

Final Report, August, 2007

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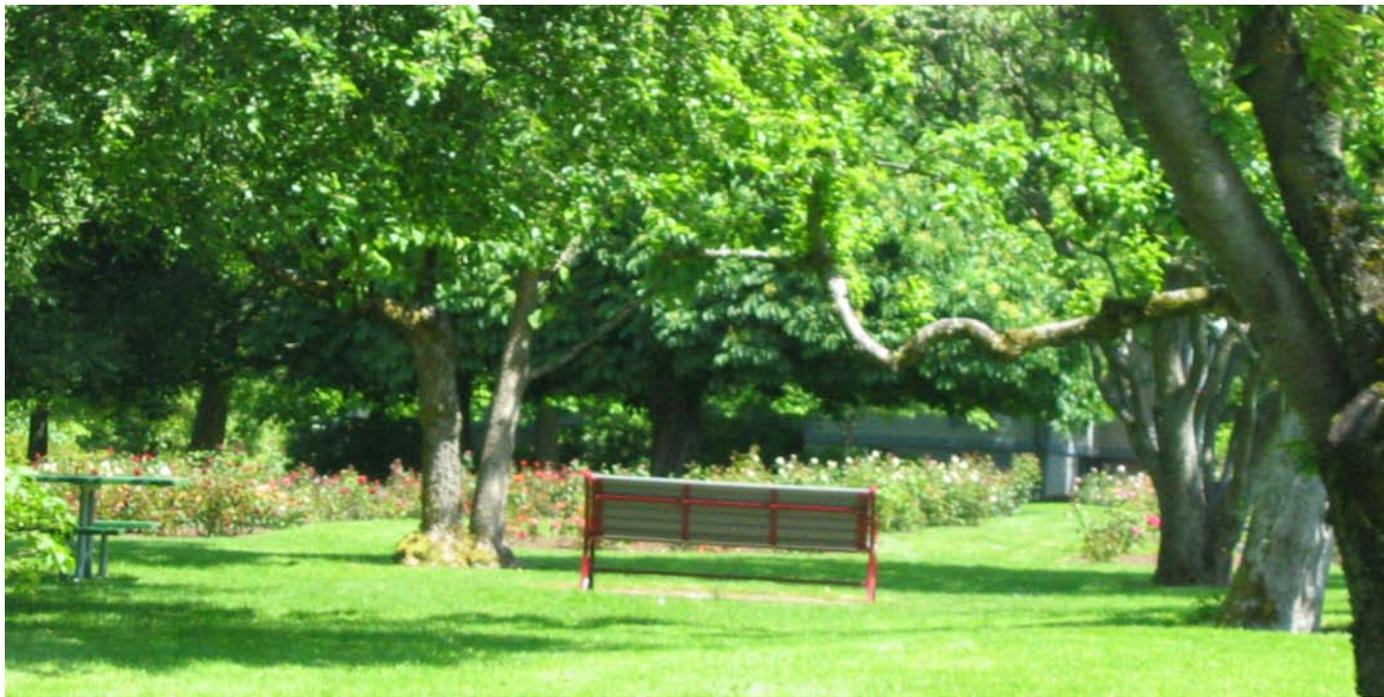


THE PARK SYSTEM OF SALEM, OREGON

A REPORT TO ASSIST IN THE UPDATE OF THE
1999 PARK AND RECREATION MASTERPLAN



UNION STREET BRIDGE
Photo: City of Salem



BUSH'S PASTURE PARK
Photo: TPL Archive

THE TRUST *for* PUBLIC LAND

CONSERVING LAND FOR PEOPLE

About The Trust for Public Land

The Trust for Public Land is a national nonprofit organization that conserves land for people to enjoy as parks, community gardens, historic sites, rural lands, and other natural places. Since 1972, TPL has had an abiding interest in urban areas and the open space needs of urban residents.

Working from more than 50 offices nationwide, TPL helps agencies and communities:

- *Create a vision for conservation;*
- *Raise funds for conservation; and*
- *Complete conservation real estate transactions.*

TPL works to protect parks in America's cities; working farms; ranches and forests; lands of historical and cultural importance; rivers, streams, coastal areas and watersheds; and lands where all Americans can experience nature close at hand.

Since 1972, TPL has completed more than 3,400 projects, conserved more than 2.2 million acres, and helped generate more than \$24 billion in state and local conservation funding. TPL has helped create or refurbish more than 450 city parks, community gardens and playgrounds.



This report was prepared by staff from TPL's Oregon Field Office and National Conservation Vision and Conservation Finance, including report writing by Kathy Blaha, Ben Welle and Peggy Chiu. TPL acknowledges the contributions of city staff and community members who participated in this study. Questions about this report can be directed towards Kitty Rasmussen in TPL's Northwest Regional Office in Seattle at (206) 587-2447.

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Executive Summary

The City of Salem last completed its Master Plan for Parks and Recreation in 1999. As the City proceeds with its update of that plan, the Trust for Public Land (TPL), for this report, assisted the city by studying the current state of the park system; completing stakeholder outreach and interviews; creating a local leadership team to guide a planning and prioritization process; completing conservation finance analysis including comparable analysis with other similar cities; undertaking *Greenprinting* (a TPL-developed Geographic-Information System (GIS) analysis); and, providing a set of community-based implementable strategies that focus on funding and helping to raise resident interest and vision for the park system.

Located 47 miles south of Portland in the center of the Willamette Valley, Salem has a near-average amount of total natural and designed parkland with 11.5 acres per 1000 residents. Over half of this parkland is located within Minto-Brown Island Park, which does not contribute to providing an equitable distribution of parks in close proximity to many residents. The City has been unable to fill gaps where parkland doesn't exist and expand to meet the needs of a fast-growing population. This study found that the City spends significantly less than many other cities on parks and recreation for both capital improvements and operations.

