

HOW CITIES  
EARN THE  
**GREEN**  
DIVIDEND

OCTOBER 2012

CEOs  
**FOR CITIES**



# ROADMAP

- i. The \$30 billion green dividend
- ii. The market is driving change
- iii. Cities are the solution
- iv. The green dividend comes with a traffic bonus





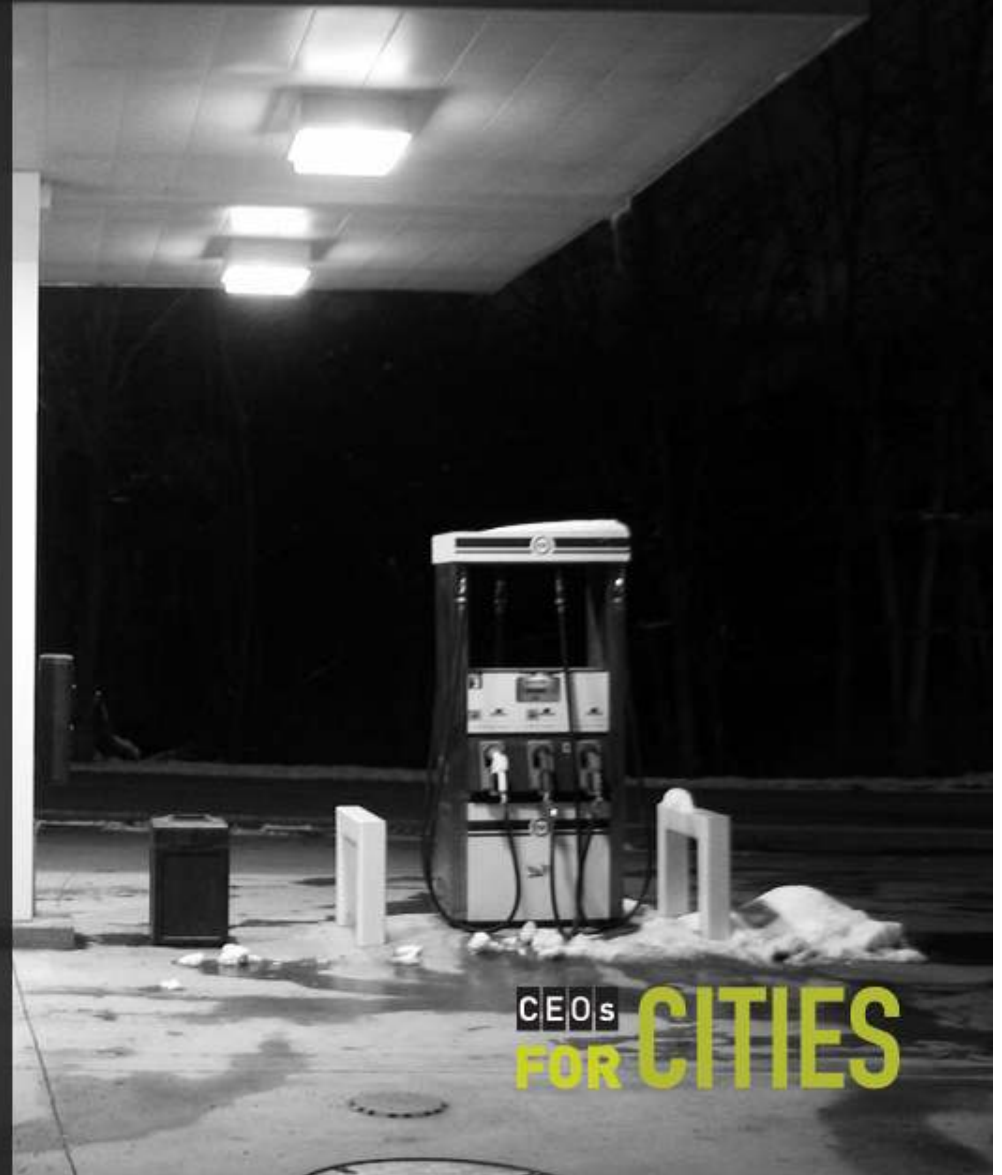
**i.**

THE \$30 BILLION  
**GREEN**  
DIVIDEND

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# GAS HITS **FAMILY** BUDGETS.

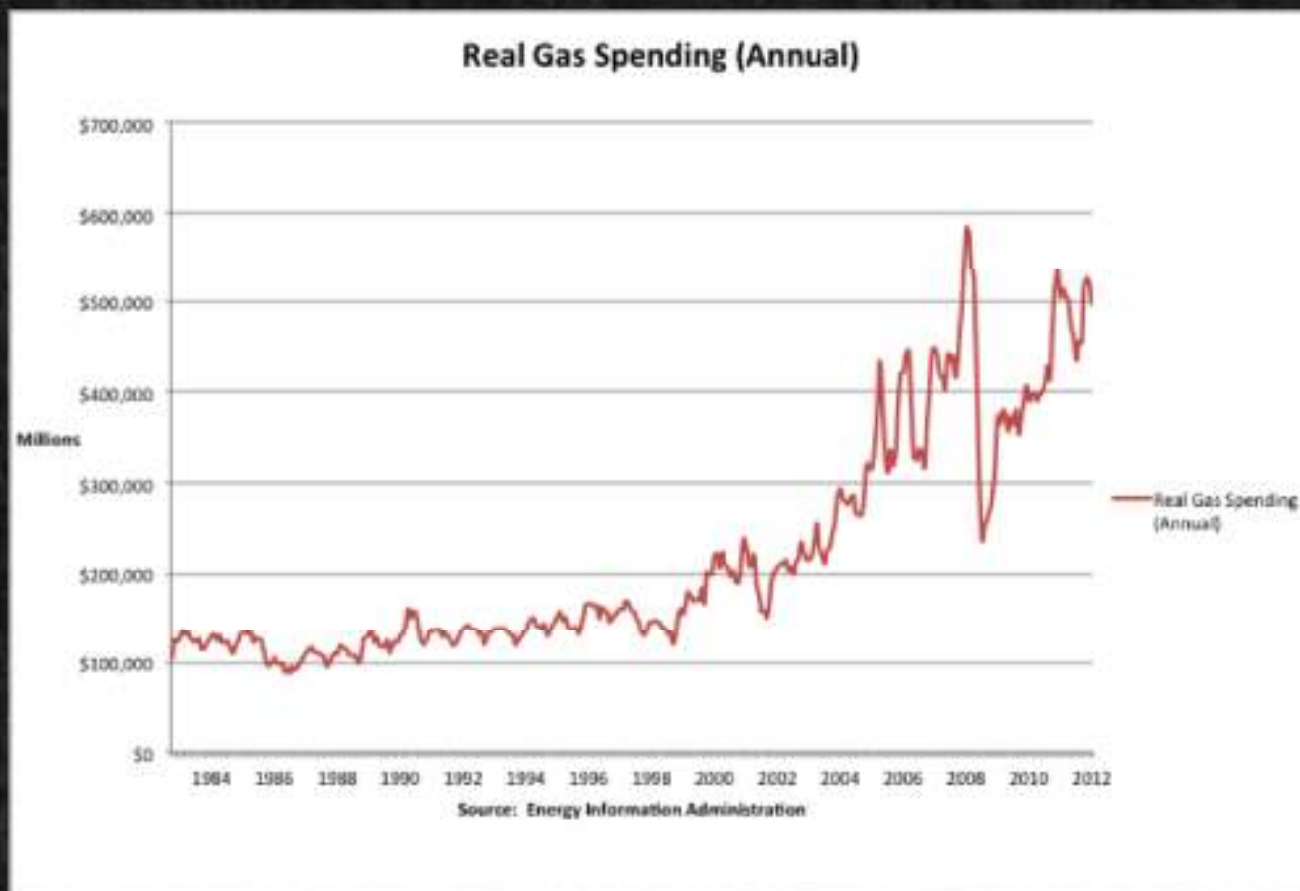
- Average U.S. Family spends \$4,000+ per year on gasoline
- About 6 percent of median family income
- Average household spending on gasoline doubled between 2000 and 2008, according to the BLS

