

CityLab | Government

The Complete Business Case for Converting Street Parking Into Bike Lanes

An annotated, chart-filled review of 12 studies from around the world.



acme08 / flickr

By Eric Jaffe

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San Francisco is moving forward with a plan to add protected bike lanes on Polk Street, one of the busiest cycling corridors in the city, but the decision didn't come easy. The *San Francisco Examiner* reports that the plan endured about 2.5 years of debate. At the center of the dispute was an objection to the loss of on-street parking spaces by local merchants (our emphasis):

Some business owners had argued that a proposed loss of 140 parking spaces in the area would lead to financial losses, and they had pushed hard for **studies on possible economic impacts** in order to pause construction of the bike lane.

It's perhaps natural for a shop owner to fear that losing a parking space means losing revenue. Drivers tend to be wealthier than alternative transport users, and cars have big trunks to hold lots of stuff. Cities can add a bike lane and still keep street parking by bumping out spots from the curb (a common practice in New York), but generally speaking more road space for cyclists means less for cars.

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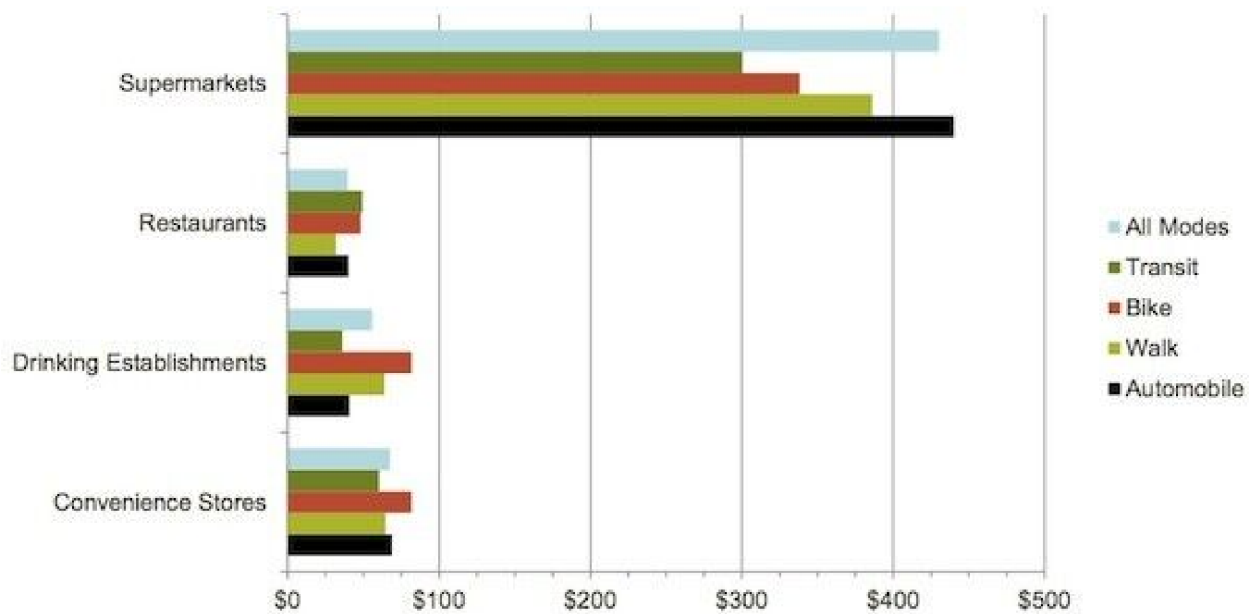
But here's the thing about the "studies on possible economic impacts" requested by retailers on Polk Street, or really wherever bike-lane plans emerge—they've been done. And done. And done again. And they all reach a similar conclusion: replacing on-street parking with a bike lane has little to no impact on local business, and in some cases might even *increase* business. While cyclists tend to spend less per shopping trip than drivers, they also tend to make more trips, pumping more total money into the local economy over time.

So to put these debates to rest we've compiled an annotated, chart-filled guide to every major study we know of conducted on the subject to date. Here they are, in no particular order, for your public meeting pleasure.