Yet today, the City has an immense opportunity with the conversion of downtown's Union Street Railroad Bridge for trail purposes and the redevelopment of the riverfront Boise Cascade industrial site to provide a vibrant mix of new parks, trails and downtown redevelopment that could spark renewed interest in the value of a strong park system.

Stakeholder interviews show strong interest in blending park issues with other citywide economic development goals. Overall, key issues identified by stakeholder outreach and interviews include: put trails along the riverfront; connect the main downtown parks; use undeveloped parkland; create more ballfields; protect natural areas; and focus on the Boise Cascade opportunity for expansion and connection.

Key Findings

Overall, TPL found the following factors key to the current state of Salem's city parks:

1. Several city departments and agencies have thoughtful plans for different areas of parks and recreation (e.g. the 1999 Parks Plan, Transportation Plan, Urban Renewal Plans, and others), but the vision and planning for parks is fragmented and not integrated.
2. A dedicated Parks Division is stretched thin by an average-sized system in acreage with significantly less money for parks and recreation than other comparable cities, brought on by years of voter reluctance to approve additional funding and the City's reduction in the percentage of dedicated funding.
3. Parkland bought with funding from System Development Charges (SDCs) is sitting vacant, waiting for development out of concern that there are no new resources to maintain the undeveloped parks.
4. The downtown is home to several great parks, from the natural Minto-Brown Island Park to the serene Bush's Pasture Park, but no trail system links these key parks in a way that will easily move pedestrians through the City.

5. Salem has several creeks, abandoned railways, wetland areas and public lands, but trails in general are missing as a component within the Parks Master Plan, especially given interest in the public for them.

Key Recommendations

Based on the findings of this study, TPL believes that the parks master plan plays a larger role in Salem's economic development and quality of life. To foster a truly excellent park system that achieves such objectives, it recommends the following:

1. **Profile a new "brand" for parks by focusing on trails and connectivity.** Trails are popular to Salem residents and so is connecting parks, especially in and around the city center. Connect the downtown parks of Wallace Marine, Minto-Brown Island Park, Marion Square, Riverfront Park and Bush's Pasture through a planned and marketed trail system of on- and off-street trails. (Consider incorporating the State Capitol's Wilson Park into this mix.)
2. **Show the economic benefits of parks.** Specifically, focus key marketing and investment around the conversion of the Union Street Bridge to pedestrian and bike traffic and redevelopment in and around the Boise Cascade site. Incorporate the new "brand" of connectivity and trails into this effort.
3. **Offer a big and unified vision.** Specifically, integrate park-related planning by other city and county agencies, most notably Urban Renewal and Public Works into the updated plan. Updating the city's parks and recreation plan offers the opportunity to unify all parks, trails and recreational efforts into one guiding plan. In addition, create a section in the new master plan entitled "Connecting Parks in the City Center" that encompasses the aforementioned recommendations and establish a working committee to achieve the goal.
4. **Revisit ballot measure.** Bring forth a bond measure to support parks and trails via a broader constituency and re-positioning of parks as a vehicle for riverfront development, enhancing quality of life and spurring economic development; and/or a dedication of franchise taxes or fee increases for parks maintenance.
5. **Prioritize SDCs with special attention to trails.** Specifically, implement partnerships and a strategy on SDCs that works with all stakeholders in the development community (homeowners, existing neighbors, developers, realtors, etc.) to identify their needs and concerns over the use of these funds. Convene regular meetings with this "community" to keep open communication and understanding of each other's concerns regarding the use of SDCs. Lastly, use SDCs for the portion of trail development that can be justified as responding to growth and linking new residents to existing signature and regional parks.
6. **Demonstrate equity and develop in areas of need.** Certain portions of Salem are underserved by parks, particularly in the northeast. In addition, residents seem to support additional ball fields. Continue to use the limited amount of park development funds, such as Community Development Block Grant funding in geographic and programmatic areas of need. Where possible, increase access to existing parks in these areas through trails and pedestrian and bicycle infrastructure improvements.

Why Parks Matter: Their Link to Economic Benefits

Often thought of as the venue for ‘fun and games’ parks play a more complex role in an urban environment. Parks spin off enormous economic benefits, including the enhancement of air and water quality, increases in property values, and the stimulation of new development activity. City parks (from squares to natural areas) significantly define the form, sociability and culture of communities. Without them, our cities would be unrecognizable and unmemorable collections of buildings and streets.

Many cities are creating redevelopment plans that use parks to leverage mixed-use development, brownfield clean up, and waterfront development. Quality of life surveys consistently show that people want to live close to greenspace, and park development efforts over the last century have proved this idea true.

Mayors across the country are revitalizing their cities using parks. Boston’s Tom Menino describes parks as one of his best economic development tools. Chicago’s Mayor Daley is committing millions to vacant lot recycling, restoration of the Chicago River and even rooftop gardens. And in Detroit, the city, with private and public monies has committed over \$250 million for a greenway along the shoreline of the Detroit River. In smaller cities, the same is true, including riverfront redevelopment along the Big Sioux River in Sioux Falls, S.D. and the transformation of Chattanooga’s riverfront. These cities and their mayors understand the link between parks and economic development; and the value of their public investments is attracting millions of new dollars in private investment.

When the Boeing Corporation chose Chicago over Dallas in 2001 to be the home of its new corporate headquarters, it did so because it believed Chicago had better urban amenities, including parks. Dallas subsequently identified potential downtown park spaces, passed a ballot measure to create funding and redefined its vision of itself as a more livable and green city. In the words of the city’s park director, “...the Boeing relocation had a profound effect on people’s attitude toward the quality of life in our city...”

New and restored parks attract private sector investment by transforming neglected real estate along park boundaries into valuable property. Parks can be the lead in these redevelopment strategies by bringing identity and distinction to cities, using natural features, cultural landmarks and public gathering opportunities.