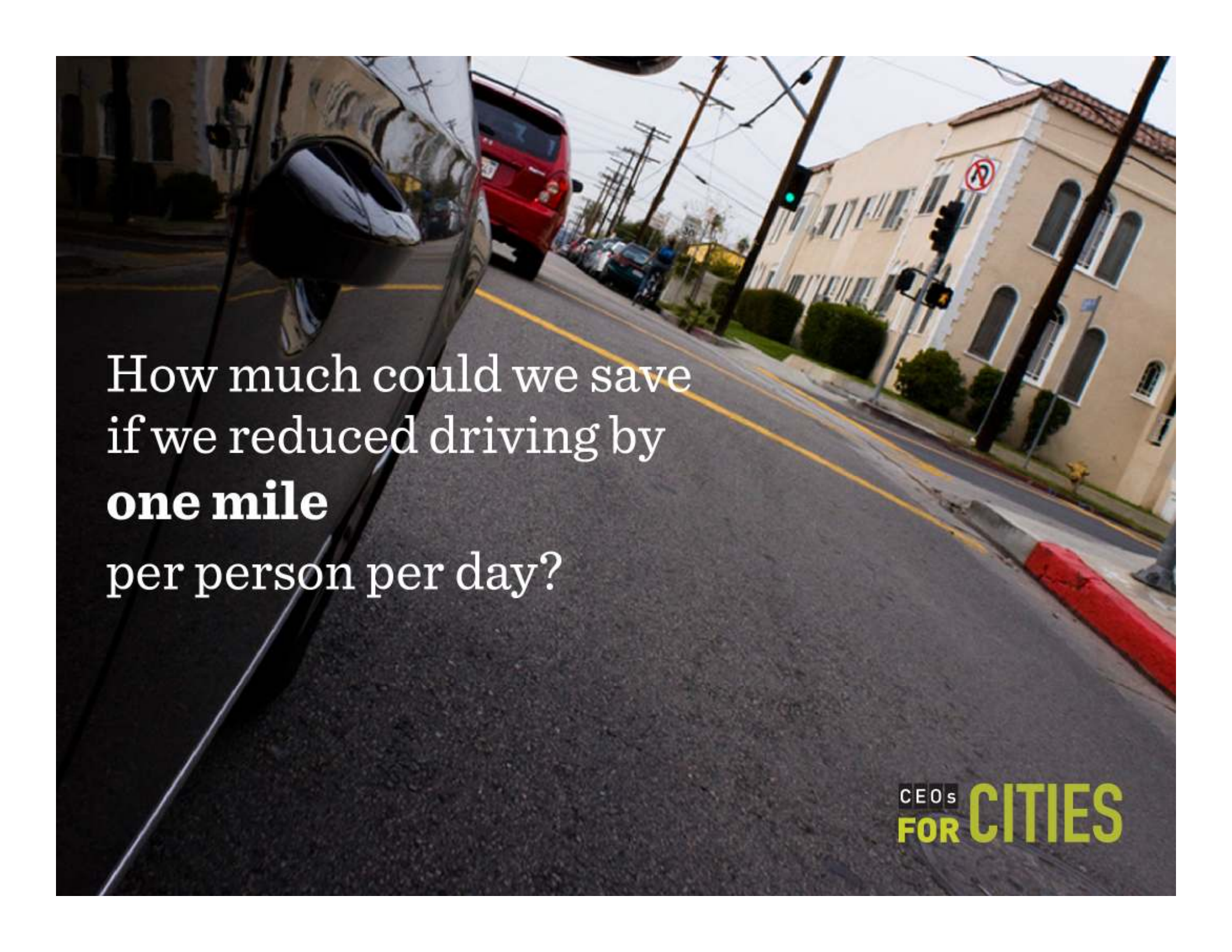


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THE U.S. SPENDS **\$500 BILLION**  
PER YEAR ON GAS.





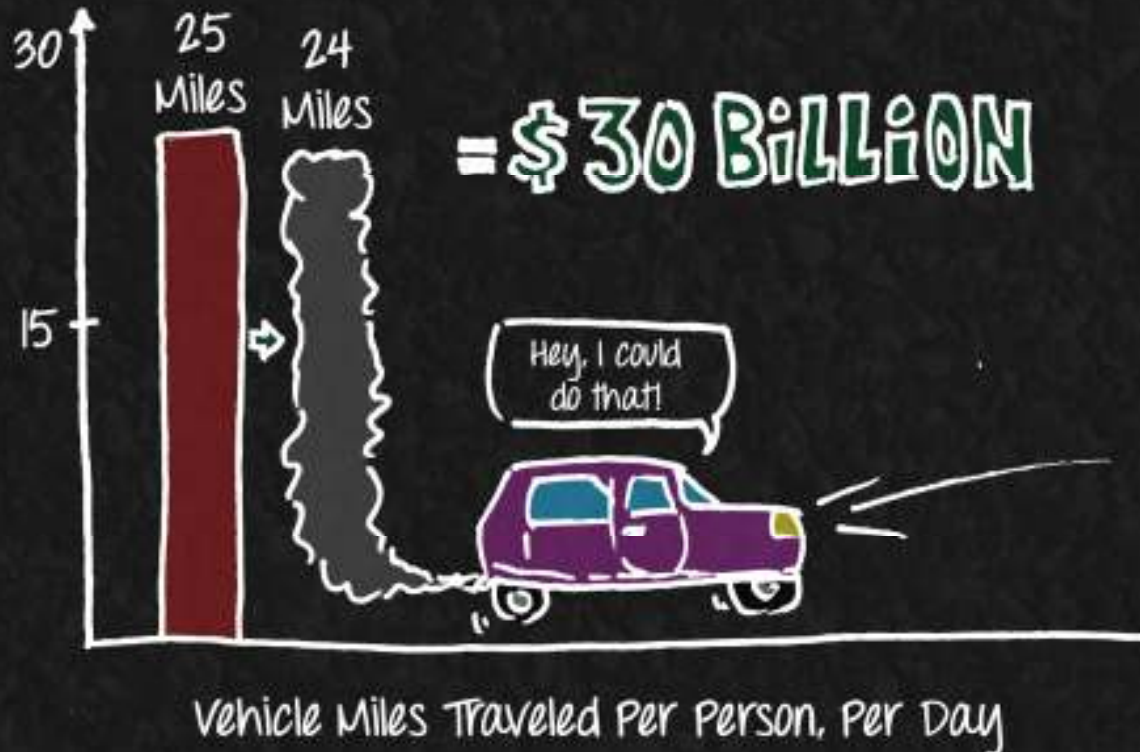
How much could we save  
if we reduced driving by  
**one mile**  
per person per day?

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# THE GREEN DIVIDEND

The average metro resident drives 25 miles per day. Reducing that by just 1 mile would generate \$30 Billion in savings.



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# GREEN DIVIDEND MATH:

1

MILE PER  
PERSON  
PER DAY

50

CENTS PER  
MILE  
OPERATING  
COST

365

DAYS PER  
YEAR

167

MILLION  
RESIDENTS IN  
THE 50 LARGEST  
METROS

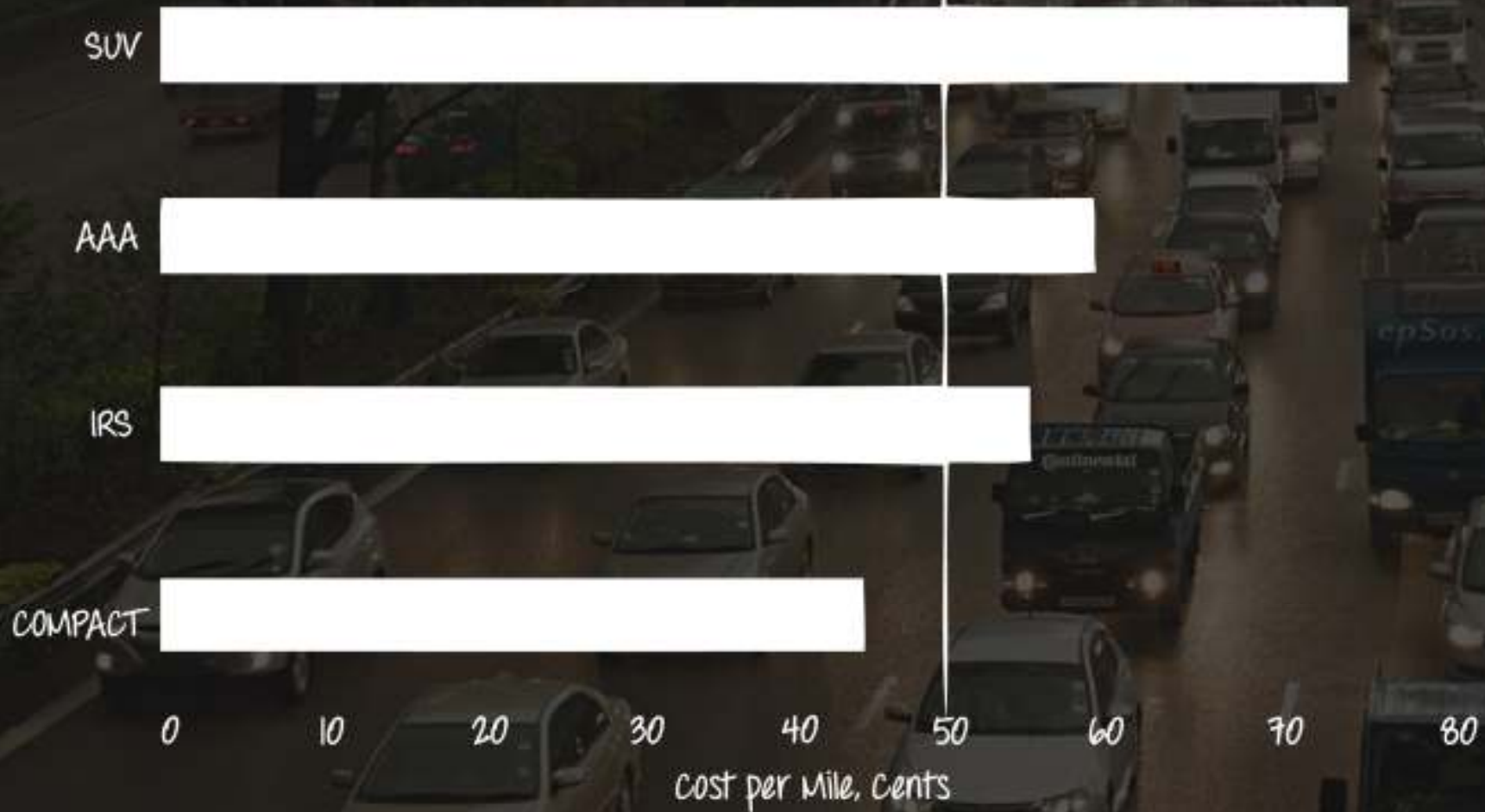
= \$30 BILLION

THAT'S A LOT OF MONEY!