Portland, Oregon

An analysis of 78 businesses in metropolitan Portland found that non-drivers, including cyclists, are "competitive consumers, spending similar amounts or more, on average, than their counterparts using automobiles." So over the course of a given month, cyclists spent less than drivers on grocery trips, but more at restaurants, bars, and convenience stores. The common theme emerged: cyclists spend less per trip, but they make more trips.

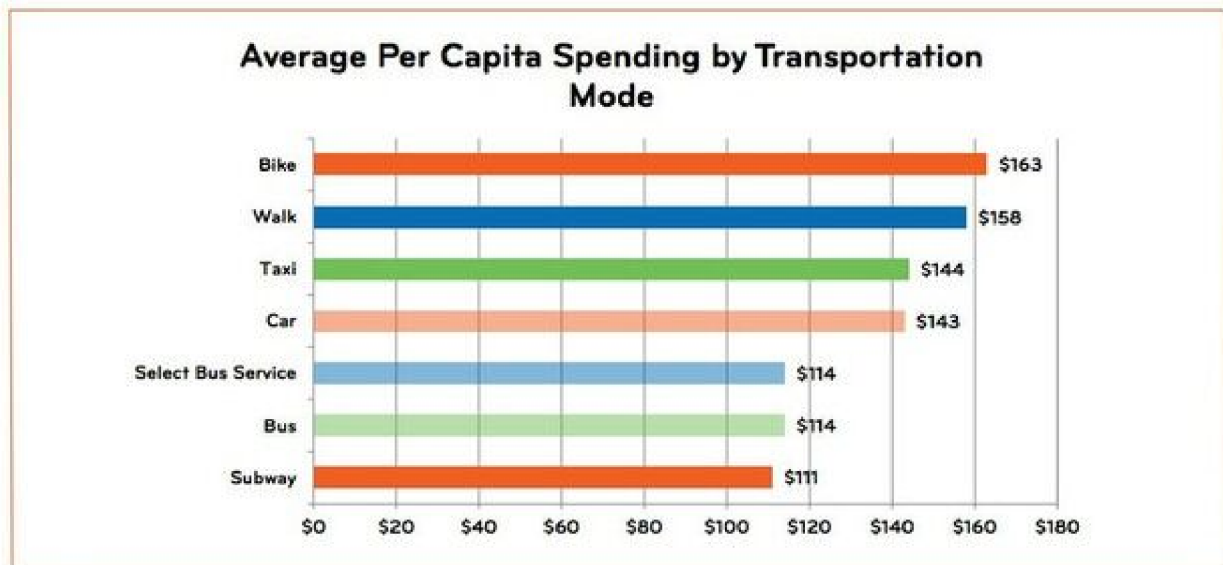
Key chart:



East Village, New York City

A neighborhood survey of 420 people on First and Second avenues in Manhattan's East Village, home to protected bike lanes, found that aggregate spending by non-drivers accounted for 95 percent of all retail spending in the area. That's not too surprising in New York, given the great transit infrastructure, but the figures remain impressive. Cyclists spent about \$163 per week on average, compared to \$143 among drivers.

Key chart:



Auckland, Christchurch, and Wellington, New Zealand

A survey of 1,744 shoppers and 144 retailers in nine shopping areas in these three New Zealand cities found that drivers did spend more money per trip than non-drivers, \$47 to \$34. But in central city locations, the gap between drivers and cyclists was only \$4 per trip (\$47 to \$43, respectively). And non-drivers also spent more time in the shopping areas, suggesting that "the longer-term spending by sustainable users is likely to be higher than that of private vehicle users."