One goal in completing an update of Salem’s 1999 Master Plan for Parks and Recreation was to create a new vision for the plan that recognized parks’ broader role in shaping the city, inviting new investment and attracting and keeping residents and businesses. **In Salem, for many who were interviewed for this project, creating, connecting and enlivening the city’s parks means linking parks – philosophically, to a broader set of opportunities around community and economic development as well as geographically through trails.** Urban parks can be part of the urban economic infrastructure – supporting value creation in the downtown and neighborhoods – but the city must integrate park investment into its planning and economic development toolbox and think of parks as the economic and geographic glue that can hold together and link the city’s neighborhoods.

Salem Overview

Demographics

Salem is Oregon's fastest growing city of over 100,000 people. Since 1990, the medium-sized city has grown to a population of 142,914 in 2003.¹ At its current rate of growth, Salem is now Oregon's second-largest city, out-pacing the population growth of Eugene and the state. (See Table 1.) Salem is less densely populated than other larger cities in Oregon.

	Salem	Eugene	Portland	Oregon
Population	142,914	142,185	538,544	3,559,556
Population Growth since 1990 (percent)	25.8	21.1	8.9	20.4
Land Area (square miles)	46	41	134	--
Population Density (persons per sq. mi.)	2,994	3,403	3,939	--
Hispanic/Latino Population	14.6	5	6.8	8
White Population	83.1	85.9	77.9	86.6
Black or African American	1.3	1.3	6.6	1.6

Source: US Census Bureau

Salem is becoming younger and more diverse. The number of those under 24 has grown significantly. The city's fast-growing Hispanic/Latino population is one of the largest in the state.

Economics

Salem's economy fares well against other large Oregon cities and the state as a whole. Its unemployment rate is lower than other cities, and its median household income is just below Portland's and the state average. (See Table 2.)

	Salem	Eugene	Portland	Oregon
Poverty Rate (percent)	15	17.1	13.1	11.6
Median Household Income (dollars)	38,881	35,850	40,146	40,916
Unemployment Rate (percent in MSA)	5.6	6.2	6.3	6.1

Source: US Census and Oregon Employment Department (March 2006 Unemployment Figures)

The city is Oregon's capital, and accordingly the State is its single largest employer. Outside of state and local government, the Salem-Keizer School District and the Salem Hospital are the largest providers. Over one in five jobs are in the public sector. Other major employers include T-Mobile, Norpac Foods and Puentes Brothers/Don Pancho Authentic Mexican Foods.²

Development in and around downtown is growing. Willamette University is planning a new Cultural Arts Center on its campus near downtown. Housing development is jumpstarting

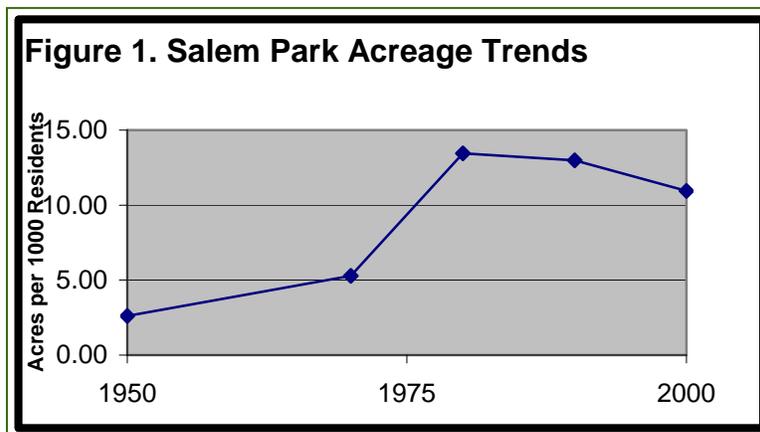
¹ US Census QuickFacts. (March 2005). *Salem (city), Oregon*. <http://quickfacts.census.gov>

² SEDCOR. (2004). *Demographics and Area Data*. <http://www.sedcor.com/pdfs/demographics06/economy06.pdf>

downtown and north downtown, a new senior center is being planned, and a state-of-the-art conference center and hotel were constructed downtown. In addition, the Union Street Railroad Bridge near downtown will soon be converted to a pedestrian/bicycle bridge and the large Boise Cascade property is slated for mixed commercial and residential redevelopment.

History of Salem's City Parks

In 1950 Salem's population was only 43,140, and it had only eight park areas with a total of 113 acres (i.e. 2.6 acres per 1000 residents). With assistance of federal open space and state matching grants, Salem acquired over 250 acres of parkland in the 1960s and additional parkland through grants and programs in the 1970s, including what now is the 900-acre Minto-Brown Island Park. After 1980, however, the rate of park acreage growth failed to keep pace with the rate of population growth. (See Figure 1.)



In the early 1990s, an impact fee called the System Development Charge (SDC) on new development began to be used to add parkland in developing areas. Salem municipal code requires new growth area to be served by water, stormwater, sewer, streets and a park to be considered fully developed. (The city currently owns approximately 200 acres of undeveloped park land.)

The last Parks Master Plan, prepared in 1999, affirmed a number of key factors, including: 1) Salem has failed to meet a self-stated goal of 8 acres of developed parks per 1000 residents; 2) most residents were dissatisfied with the age and condition of the city's park facilities; 3) Salem has not made substantial commitment of funds for the last 30 years (evident in playground equipment dating to the 1950s); 4) the deficit in parkland exists largely because of a 15-year "moratorium" on building new parks; 5) upgrades in 15 parks and land purchases for an additional 10 parks are needed to provide equal access to parks; 6) as much as 1,066 acres of new parks are needed to accommodate growth to the Urban Growth Boundary; and 7) residents want a variety of transportation modes to reach parks.³

The city moved to reinvigorate the park system and increase developed park acres by placing two ballot measures on the November 2002 ballot for voter approval. The first measure for \$39.9

³ Comprehensive Park System Master Plan. (1999a). City of Salem, Oregon

million in bonds would have partially paid for the renovation or creation of parks to meet the goals listed earlier from the 1999 Parks Master Plan.⁴ The other measure was for an operating levy that would have paid \$3.9 million for the maintenance and operation of the new parks for five years.