# COST PER MILE: **50 CENTS**

Estimates of cost per mile



**ii.**

THE MARKET IS  
**DRIVING**  
CHANGE

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**PUSH:**  
HIGHER GAS PRICES

**PULL:**  
ATTRACTION OF CITY LIVING

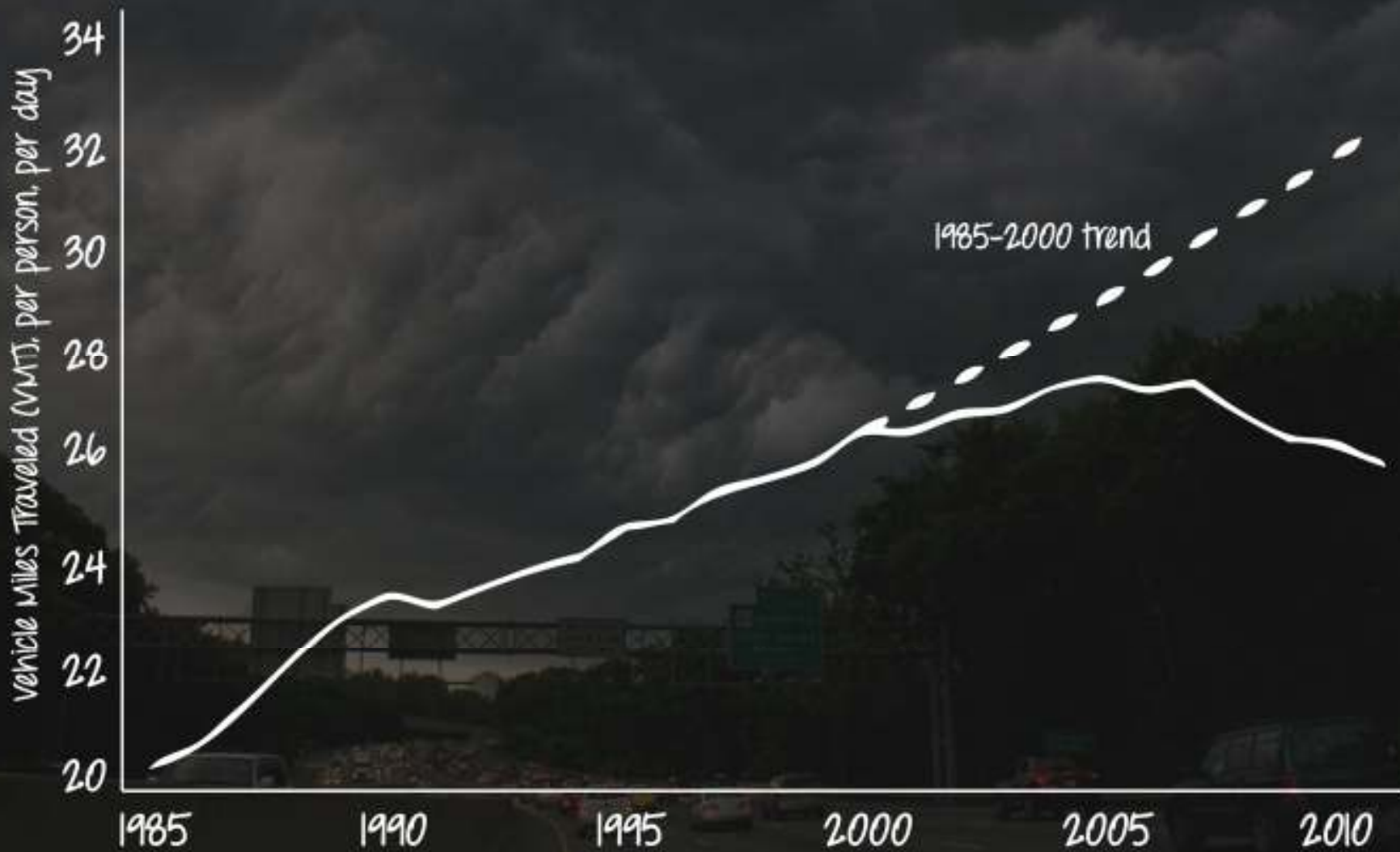


The real cost of **gasoline** has risen sharply.



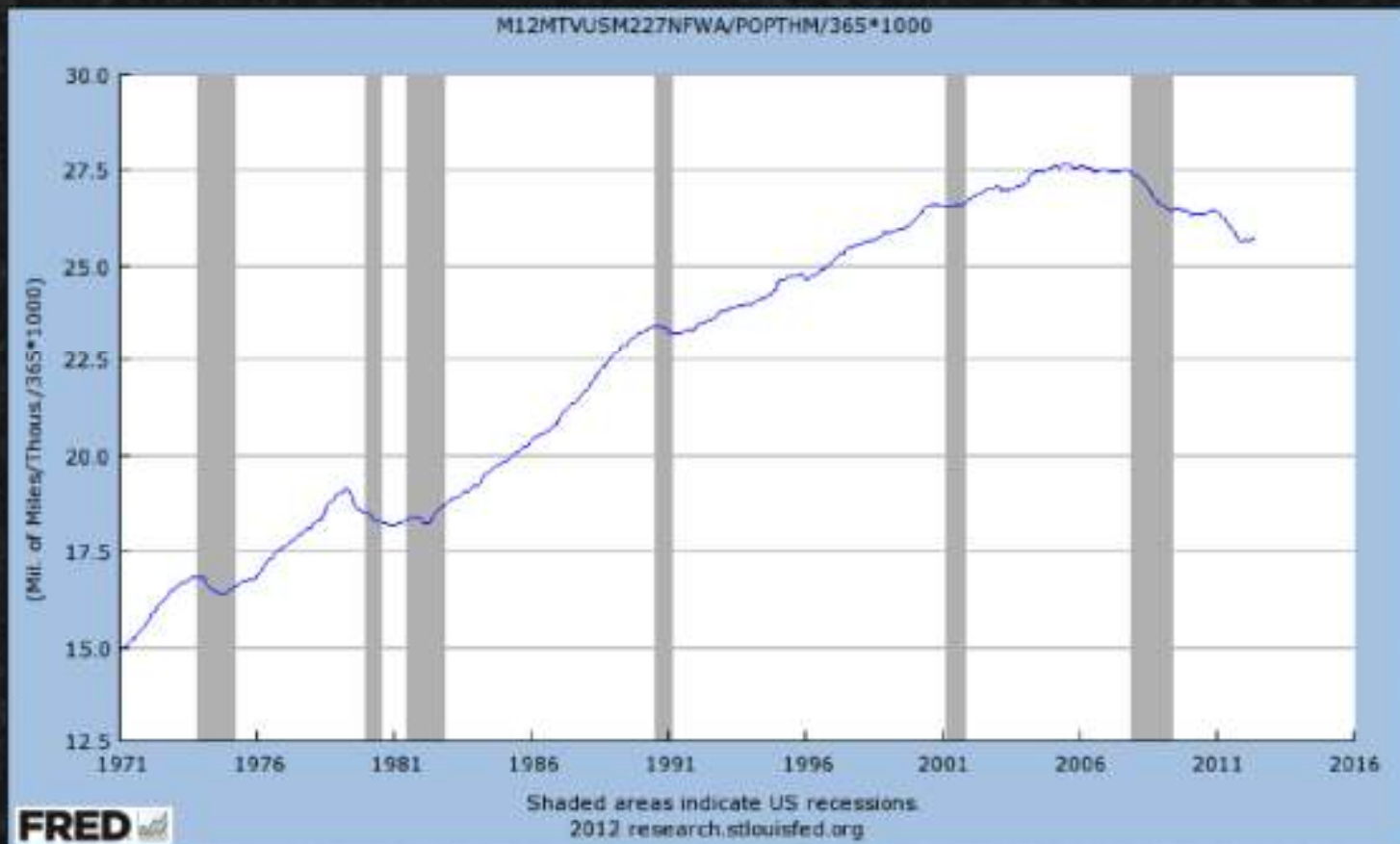


# Vehicle travel has **dropped** sharply since 2005.



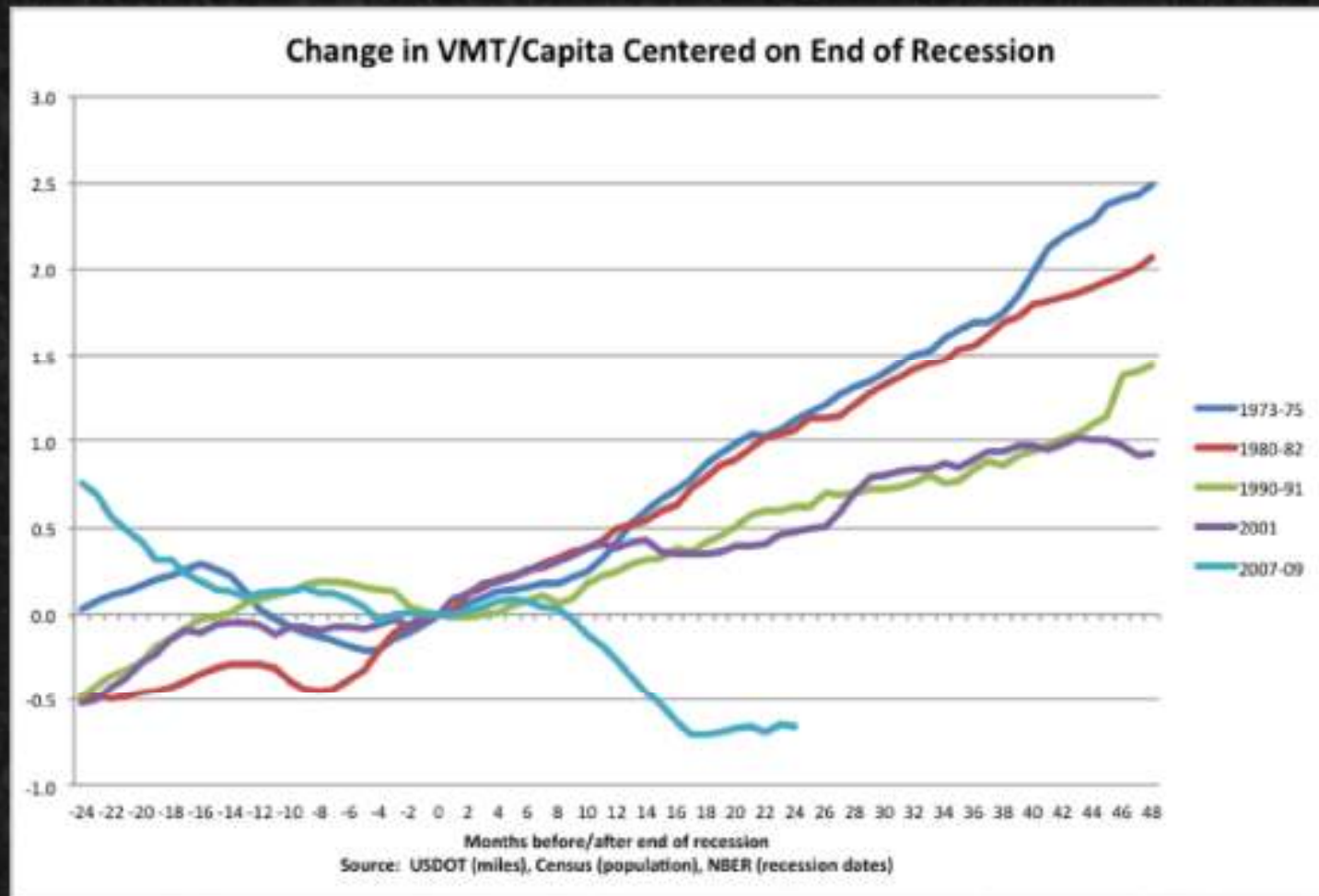
Source: US ODOT, TVT Report, Impresa Calculations (August Data, through 2011)

“Peak Car” was in 2005.





