		
Nitrogen Dioxide	\$2.60	\$5.20	\$6.90		
Sulfur Dioxide	\$0.30	\$0.60	\$0.90		
Carbon Monoxide	\$0.10	\$0.10	\$0.10		
Total	\$6.00	\$23.50	\$32.70		
Northampton County					
Ozone	\$2.90	\$10.90	\$14.10		
Particulate Matter 10	\$0.30	\$7.60	\$11.90		
Nitrogen Dioxide	\$2.70	\$5.50	\$7.30		
Sulfur Dioxide	\$0.30	\$0.60	\$1.00		
Carbon Monoxide	\$0.10	\$0.10	\$0.10		
Total	\$6.30	\$24.70	\$34.30		
Lehigh Valley Totals	\$12.30	\$48.20	\$69.00		

Source: Econsult Solutions, Inc., 2014



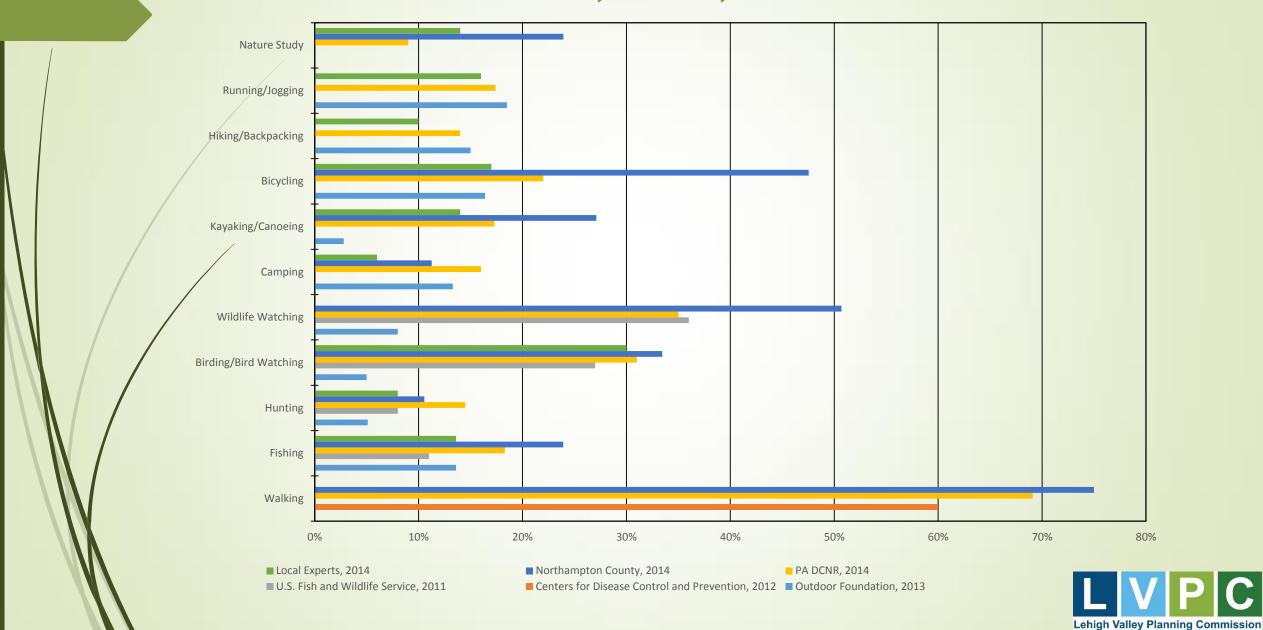
## **AIR QUALITY**

#### **Key Findings:**

- Air pollutant removal by trees—estimated \$48.2 million annually
- Carbon storage by tree-covered open space—5,496,069 tons
- Mitigation costs for damage from carbon emissions—\$111.2
   million (about \$2.2 million annually)
- Carbon sequestration by trees—181,189 tons of carbon each year, providing health and other benefits of about \$3.6 million annually
- Summary—total annual avoided healthcare costs and damage to agriculture and buildings estimated to be \$54 million.



## OUTDOOR RECREATION PARTICIPATION RATE COMPARISON FROM NATIONAL, STATE, AND LOCAL SURVEYS



#### **OUTDOOR RECREATION ANNUAL SPENDING**

Outdoor Recreational Activity	U.S. Fish and Wildlife Service, 2011 (56)	PA DCNR, 2009 (30)	Outdoor Industry Association, 2013 (59)	Runner's 201: (58)	3	Local Experts Estimates
Walking		\$96				
Fishing	\$409	\$831				
Hunting	\$1,207	\$687				
Birding/Bird Watching	\$329	\$211				
Wildlife Watching	\$308					
Camping		\$2,529	\$2,009			\$600
Kayaking/Canoeing			\$482			\$375
Bicycling		\$453	\$1,196			\$600
Hiking/Backpacking		\$280	\$1,115			\$458
Running/Jogging		\$238		\$252	\$3,734	\$900
Nature Study						\$150

Legend:

Low

Expected

Low and Expected



#### **OUTDOOR RECREATION**

#### **Key Findings:**

- Approximately 75% of people in Pennsylvania enjoy some form of outdoor recreation on an annual basis.
- Health benefits for physically active people—lower incidence of cardiovascular diseases, diabetes, depression, certain cancers and obesity.
- ▶ D & L Trail 2012 User Survey and Economic Impact Analysis—estimated 68,327 people spent about \$2.5 million along the Lehigh Valley portion.
- ► Fastest growing outdoor recreation activities—kayaking, birding, wildlife watching, outdoor photography, running, bicycling and other sports; popularity replacing more traditional activities like hunting and fishing.
- Outdoor recreation spending and total impact—estimated \$795.7 million annually.

## **PROPERTY VALUE**

#### **Key Findings:**

- Average premium afforded each home within ¼ mile of protected open space—\$14,600
- Number of single family homes located within a ¼ mile of protected open space—127,850
- Total real estate premium attributed to living within ¼ mile of protected open space—more than \$1.8 billion
- Average real estate premium for single family homes within ¼ mile of protected open space—lowest for homes located in rural townships (\$2,600), highest for homes located in cities and boroughs (\$28,200)





#### Questions?

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