Improvements in the bond measure included: 1) facility improvements; 2) developing parkland in un-served areas; 3) developing 115 acres of undeveloped park land the city already owned; 4) buying and preserving natural areas; 5) developing more pedestrian and bicycle routes; 6) renovating the 25-year-old Salem Senior Center; 7) allocating money to purchase land for a future aquatic center; and 8) creating a \$2.1 million fund to finance future park improvements.⁵

Both ballot measures failed – possibly out of disdain for ballot measures, competition with a public safety ballot measure, the economic recession, or a failure to communicate benefits, but a variety of these factors likely contributed.

Nevertheless, the city moved forward using existing limited resources and leveraging its funds against other funding sources where it could. Four parks were developed using the city’s SDC – reserved for park capital improvements in growth areas – including Geer Community Park on a leased State of Oregon-owned site. The city also acquired, but did not develop, 60 acres of land for parks.

Though limited by SDC funding rules to developing parks to serve new development, a fifth park, Harry & Grace Thorp Park, was developed using federal Community Development Block Grants, state Land and Water Conservation Fund and Oregon lottery fund grants.

Recently, the city of Salem in cooperation with the Boise Cascade Corporation engaged an expert panel from the Urban Land Institute (ULI) to discuss strategies for Boise Cascade's relocation from Salem and for potential redevelopment of Boise Cascade's downtown property. Boise Cascade owns 324 acres in and adjacent to downtown Salem, including a 13-acre industrial complex next to Commercial Street and 310 acres of land on Minto-Brown Island that previously were used as settlement lagoons for a discontinued paper-manufacturing operation. The ULI panel proposed renovation of existing buildings for new purposes, such as restaurants and condominiums, and removal of some buildings to enhance the site's natural beauty.

The ULI proposal included the expansion of Minto-Brown Island Park by more than 300 acres, including construction of a pedestrian bridge connecting it to Riverfront Park and opening the Pringle Creek waterway to the public by tearing down the Boise Cascade machine room that currently covers the stream from Commercial Street west to the Willamette River.

⁴ “Salem park bond defeated.” (November 6, 2002). *Salem Statesman Journal*.

⁵ “Salem park bond defeated.” (November 6, 2002). *Salem Statesman Journal*.

Current Conditions for Parks & Recreation

The City of Salem now operates 101 park and open space areas with a total of 1,683 developed acres from neighborhood parks to natural areas. (See Table 3.)

A significant portion of the city's system lies within the 900-acre Minto-Brown Island Park, a natural area that is developed with trails, shelter and playground, off-leash dog area, and some passive recreation space. City staff considers this less accessible and usable open space and therefore did not include these 900 acres in their calculations on parkland

availability. Although excluding Minto-Brown helps provide a picture of how much parkland is in most parts of the city, many cities have large urban parks that occupy a very large percentage of their city's total park acreage and it is therefore included in this review.

A comparative analysis reveals that, compared with large, intermediate population density cities (e.g. this list includes Fresno, CA, Tampa, FL, and Tucson, AZ), Salem is near the national average. If Salem were to develop some 200 acres of land it already owns for neighborhood and community parks, Salem would only fall one acre per 1000 residents shy of that national average.

In comparison with the cities of Boise, Idaho, Sioux Falls, S.D. and other Oregon cities Salem trails most of these communities in park acreage. (See Table 4.)

Corresponding Plans

Several other city plans play a key role in Salem's park, open space and trails – including the Salem Area Comprehensive Plan, the Riverfront-Downtown Urban Renewal Area, the Salem Transportation System Plan, the Stormwater Management Plan and Salem Futures (not adopted) – which suggest even more opportunity for collaboration, leveraging and a broader vision for the role of the city's park system.

	Population	Total Park Acres	Acres per 1000 Residents
Salem Parks	142,914	1683	11.8
w/undeveloped acres		1863	13.2
Median of Comparable Cities	517,017	7209	14.1

Source: The Trust for Public Land, Center for City Park Excellence, 2005

		Acres per 1000 Residents
Salem Population, 2004	142,914	
Total Developed/ Undeveloped Acres	1,883	13.2
Developed Park Acres in City	1,683	11.8
Developed/Undeveloped w/o Minto-Brown	984	6.9
Developed Park Acres w/o Minto-Brown	784	5.5

Source: City of Salem

	Salem	Boise	S. Falls	Eugene	Corvallis	Medford	Tualatin Hills	Gresham	Willamalane	Hillsboro	Keizer
Population	146,120	190,122	136,695	142,681	50,380	68,099	213,000	96,072	62,514	84,533	34,644
Park Acres	1683	3295	2874	2906	1348	2509	1473	1111	680	587	90
Acres per 1000 Residents	11.5	17.3	21.0	20.4	26.8	36.8	6.9	11.6	10.9	6.9	2.6

Source: Comparison Cities and City of Salem

Salem Area Comprehensive Plan

Guiding development for the entire city, the Comprehensive Plan states that “public parks shall be acquired and developed as recommended by the Comprehensive Park System Master Plan,” and that “priority shall be given to acquiring and developing neighborhood, community, and large urban parks.” The plan’s goals encourage a variety of public spaces, including natural areas, open plazas, pedestrian malls, and play areas. Development is to contain parks and open space by definition, and transportation guidelines state, “the vehicle, transit, bicycle, and pedestrian circulation systems shall be designed to connect major population and employment centers in the Salem Urban Area, as well as provide access to local neighborhood residential, shopping, schools, and other activity centers.” Lastly, the “scenic and historic areas, resources, and hazards” guideline states that “storm water storage facilities shall be located, designed, and maintained in accordance with the Storm Water Master Plan and the Comprehensive Parks System Master Plan in order to facilitate joint use of such facilities to the extent possible.”