It's **not** the recession.





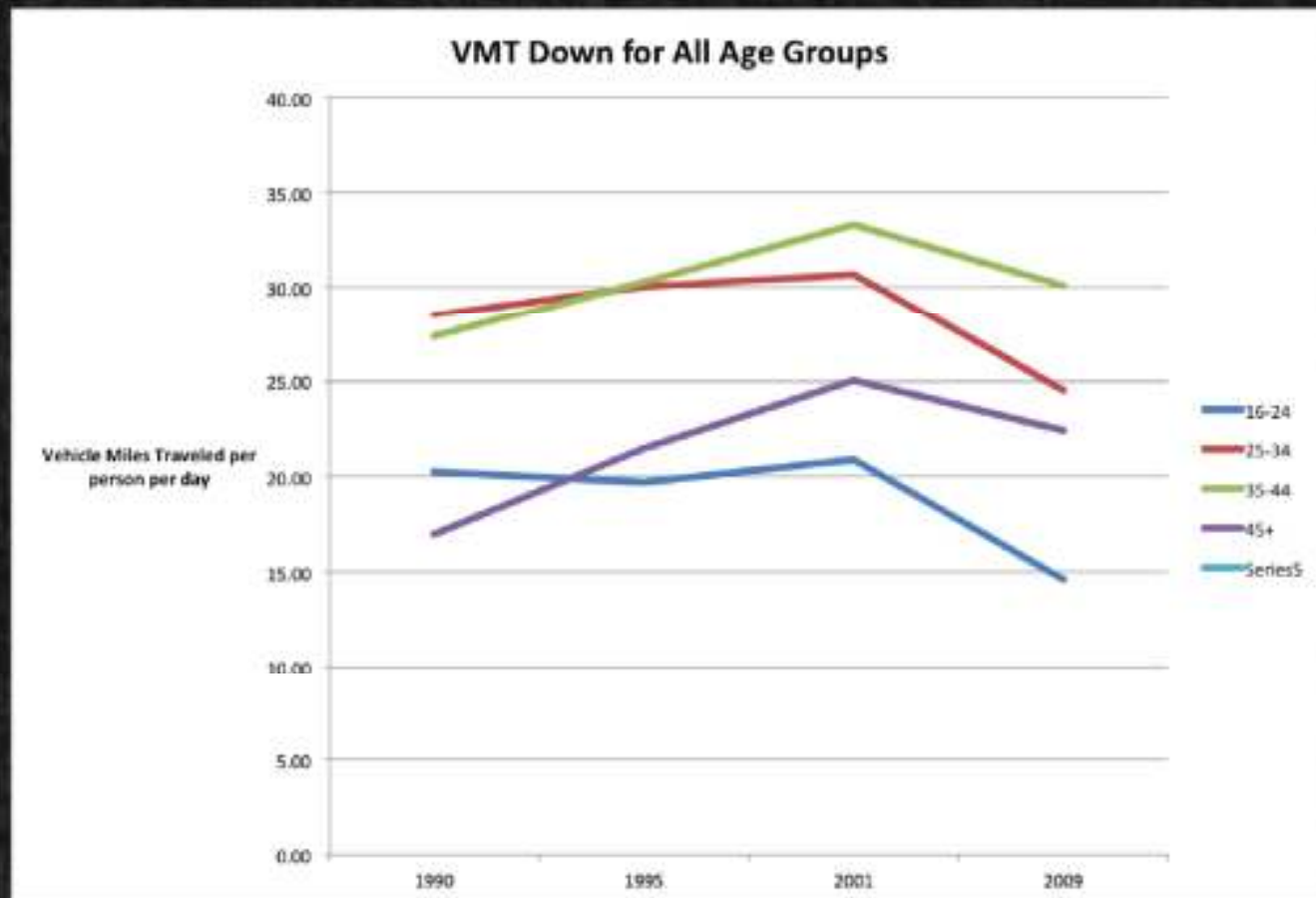
# GENERATIONAL CHANGE

- Young adults are driving less
- Young adults are buying fewer cars
- Technology and place are replacing driving

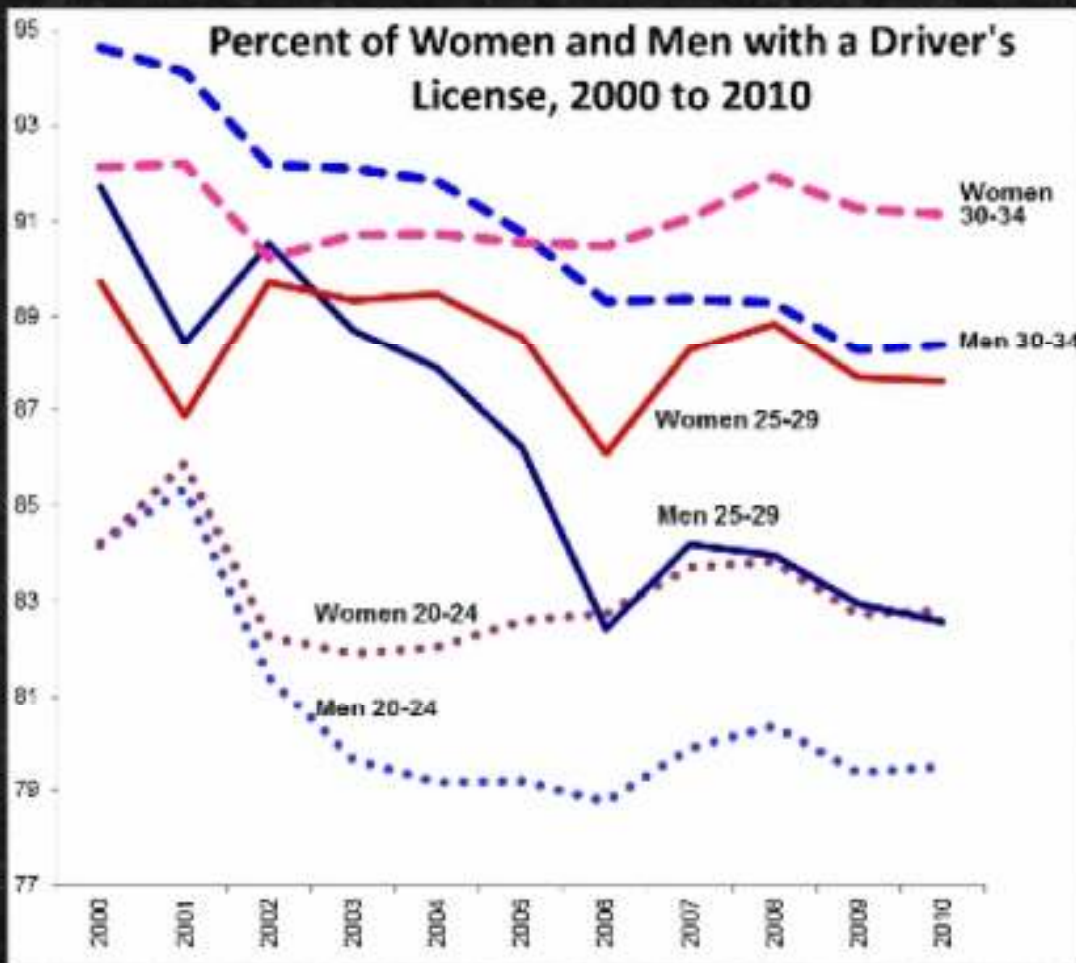




# Driving is down, particularly for the young.



There are fewer young drivers over the last decade.