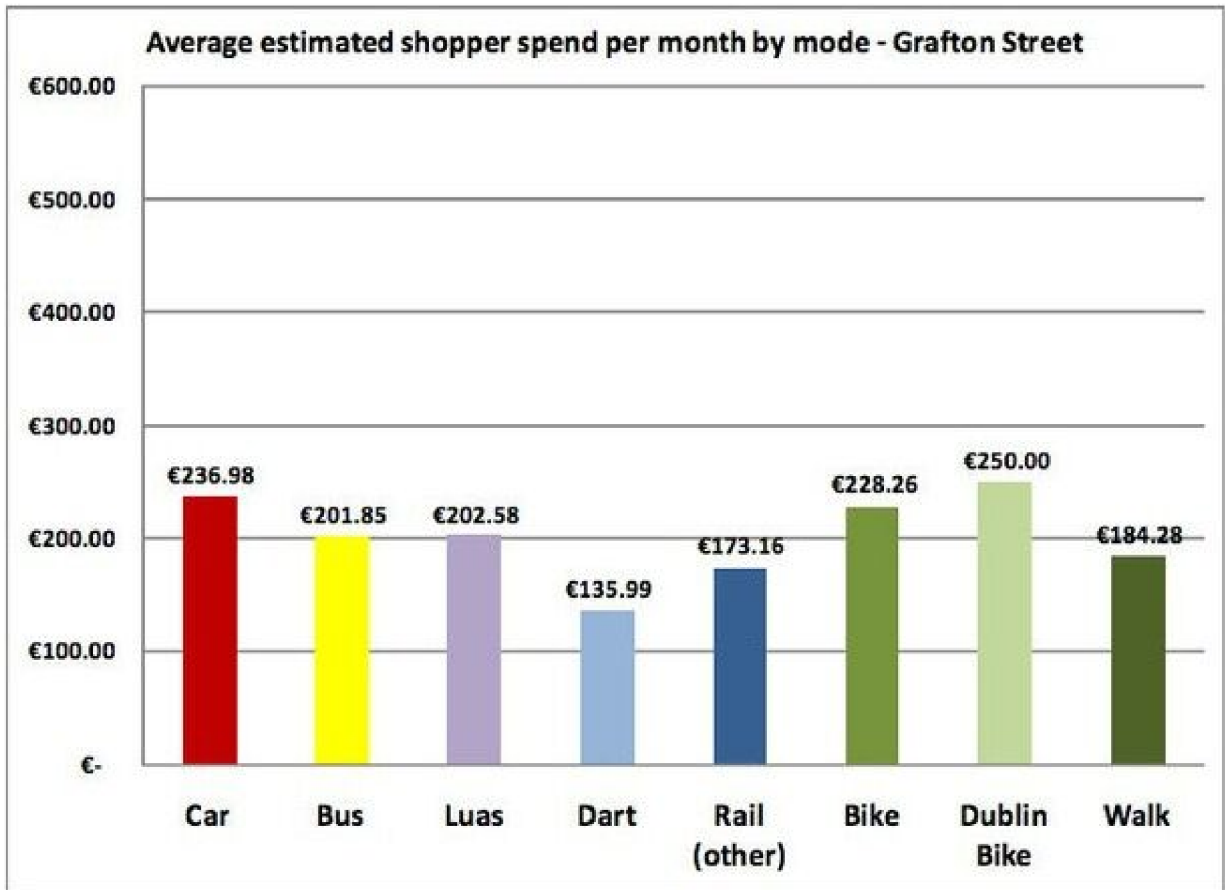
Key line:

This suggests that, in many cases, the benefit of encouraging more sustainable transport journeys to shopping centres outweighs the cost of reallocating space and improving the urban design in shopping centres.

Dublin, Ireland

Consumer behavior was studied along two shopping avenues in Dublin: Grafton Street and Henry Street. Merchants overestimated how many of their customers arrived by car—they guessed 13 percent on Grafton (it was actually 10 percent) and 19 percent on Henry (it was actually 9 percent)—and underestimated bicycle patrons. On Grafton Street, with better bike infrastructure, monthly cyclist spending was nearly even with driver spending: 228 to 237 euros.

Key chart:



Los Angeles, California

Business data was collected along York Avenue in Los Angeles before and after a road diet that replaced car lanes with bike lanes. The change was found to have "little effect on surrounding businesses, property values, and customer shopping patterns." Sales tax revenue, a proxy for business success, was higher on the section of York with the new bike lane than the section without it, \$1,116,745 to \$574,778 (though revenues rose post-road diet in both sections).