Salem Riverfront-Downtown Urban Renewal Plan

Perhaps most important to Salem’s high-profile downtown parks, the Downtown Urban Renewal Plan calls for preserving and creating natural green belts along existing waterways and safe pedestrian and bicycle movement along the riverfront with linkages to adjoining areas. The plan’s objectives include recognizing Mill Creek as a community asset by providing open space and pedestrian access to and along the creek, by acquisition of property and construction of pedestrian/bicycle ways along the creek and potentially grade-separated paths at major barriers such as streets.

The riverfront redevelopment area, in or near the Willamette River, downtown parks, Minto-Brown Island and Wallace Marine Park, foresees “an extensive system of pedestrian/bicycle ways” that provides “linkages to other areas of the city.” The major project of this effort and one of major significance to connectivity and creating pedestrian/bicycle friendly facilities is the Union Street Railroad Bridge. The bridge will be converted to a bicycle-pedestrian (and emergency vehicle) bridge connecting downtown Salem Riverfront Park to Wallace Marine Park. The bridge – purchased by the city with an expected completion date by 2011 – is being funded through a \$600,000 Federal Transportation Enhancement grant, Urban Renewal Agency tax increment funds, and grants. A long-term maintenance fund of \$500,000 from the Union Pacific Railroad has been established.

Salem Transportation System Plan

The Salem Transportation System Plan (Salem TSP), last updated in 2005, contains a Bicycle System Element that aims to triple the percentage of trips made by bicycle in the city.⁶ New trails are key to this strategy, including: the Union Street Railroad Bridge, and connector bridge to Minto-Brown Island along the river; trails along abandoned rail corridors; a trail through Wallace Marine Park; and along Claggett Creek, Mill Creek and Pringle Creek.

The best example of progress toward the TSP’s trails goal includes the planned conversion of the Union Street Bridge. The half-mile 12th Street Promenade, a combined pedestrian/bicycle promenade along the eastern edge of the railroad near the Amtrak station, also was recently completed. Barriers continue to exist, however, to several other trail projects. For instance, the

⁶ Salem Transportation System Plan. (March 28, 2005), Salem Public Works Department.

railroad has asked for relatively high prices for its abandoned Greer Line land, which was converted to public/private ownership in 2000, and the Burlington Northern Santa Fe line remains an active and increasingly busy rail line. In addition, a land exchange is necessary with Boise Cascade to complete the Minto-Brown Island connection. Funding also remains a problem in extending the Pringle Creek Corridor to Riverfront Park.

Salem Stormwater Management Plan

The Stormwater Management Plan, completed in 2000, notes that an allowance of \$6 million has been allocated for stream/habitat improvement projects, but specific projects are not listed.⁷ According to the plan, each site will be reviewed for opportunities to provide parks and passive recreation, including wildlife observation. The city has detention basins that are also used for ballfields.

The city designs flood control for a ten-year storm. In a normal year, the existing stream network seems to handle water effectively; however, in the past year, heavy rains caused flooding problems in two areas – along Salem Industrial Drive, just north of the proposed Kroc Center and around Pringle Creek and McGilchrist Street. There is a regional detention facility near Clark Creek that is used as a ball field.

The city notes that several wetlands are located in parks with specific wetland mitigation projects taking place throughout the city. Over time, certain wetlands have unfortunately degraded due to past practices and current development, but their exact locations have not been tracked comprehensively in the City's GIS system.

Salem-Keizer School District

The School District has joint-use agreements with the City for land adjacent or on its school grounds. When new development occurs in the city, it is preferred that schools and parks be developed next to each other. Twenty-eight schools do not have joint-use agreements and up to 14 of these are in deficit areas. These may be potential sites for playgrounds, neighborhood parks and other parks to reduce parkland deficits in underserved areas. School District rules also state that the District "...take an active role in improving pedestrian access to schools, including supporting sidewalk and street improvements as well as easements, trails and bike paths."⁸

Salem Futures

Taking over five years to complete, the citywide *Salem Futures Vision* (still pending City Council adoption) clearly identifies parks and trails as a priority for the city in the coming years. Although it is unclear what role this initiative will play, one key element of the *Salem Futures Vision* states "...a complete system of streets, sidewalks and bikeways should connect the residents of neighborhoods to schools, parks, shopping, and employment areas." And that "...a wide range of walking, bicycling and public transit opportunities should be available to move people around Salem." While the Futures Plan has not played the role expected in guiding the city's future, parks and trails is a key area on which differing parties agree.

⁷ Stormwater Management Plan. (2000). Salem Department of Public Works. Salem, Oregon.
http://www.cityofsalem.net/~pwengin/publications/MastPlans/SWMastPlan/SWMP_AllSec.pdf

⁸ ORS 332.105 (April, 1999). Salem-Keizer School District. Salem, OR.
<http://www.salkeiz.k12.or.us/aboutus/PoliciesandRules/1/LDA.pdf>

Stakeholder Interviews

TPL conducted stakeholder interviews in May, 2006 with neighborhood representatives, trail enthusiasts, parks and sports users, local developers, city government and elected officials and planners. (*See Appendix C for list of team members.*) Several themes emerged from the interviews, including trails and downtown park connectivity, operational capacity and the ramifications of the failure of park system bond measures.

Trails & Downtown Parks

Many commented on the idea of connecting the downtown parks. Some individuals mentioned the three parks closest to the Willamette River (i.e. Wallace Marine, Minto-Brown and Riverfront), but others were adamant that Bush's Pasture Park should also be connected to enhance linkages between residential, commercial and office development.

Some of this proposed connectivity is currently underway, mainly with the conversion of the Union Street Bridge. The conversion of the bridge to a pedestrian connection has been a long-term community interest. Interviewees expressed hope that the project will inspire even more trail improvements, such as a bridge connecting Riverfront Park with Minto-Brown Island Park, which depends partially on a land transfer by Boise Cascade.