# YOUNG ADULTS ARE **MOVING** TO CITIES.

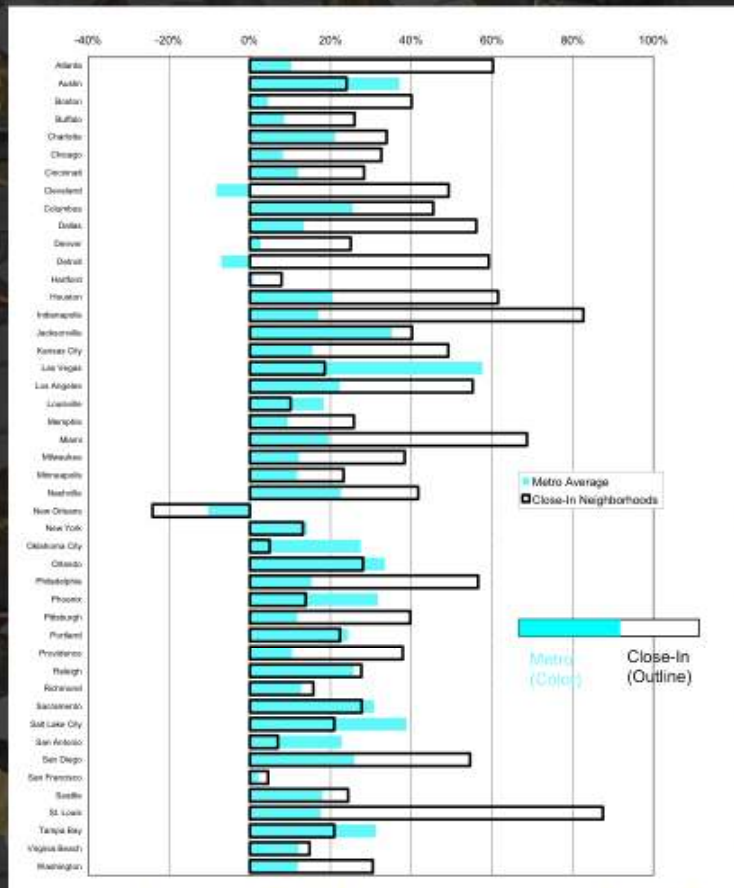
- Real estate reports show growing demand by young adults for more urban locations
- Our “Young and Restless” studies show the number of college-educated 25-34 year olds growing twice as fast in close-in urban neighborhoods





The number of college educated 25-34 year-olds increased **2 to 3 times faster** in Close-In Neighborhoods than in overall MSA.

Percent Increase in 25-34 Year Olds with a B.A. or Higher - 2000-09





**iii.**

**CITIES  
ARE THE  
SOLUTION**

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# CITIES ARE THE SOLUTION.

Cities enable people to do more and drive less because destinations are close at hand, trips are shorter, and walking, biking and transit work better.

Result: City residents spend less on transport, have more money to spend on other things they want, and are less vulnerable to gas price hikes.





A photograph of a person walking a dog on a sidewalk. The person is wearing a dark jacket and a beanie, walking away from the camera. The dog is a medium-sized, light-colored breed. The background is a building with a reddish-brown facade and several windows with white frames. The windows are lit from within, casting a warm glow. The lower part of the building's facade is in poor condition, with large areas of peeling paint and exposed concrete. The overall scene suggests an urban environment with some signs of neglect.

# OWNING FEWER CARS:

LOW CAR LIVING AND CAR-FREE LIVING



# Cities have higher transit accessibility.

Transit Accessibility: City v. Suburb, Washington DC  
45-minute transit travel isochrons, morning commute hour

NW Washington



Tyson's Corners, VA



Silver Spring, MD



Arlington, VA

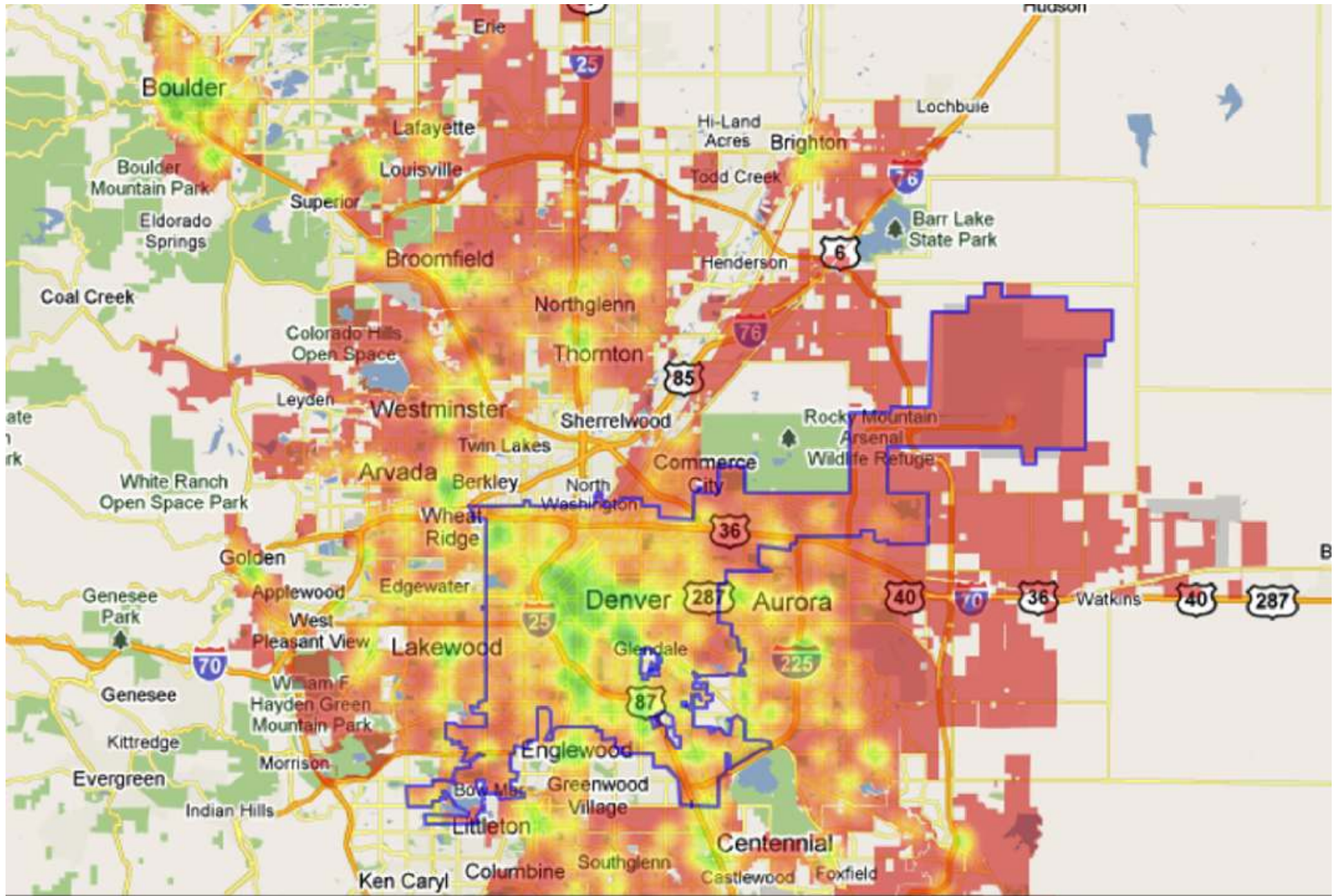


Source: Walkscore.





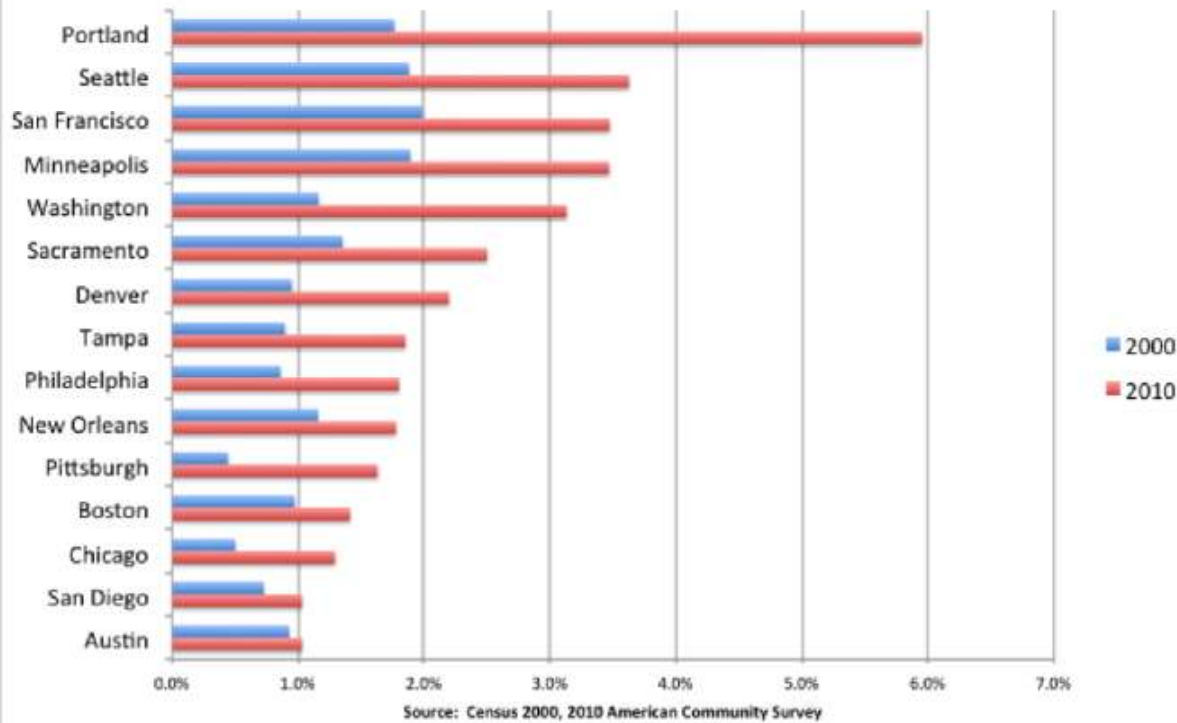




Urban centers are more walkable.



