

## APPENDIX A - SUPPORTING DOCUMENTATION FOR OPEN SPACE IMPACT ANALYSIS

### Aggregate House Value Premium Produced by Proposed Development

Distance to Proposed Development	# Houses within Close Proximity to Proposed Development	Average House Value of These Houses	Aggregate House Value of These Houses
1 Mile	2,423	\$367,509	\$890 million

Aggregate House Value of Houses within Close Proximity to Proposed Development	Property Value Impact Produced by Proximity to Open Space	Aggregate Property Value Impact from Open Space
\$890 million	1% - 4%	\$8.9 million - \$35.6 million

1. Proximity to open space affords a premium on house values. Therefore, the aggregate house value close to the proposed development site was calculated.
2. The number of households within 1 mile of the site was determined using ESRI Business Analyst, which uses data from the 2014 American Community Survey. ESRI Business Analyst uses granular geography level data to aggregate to custom geographies. Within a one mile radius of the development, it is estimated that there are an estimated 2,423 households.
3. Average house value was also determined using ESRI Business Analyst. The value of a home within a one mile radius of the site is estimated to be \$367,509.
4. In aggregate, the total value of homes within a mile of the site is approximately \$890 million.
5. A proxy for the premium produced by proximity to open space can be taken from an analysis by Econsult Corporation in 2010 Green Space Alliance and Delaware Valley Regional Planning Commission report (<http://www.dvrpc.org/OpenSpace/Value/>). This study directly analyzed the property value premium associated with proximity to open space, and found it to range from 0.7 percent to 14 percent for houses within a ¼ mile, depending on neighborhood type and open space type. To be conservative, 1 percent to 4 percent was used for houses within a mile.
6. Having a 1 to 4 percent premium yields approximately \$8.9 million to \$35.6 million in total increased property value from adding the open space.
7. Note that the property value increase is only accounting for the increasing value people place on houses now that they are near open space. There are likely to be three additional sources of increased property value and therefore attendant increases to the local property tax base. First, it is likely that the addition of enhanced open space will increase property values throughout the Township, not just for houses within a mile of the development site. Second,



proximity to attractive open space will not only increase the value people place on their houses in their current form, but may lead to a higher than usual amount of investment in those houses, in terms of adding or enhancing the space in their houses. Third, the addition of attractive open space may also induce new development activity by real estate developers who seek to meet the new demand for residential and other locations proximate to such open space.