Key chart:

	Road Diet	Non-Road Diet
Pre-road diet implementation	\$727,937	\$344,623
Post-road diet implementation	\$1,116,745	\$574,778
Absolute growth	\$388,808	\$230,155
Percent change	53%	67%

Vancouver, Canada

This study of shops in downtown Vancouver did find a net decrease in sales after the implementation of a separated bike lane. But the analysis relied on business surveys, rather than actual sales data, which might have led to a response bias among the merchants who took the biggest hit. The little sales data that was received "indicated that the estimated loss in sales was not as high as reported in the surveys."

Key line:

Despite efforts to increase response with follow-up telephone calls, there is some degree of uncertainty about the randomness of the results obtained.

Toronto, Canada

Surveys were conducted with 61 merchants and 538 patrons on Bloor Street in Toronto. It was found that only 10 percent of patrons drove to the shopping area, and that those arriving by foot and bicycle spent the most money per month. Report authors concluded that converting street parking into a bike lane in the area was "unlikely" to have a negative impact on business and that, on the contrary, "this change will likely increase commercial activity."

Key chart:

Table 5. Money spent in the area per month							
	Live or work in the area (294)	Live and work outside the area (242)	Walk (246)	Bicycle (64)	Public Transit (171)	Car (55)	Total (536)
< \$25	6%	31%	8%	11%	29%	24%	17%
\$25-\$99	21%	35%	16%	39%	37%	37%	27%
\$100-\$499	50%	29%	52%	42%	28%	30%	41%
\$500-\$999	14%	5%	17%	3%	3%	4%	10%
> \$1,000	9%	0%	7%	5%	3%	5%	5%

San Francisco, California

A few years ago, as San Francisco considered a congestion pricing scheme, merchants objected that the impact on driving would hurt their businesses. But a survey of 1,187 shoppers in major retail centers found that a majority of the consumers (60 percent) arrived by transit, walking, or cycling. In line with other studies, the researchers here also found that non-driving shoppers spent more per month than drivers because they visited the area more often.

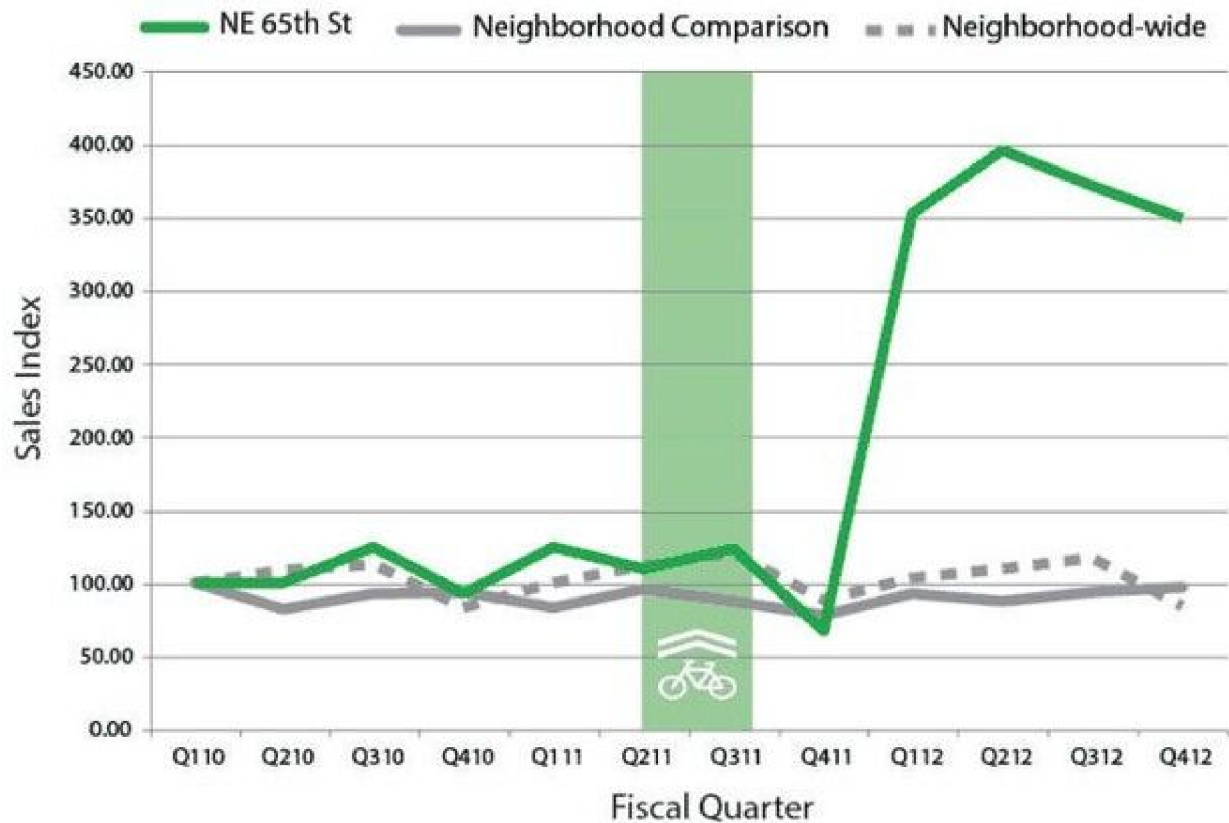
Key line:

The belief that recreational customers predominantly travel by car and spend more than transit riders is not reflected in the data, nor is this belief consistent with similar observations in other cities.

Seattle, Washington

University of Washington researcher Kyle Rowe collected retail sales data before and after a bike lane absorbed 12 street-parking spaces on 65th Street in Seattle. The sales index on 65th Street skyrocketed after the lane was put in place, especially compared with the index in the rest of the neighborhood. Business didn't spike around a new bike lane in the Greenwood district, but neither did it fall, leading Rowe to conclude that cycling infrastructure had no "negative impact."

Key chart:



Via Kyle Rowe

Davis, California

A very recent study, from UC-Davis scholars Natalie Popovich and Susan Handy, analyzed nearly 1,900 shopping trips to downtown Davis made after the opening of a new Target store. Cyclists not only took slightly more trips than drivers did, but spent more per trip—leading to a monthly total spending of roughly \$250 for cyclists to \$180 for drivers. The results were especially impressive considering they only reflect spending on the type of goods available at Target, not food or services.

Key line:

According to the extrapolated frequencies and per-trip spending— even without accounting for spending on food, drink, and services— study results indicate that the customers who travel by bike to shop downtown spend as much money as their car-driving counterparts or more each month.

Bristol, England & Graz, Austria

U.K. researchers recently surveyed 840 customers and 126 merchants in Bristol, England. The retailers thought their customers lived farther away than they really did, underscoring another misperception: that 41 percent drove to the shops, when in fact only 22 percent did. (Meanwhile, merchants guessed only 6 percent of customers rode a bike, when it was actually 10 percent.) Those numbers lined up well with similar travel mode misperceptions in a Graz, Austria, business district.

Key chart:

City	Walk Actual	Walk Estimated	Cycle Actual	Cycle Estimated	Bus Actual	Bus Estimated	Car Actual	Car Estimated
Graz	44%	25%	8%	5%	16%	12%	32%	58%
Bristol	55%	42%	10%	6%	13%	11%	22%	41%

Melbourne, Australia

The award for best infographic goes to research conducted on the shopping behavior of cyclists and drivers in Melbourne, Australia. Researcher Alison Lee found that drivers spent more per hour than cyclists, about \$27 to \$16.20. But because six bikes can fit into a single automobile parking space—for a total hourly spending of \$97.20—Lee argued there would be an economic gain to using that space for bicycles instead.

Key infographic:



Figure 30 Retail spend per hour generated by one car parking space allocated to car parking in Lygon Street, Carlton, where the car park is fully utilised at all times by a car.



Figure 31 Retail spend per hour generated by one car parking space allocated to six bike parking spaces in Lygon Street, Carlton, where the car park is fully utilised at all times by six bikes.

Context changes everything.

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