Bicycle Mode Share, Leading Cities, 2000 and 2010

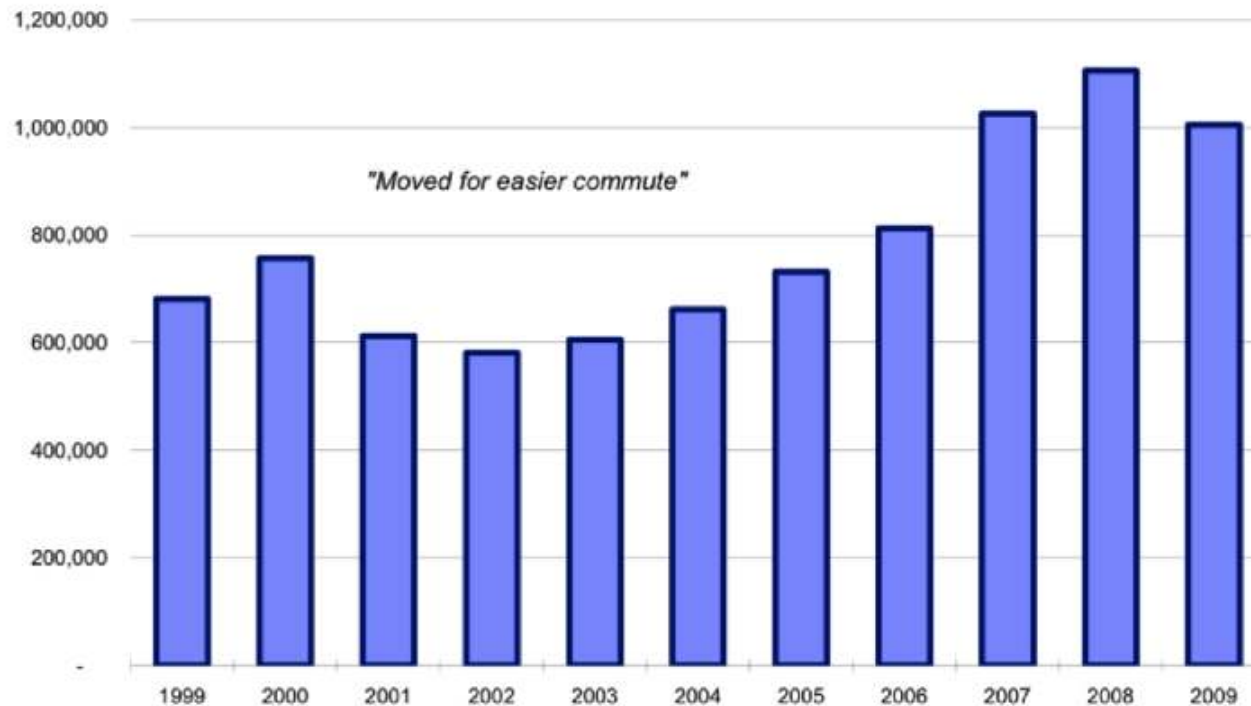


Cycling is **increasing**  
in many cities.

# People are moving **closer**.

## More than a million move to ease commutes, up sharply

Intra-county and same state moves by working age adults, age 25-64



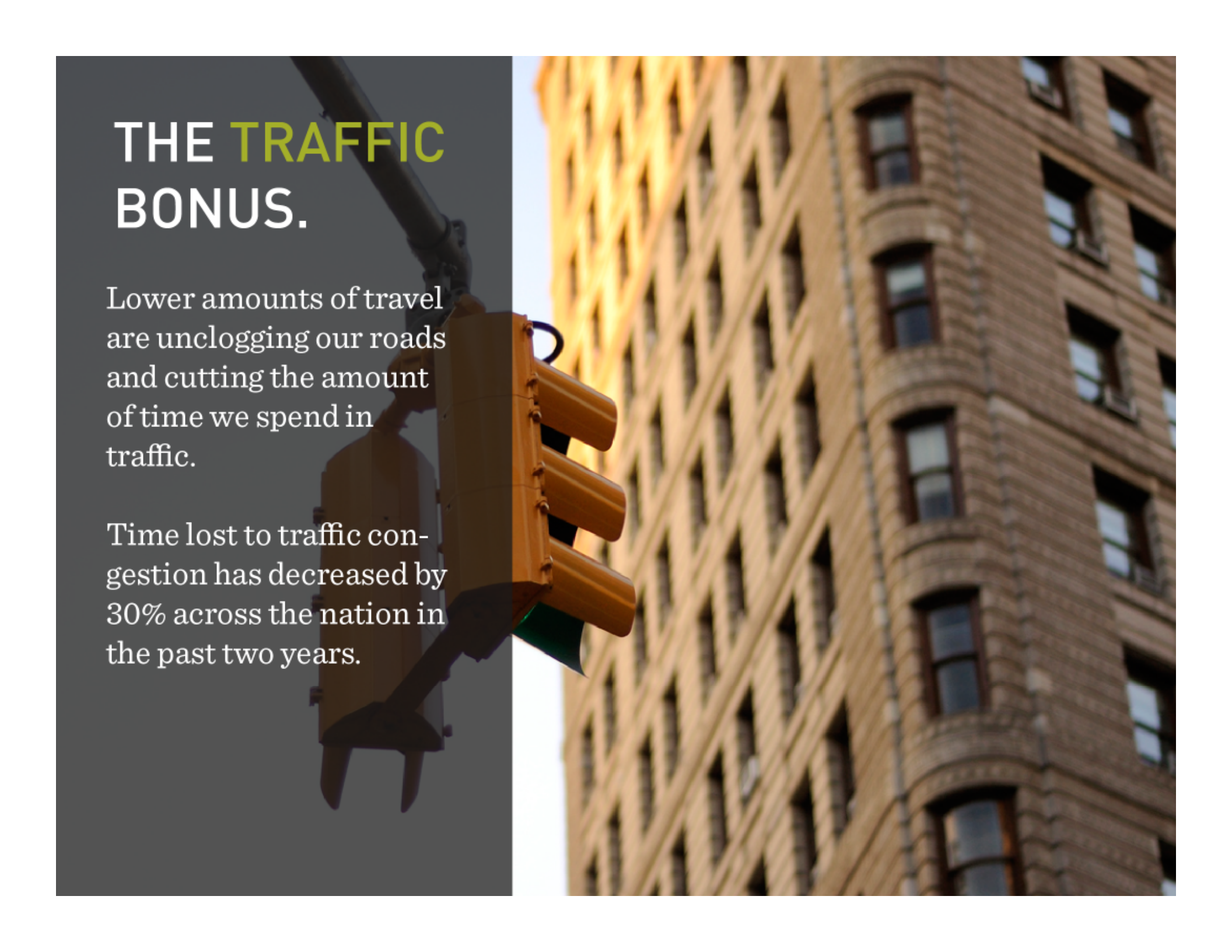
Source: Impresa analysis of Current Population Survey



**iv.**

THE TRAFFIC  
**BONUS**

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# THE **TRAFFIC** BONUS.

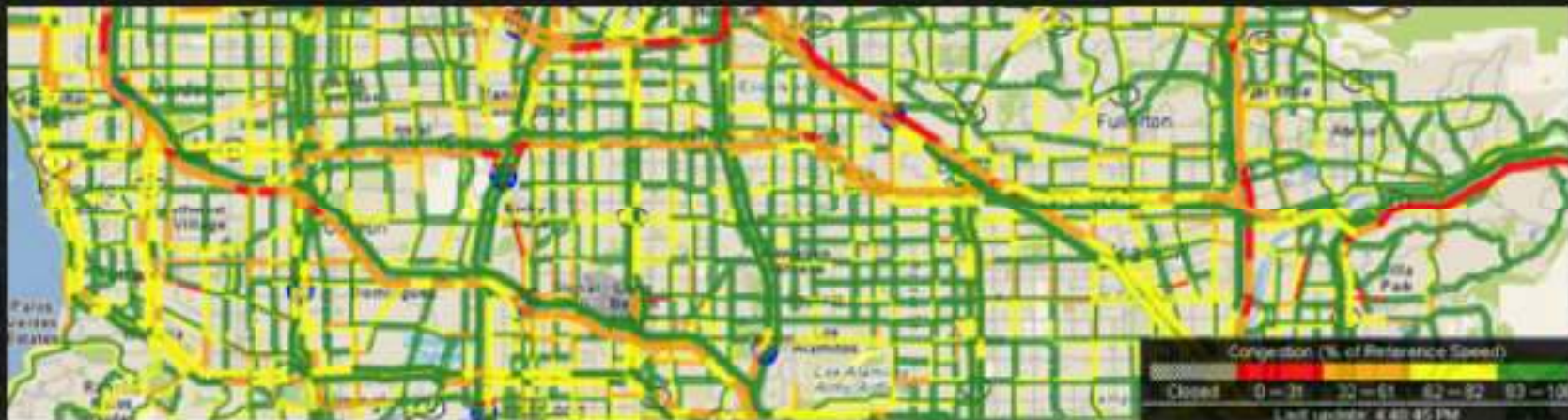
Lower amounts of travel are unclogging our roads and cutting the amount of time we spend in traffic.

Time lost to traffic congestion has decreased by 30% across the nation in the past two years.