Excitement was common in discussion of the Boise Cascade project, and some were hopeful of an extension all the way to the river through the site in question. In general, however, people seemed to think there was a lack of space for trails along the rivers and streams, with some exceptions. Opportunities to implement trail plans include efforts near the proposed Kroc Center; along Mill Creek, to be coupled with a restoration effort; along the Willamette River adjacent to Front Street; and a proposed crossing behind City Hall to encourage movement from Pringle Creek to the River. In the near term, many felt better signage in the city for existing bike paths and trails could help raise visibility of these corridors at a low cost.

Those interviewed expressed strong satisfaction with Bush's Pasture Park, a regional attraction considered the city's "Central Park." Residents seemed proud of and pleased with its development and maintenance. Moreover, some particularly saw a benefit to linking this park with the downtown and riverfront parks to encourage more pedestrian traffic in the downtown.

Operational Issues

Those interviewed for the most part think the Department is doing a good job and working creatively with a low budget. An exception to this may be some in the development community, who are frustrated with the process by which the City selects land from proposed subdivisions to purchase with SDC funds and then delays parkland development due to inability to cover future maintenance costs. Some interviewed see this as a reason for the City to get more funding but others see it as a reason for the City to stop land-banking. According to one interviewee, it is frustrating to see land to be purchased and not developed, especially for the residents surrounding that land.

A second observation by interviewees was the seeming unequal distribution of parks and of park maintenance; reducing that disparity was a priority for some, including the one representative

from a minority-based organization with whom TPL met. A number of people felt there are not enough parks in south Salem. Some also said the same of north Salem. Concern was also expressed about perceived uneven maintenance of parks throughout Salem – with the feeling that parks on the east side were generally less well maintained than others.

There are numerous joint-use schools/parks in Salem, and some interviewees felt they should be more evenly maintained (in many cases it is visually apparent where the more thorough Parks Division maintenance ends and the school’s maintenance begins). It was unclear to those who commented as to whom actually paid for the design and oversight of these parks – the school or the city. Also, some in the business community believe that all playgrounds and school space dedicated to parks and open space should be counted by the city as parkland, even if they don’t have the joint-use agreement yet, because it is public open space.

There seems to be a sense in Salem that park development occurs opportunistically through ad hoc requests without sufficient public notice. Examples mentioned include efforts to create community gardens or disc golf courses, the design of the Minto-Island bridge, creation of the Salem Parks Foundation, and the Bush’s Pasture parking lot. On the other hand, some felt these actions supplemented a shortage of maintenance funds, such as the neighborhood association that turned around two less desirable parks by initiating a concert series.

Sports are very popular in Salem – and many believe there is a shortage of fields, including soccer groups, softball and baseball groups, flag football groups, and others. Many interviewed said they have trouble getting onto school fields, which supplement city park fields because of school-sponsored practices. These interviewees requested the city invest in more artificial turf fields. One suggestion was to build a sports complex. Another remarked that demand for alternative sports, such as disc-golf and skating, was not being adequately addressed.

When asked about their vision for the park system, some offered that Salem residents have historically had low expectations for parks – thinking like a “second-class city;” but these same residents felt that increasing numbers of new residents will bring new ideas and expectations.

Bond Issue

As might be expected after two failed measures in ten years, many people thought a bond issue for parks would be very difficult to pass. Some cited strong anti-tax sentiment throughout the community and a belief that overall government spending is high; but many also recognized residents are actually paying lower taxes without the funding increases that bonds would have brought. There was conjecture on why past measures failed and why this might again occur in the future. One theme was that the community is just not good at visioning a better park system. Others thought seniors were reluctant to vote for a ballot measure unless it included a senior center; or that the last measure failed because it included a controversial recommendation to build a swimming pool (an unfortunate misconception, as the bond only included money for land to be purchased for future pool construction, not funds for the facility itself); or that there was poor communication with voters; or that the little league didn’t support the measure because they feared additional fees; or, that voters believed social services merited a higher priority than parks. To pass future bond measures, some people suggested reaching out to build broader coalitions for parks with a vision that could include different functions for the park system.

Greenprinting

The TPL Greenprint Model is a Geographic Information System (GIS) application that provides a systematic approach for analyzing parks and land conservation goals and identifies currently unprotected areas that offer highest benefit based on local goals. The Leadership Team identified the goals important to the Salem community and a Technical Advisory Committee (TAC) defined the data that would support those goals. The TAC brought together individuals from several agencies recommended by the Community Services Department.⁹

The Greenprinting process began with convening the Salem Leadership Team to participate in a group exercise to identify goals important to the City of Salem for conservation and park creation. During this exercise the Leadership Team identified three primary goals: 1) Connect Parks and Trails; 2) Provide Equitable Access to Parks; and 3) Protect Cultural and Natural Resources. The TAC recommended splitting this into four goals, and later into more detailed criteria, to drive the Greenprint Model. (*See Greenprint Goals and Criteria.*) The City of Salem felt it important to also look outside the urban growth boundary for possible conservation and park creation opportunities, and the study area boundary for the Greenprint extends two miles outside of it. Data was provided by the City, Polk and Marion Counties, Oregon Fish and Wildlife, Oregon Parks and Recreation, and the U.S. Geological Society.

A draft model was presented and the Leadership Team was engaged in a weighting process to rank the four main goals in importance. Based on voting among the group, the following weights were applied to the four goals to produce an overall priorities map: Connect Parks and Trails - 27%; Provide Equitable Access to Parks - 33%; Protect Natural Resources - 31%; and Protect Cultural Resources - 9%.

The Overall Conservation Priorities map shows key target areas scattered around the study area, with major priority areas around the Minto-Brown Island, creeks, and a significant portion of land in the Northeast portion of the city, for which the park equity analysis showed limited parkland. (*See Overall Conservation Priorities map on the following page. A complete set of maps is available as an appendix to this report.*) A closer look at connectivity is particularly revealing in that several key opportunities are shown for connecting downtown parks, and connecting parks with other parks and parks with schools all around the city. (*See Connect Parks, Trails and Schools map on page 16.*)

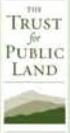
⁹ Member of the Salem Greenprint Technical Advisory Committee included: Thom Kaffun, City of Salem Parks and Planning Administrator; Lisa Tyler, Landscape Architect; Susan Blohm, City GIS Supervisor; Nitin Joshi, Salem Public Works; Jill Corcoran, Urban Development–Revitalization Supervisor; Cecilia Urbani, Community Development; Julie Warncke, Senior Transportation Planner; and McRae Carmichael, Community Development.

