



CITY OF CAMBRIDGE

Community Development Department

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To: Yi-An Huang, City Manager

From: Iram Farooq, Assistant City Manager for Community Development

SANDRA CLARKE
Deputy Director
Chief of Administration

Date: February 7, 2024

Re: Cycling Safety Ordinance Economic Impact Study

Please find attached the Cycling Safety Ordinance (CSO) Economic Impact Report. Additional information on this study, including this full report is available at www.cambridgema.gov/econimpactstudy.

BACKGROUND

In 2022, the City Council requested that the Community Development Department's Economic Opportunity and Development Division study the impact of installation of separated bike facilities along commercial corridors on local businesses, positive or negative, with the goal to help inform current and future installations of bike lanes.

The City entered into an inter-agency agreement with Volpe National Transportation Systems Center (Volpe) in January 2023 to conduct the study. The study scope includes identifying and collecting relevant economic data to create a baseline and evaluate impacts of installations to date and creating a methodology that can also be used for analysis and reporting in future years as the bike network is implemented. The initial steps of the work included reviewing similar studies from other cities to identify best practices in methodology and potential data sources. The goal was to create a sustainable data set that includes objective, local data that is available and can be updated on a consistent basis.

STUDY HIGHLIGHTS

- Finding reliable data sources was a challenge. Studies from other communities used data sources not available locally in Cambridge (e.g. local sales tax). Data from third party organizations (such as Safegraph) was also found unreliable because it was missing local data for many quarters. Data used and recommended for future reporting includes customer and business surveys, commercial real estate

occupancy/vacancy data, and Longitudinal Employer-Household Dynamics (LEHD) employment data.

- The study's findings of impacts are inconclusive. The retail and small business environment in 2023, and the preceding years while the separated bike facilities were being installed, was deeply influenced by macroeconomic impacts of the COVID-19 pandemic, inflation, high interest rates, supply chain issues, and increase in online shopping. This makes it difficult to determine what component of economic impact being experienced by businesses are attributable to separated bike facilities and what is the impact of broader macroeconomic factors.
- Looking at the quantitative data, the study found little to no difference between an area with a separated bike lane and a similar area without one. If there are differences, they are not statistically significant.
- We conducted a business survey and got responses from 300 businesses, a 20% response rate. The business survey results qualitatively showed that in separated bike lane corridors some businesses saw a decrease in sales since installation.

NEXT STEPS

It is important to continue to collect data to understand short- or long-term economic impacts due to the separated bike lane installation. We intend to utilize the blueprint created by Volpe to analyze and report findings until the bicycle network installation required by the CSO is complete.

City staff have already found the study recommendations useful for improving future data sets and reporting. Specifically, we will conduct customer intercept surveys more frequently and clarify the business survey questions to ask about impacts explicitly around fully separated bike lanes and not street changes in general. CDD staff will work with the Traffic, Parking, and Transportation Department to gather and use parking utilization data pre- and post-installation of separated bike facilities.

The CSO Economic Impact Study brings together quantitative and qualitative data, and we expect that this will provide a shared understanding as a starting point to help City staff communicate better with the business community. It will also help us understand current on-street business impacts and which mitigation efforts are the most effective.