# HOW WE KNOW: INRIX

- Monitors 100 million vehicles world wide
- Tracks traffic movement 24/7 on 1 million miles of U.S. Roads
- Provides real time traffic data to Ford, Garmin, Microsoft, Map Quest and 100s of others



# THE INRIX SCORECARD.

INRIX Scorecard Global

INRIX Scorecard Country



## United States

### INRIX Index

Canada

United States

This Month	This Month LY	% Growth
6.6	8.3	-21.2%
T12 Months	T12 Prior Year	% Growth
6.9	9.0	-23.6%

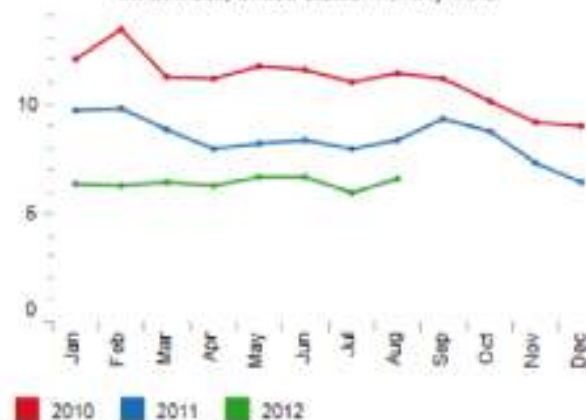
Trailing 12 months from

Aug 2012

Show Top

Top 10

INRIX Index, United States: Monthly Trend



Metro	Rank	T12 Months	This Month	This Month LY
Los Angeles	1	29.4	28.7	29.9
Honolulu	2	27.6	27.0	34.2
San Francisco	3	23.8	23.1	26.0
New York	4	20.4	17.6	23.2
Austin	5	20.2	17.8	17.4
Bridgeport	6	19.3	18.6	21.3
Seattle	7	17.9	17.1	21.1
Washington D.C.	8	17.4	16.0	18.3
San Jose	9	16.8	17.0	16.3
Boston	10	15.3	15.1	17.8

Top 10 Metros: Trailing 12 months from August 2012

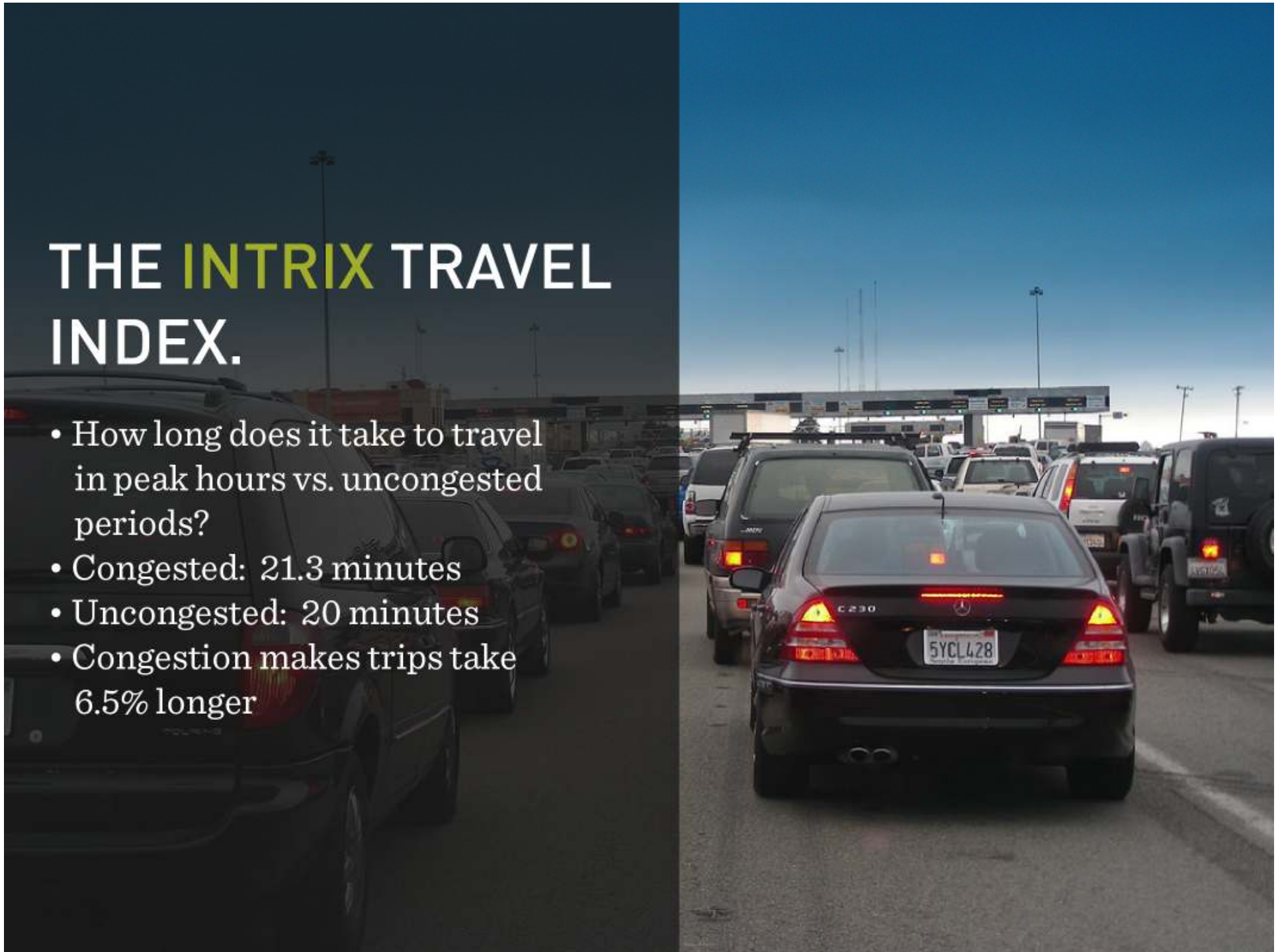


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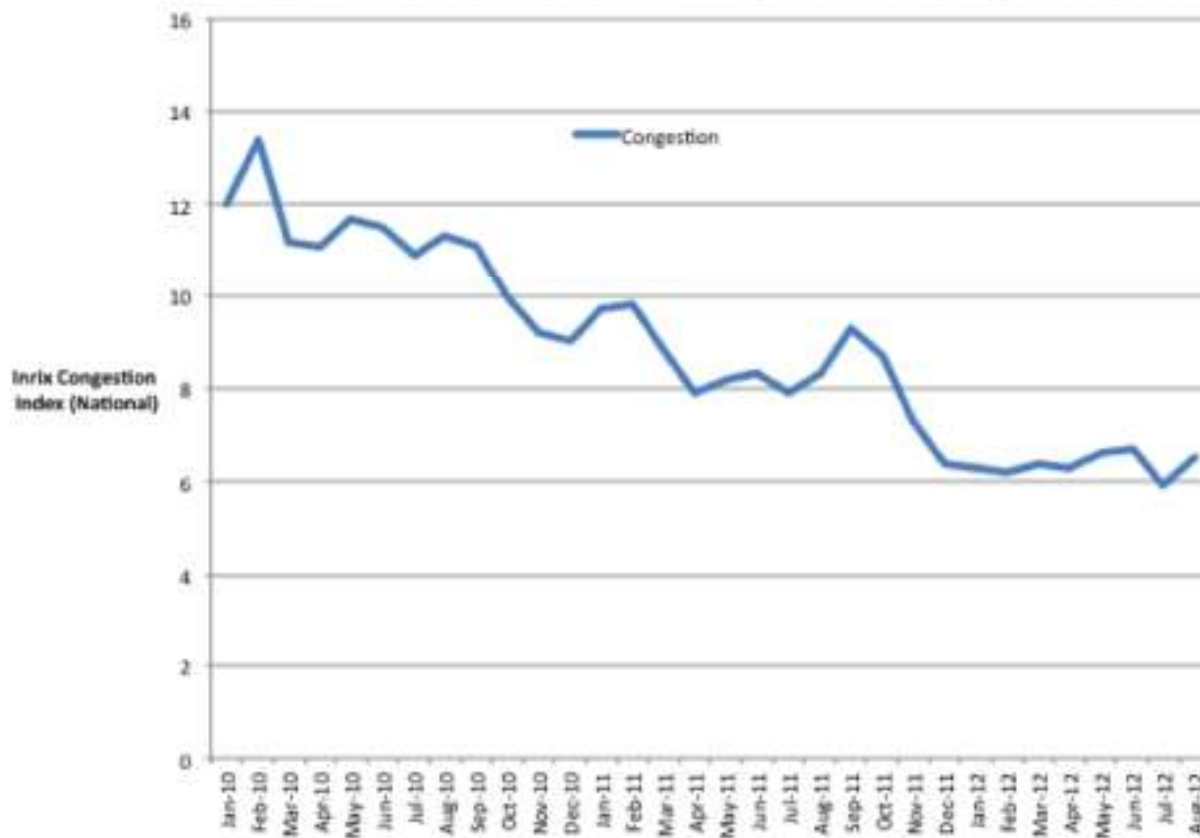
# THE **INTRIX** TRAVEL INDEX.

- How long does it take to travel in peak hours vs. uncongested periods?
- Congested: 21.3 minutes
- Uncongested: 20 minutes
- Congestion makes trips take 6.5% longer