Greenprint Goals and Criteria

1. Connect Parks and Trails
 - Park, Trail, School Connectivity
 - Identify Flat Lands Outside UGB
 - Identify Key Corridors
 - Increase Access to River
 - Bike Path Connectivity
2. Provide Equitable Access to Parks
 - Park Equity
 - Park Access
 - Park Deficit
3. Protect Natural Resources
 - Preserve Natural Habitat Areas
 - Protect Willamette River
 - Protect Riparian Corridors
 - Protect Waterbodies
 - Protect Water Quality
 - Protect Trees
 - Protect Green space
4. Protect Cultural Resources
 - Protect Historic/Significant Sites
 - Protect Historic Railroad Bridge
 - Protect Riparian Corridors

Salem, Oregon Greenprint

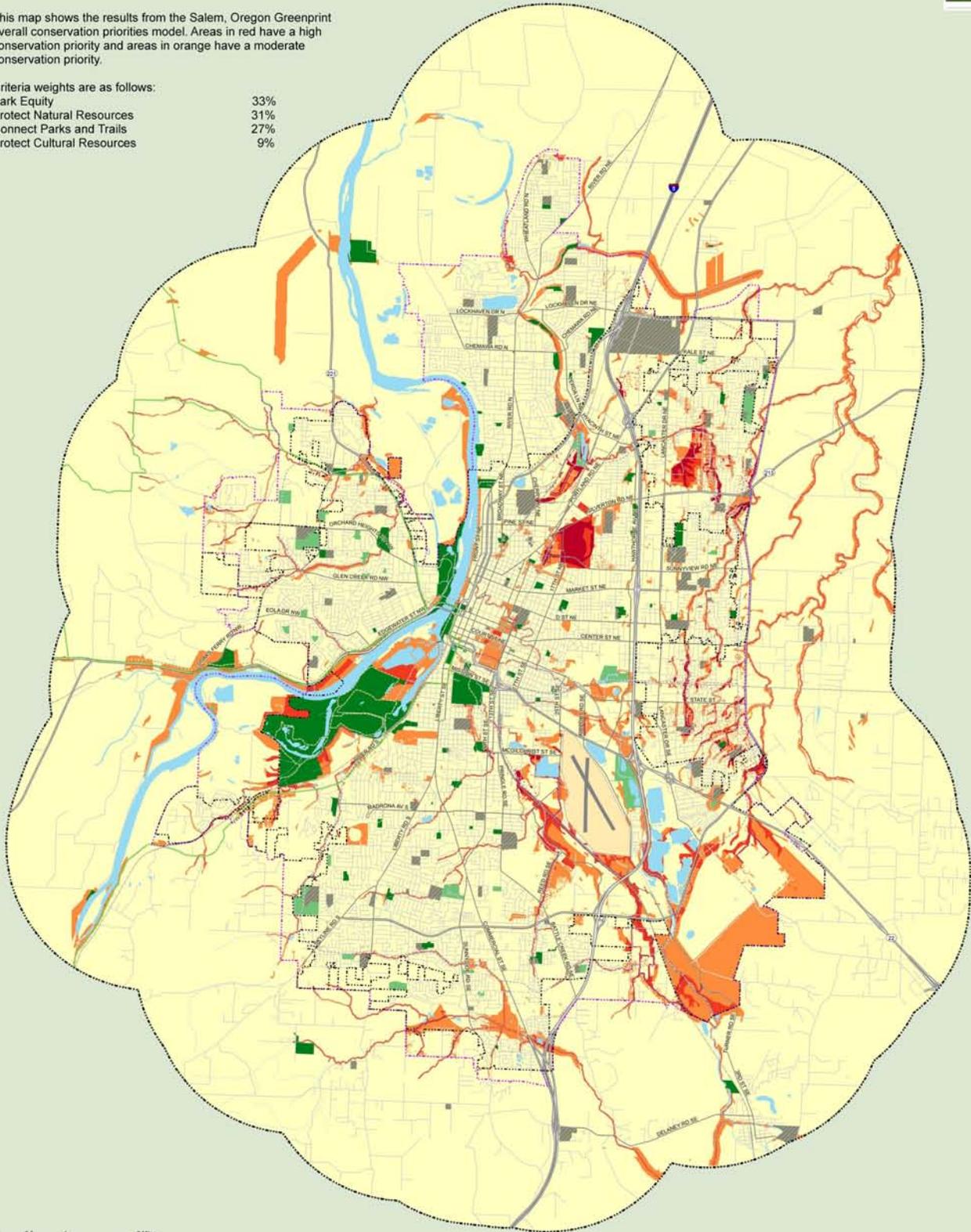
Overall Conservation Priorities



This map shows the results from the Salem, Oregon Greenprint overall conservation priorities model. Areas in red have a high conservation priority and areas in orange have a moderate conservation priority.

