Green Dividend
Cities facilitate less driving, saving money and stimulating the local economy

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Portland’s Green Dividend

- Median commute miles per day for 33 most populous US metro areas: 24.3
- Average daily miles for Portland area commute: 20.3
- Miles saved compared to median: 2.9 B
- Transportation costs saved compared to median: $1.1B
- Estimated value of time spent commuting: $15 per hour
- 100 million hours less traveled per year saves: $1.5B
- Total savings per year: $2.6B

How urban form and transit enable people to drive less, saving money that gets spent locally, helping foster urban economic growth.
Does being green pay?

- Is conservation just noble self-sacrifice; well-intentioned but un-economic?
- Or does it make a difference to the local economy?
Green Portland

- One of the nation’s greenest cities
- City policy to limit greenhouse gases
- Land use and transportation policies
  - Higher density
  - Transportation alternatives
  - Housing choices
Key Measure: Vehicle Miles Traveled

Source: U.S. Department of Transportation
Monetary Savings

• Portland: 20.3 miles per person per day
• Median Large City in US: 24.3 miles

Annual savings to Portland area:
-4.0 fewer miles x
-365 days x
-2.0 million metro population
Time Savings

• Travel 2.8 billion fewer person miles per year
  (2.2 million people * 365 days * 4 miles)
• Value of travel time estimated at $15/hour
• Savings in travel time
  - 100 million hours (at 27 miles per hour)
  - Value of time saved: $1.5 billion
Corroborating Evidence

- Consumer Spending
- Vehicle Purchases
- Gasoline Sales
Portland spend less on transportation

Portland 15.1% of consumer expenditures

Average of 26 Largest Metro Areas 19.1% of consumer expenditures

(Source: Impresa analysis of Department of Labor data)
Portland residents buy fewer new cars

Oregon 46 Vehicles per 1,000 Population

United States 55 Vehicles per 1,000 population

(Source: Impresa analysis of National Automobile Dealers Association data)
Portland residents buy less gasoline

Oregon 53.5 million BTU per capita

United States 59.6 million BTU per capita

(Source: Impresa analysis of Energy Information Administration data)
How Portland does it

• More Compact Development
  - Urban Growth Boundary
  - Less Sprawl
• Alternatives to Auto Travel
  - Transit
  - Bicycling
• Personal Choices
Compact Land Use

- Portland’s Urban Growth Boundary
- Limits on exclusionary zoning
Portland’s jobs sprawl less than most US metros

Job Sprawl Index: Ratio of Jobs 10 to 25 miles From CBD to Jobs less than 3 miles from CBD

(Source: Impresa calculations from County Business Pattern data)
Less Economic Segregation

Economic Segregation Index:
(Percent of High income households that would have to move to balance high and low income households to regional average in each neighborhood)

Source: Lewis Mumford Institute)
Portland residents ride transit more

Portland 13.3% Commute by Transit

United States 6.5% Commute by Transit

(Source: American Community Survey, 2005)
Portland residents seven times as likely to bicycle to work

Portland 3.5% of commuters bicycle to work

Average for Cities of 85,000 plus 0.4% of commuters bicycle to work

(Source: Census Bureau, American Community Survey, 2005)
Most Hybrids Per Capita

Happier Citizen Commuters

Portland 60% rate transportation system “good or excellent”

Average of Metro Areas
35% rate transportation system “good or excellent”

(Source: Impresa analysis of Riley Research survey data)
More Local Spending

• Spending on cars and fuel leaves the regional economy
• Other spending has less leakage
• $1 billion in additional local purchasing power for all other industries
And, yes, Lower Carbon Emissions

- 2 million people drive 4 miles less per day, yielding 8 million fewer miles per day per day.
- At 20 miles per gallon, that saves 400,000 gallons of gas per gallon.
- At 19.4 pounds of CO2 emitted per gallon, 365 days a year.
- That saves 1.4 million tons per year.
Next Steps

• Apply to Other Cities
• Identify Possible Gains
• Quantify Local Economic Impacts
For More Information

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