# CONGESTION IS DECLINING.

Congestion levels have declined by half nationally since 2010

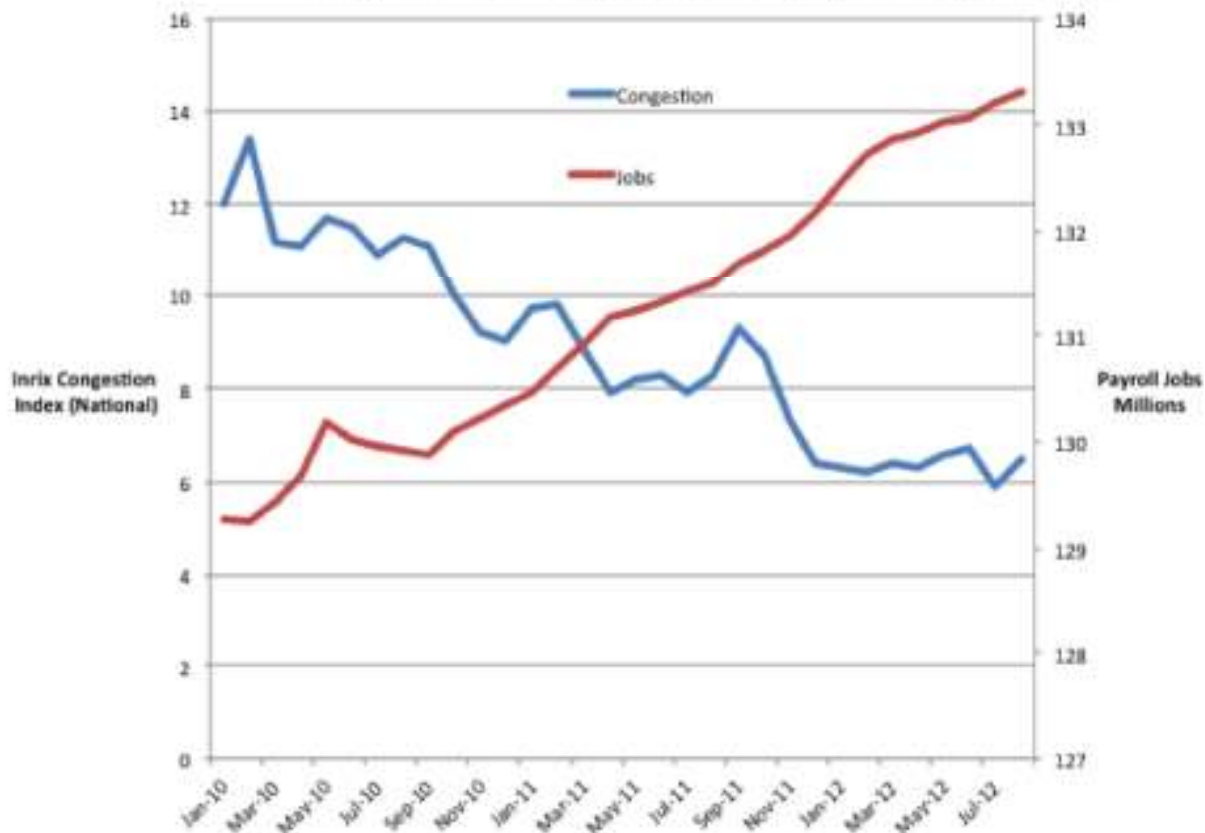


Sources: Inrix Traffic Scorecard, BLS, Impresa calculations, through August 2012



# AS THE ECONOMY EXPANDS.

Congestion is down, even though jobs are growing



Sources: Inrix Traffic Scorecard, BLS, Impresa calculations, through August 2012



# CONGESTION IS GOING DOWN, DRAMATICALLY.

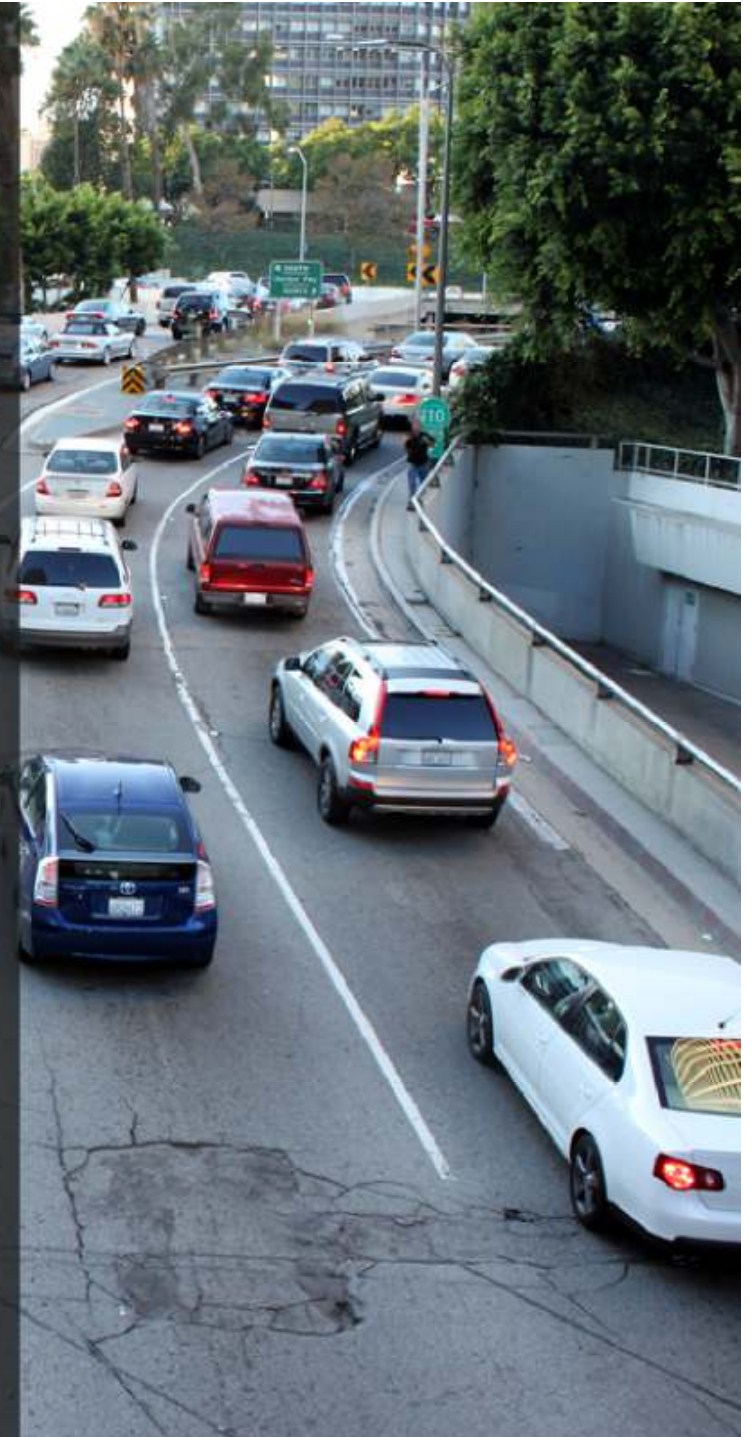
2010 (12 months ending December 2010)

- Congestion Index 11.0
- Hours Lost: 19.8 per year

2012 (12 months ending August, 2012)

- Congestion Index 6.9
- Hours Lost: 13.4 per year

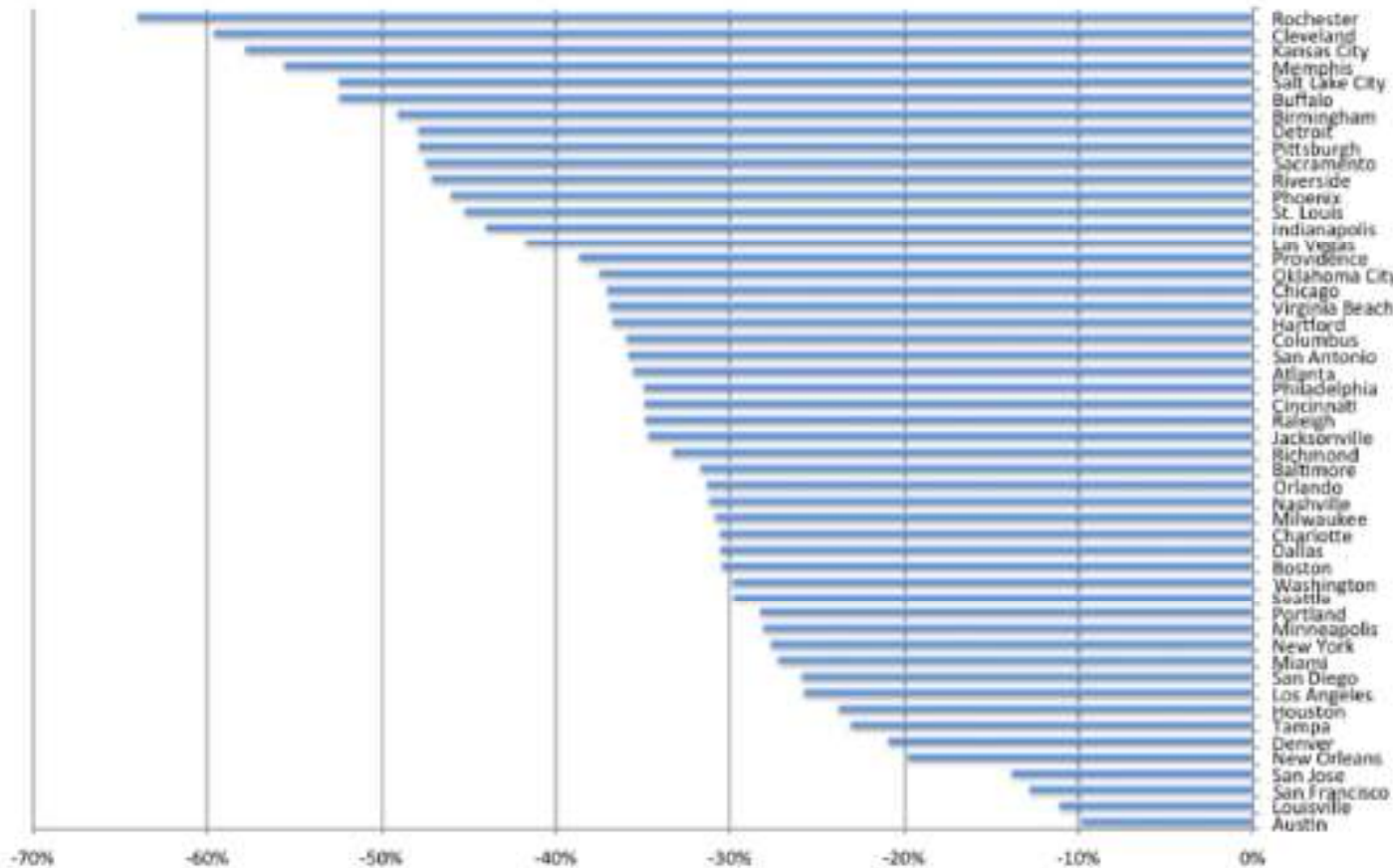
Hours lost have declined 32%.





# EVERY CITY IS SEEING IMPROVEMENT.

Change in Congestion Index, 2010 to 2012



## CONCLUSION:

- i. The \$30 billion green dividend
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- iv. The green dividend comes with a traffic bonus



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Presentation design by [Tara D. Sturm](#)