Criteria weights are as follows:

Park Equity	33%
Protect Natural Resources	31%
Connect Parks and Trails	27%
Protect Cultural Resources	9%



0 0.5 1 2 Miles

Legend		
City Limits	Transportation	Overall Conservation Priorities
Urban Growth Boundary	Highway	High
Study Area Boundary	Major Road	Moderate
Waterbodies	Local Road	
Parks and Open Space	Railroads	
Developed	Trails	
Undeveloped	Existing	
School Property	Proposed	
	Willamette Valley Bike Trail	

Special thanks to the following data providers:
 City of Salem, Polk County, Marion County,
 Oregon Parks and Recreation, Oregon Fish and Wildlife,
 USGS, Geowise, and ESRI

Map created by the Trust for Public Land
 on February 7, 2007

Created in ArcMap 9.3.6
 Map Projection: NAD 1983 North State Plane
 Oregon North FIPS 3601 Ad Units

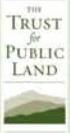
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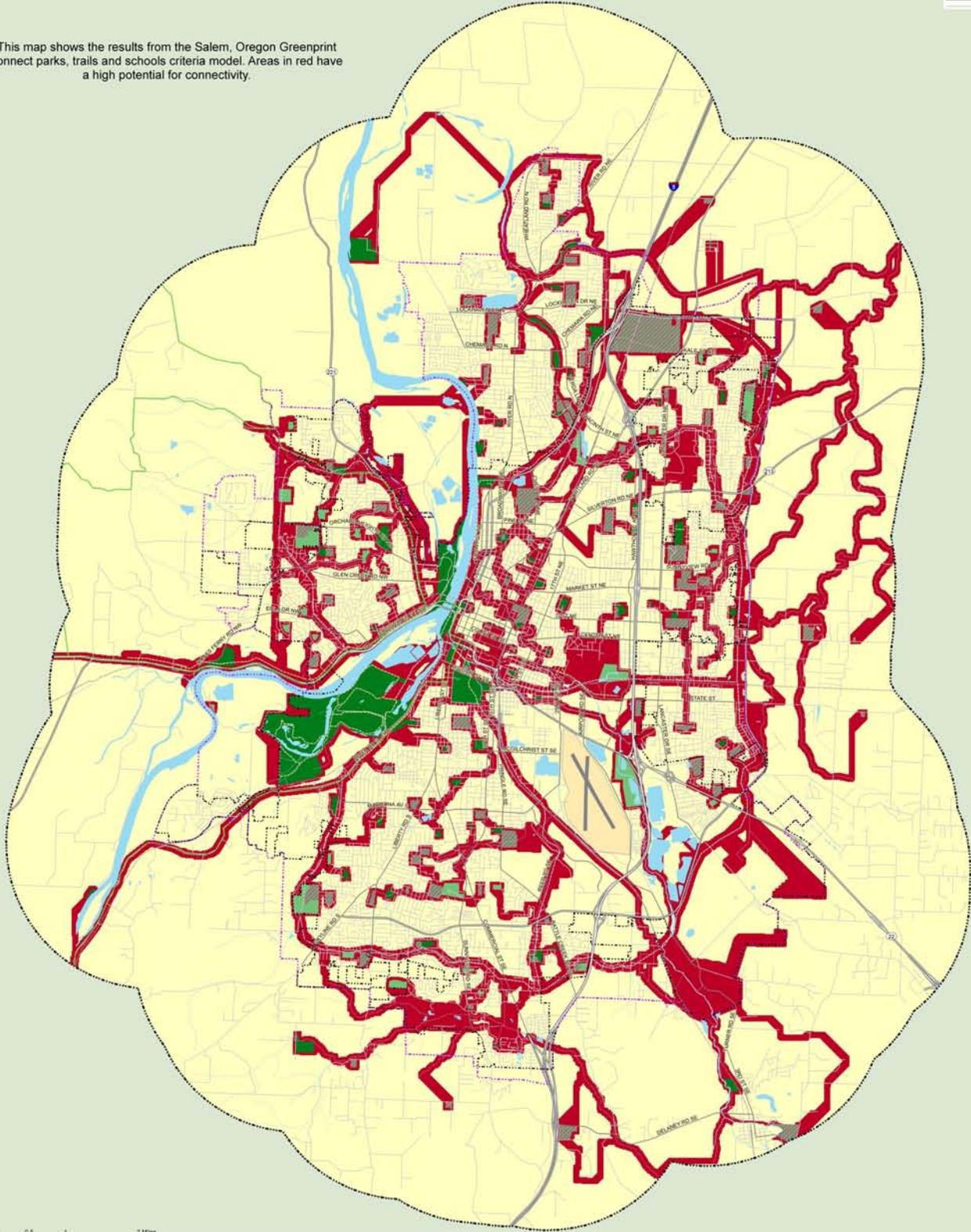
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Salem, Oregon Greenprint

Connect Parks, Trails, and Schools



This map shows the results from the Salem, Oregon Greenprint connect parks, trails and schools criteria model. Areas in red have a high potential for connectivity.



0 0.5 1 2 Miles

Legend		
City Limits	Transportation	Connect Parks and Trails and Schools Priorities
Urban Growth Boundary	Highway	High
Study Area Boundary	Major Road	
Waterbodies	Local Road	
Parks and Open Space	Railroads	
Developed	Trails	
Undeveloped	Existing	
School Property	Proposed	
	Willamette Valley Bike Trail	

Special thanks to the following data providers:
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Map created by the Trust for Public Land
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Financial Analysis

This section is a summary of a much larger report on Salem funding and finance issues. The summary below contains a review of the most viable local funding sources for parks and recreation in Salem, including a detailed analysis of the existing Parks System Development Charge. A review of federal and state programs is also listed in more detail in the full report.

Current Budget and Spending

City services and programs are funded through revenue derived from many different sources. The property tax is the largest source of governmental revenue in Salem. While some revenues may be spent on any citywide service, many revenue sources are limited to a specific program or service. Additionally, there are restrictions that dictate in which fund certain revenue can be placed. The budget for Salem consists of a number of governmental funds, the largest and most flexible being the general fund or operating fund used for a mix of government purposes.

The proposed fiscal year 2006-07 budget is \$472 million.¹⁰ (See Figure 2.) Within this budget, general fund revenues are projected to be \$97.9 million and expenditures to be \$95.5 million. Revenues for the general fund budget are derived largely from property taxes (\$44.7 million), “other funds” (\$15 million), and franchise taxes on utilities (\$12.5 million). The largest city expenditure is for public safety purposes (\$49.3 million).

Within the general fund, Salem allocates \$2.8 million to the Parks Operations and Planning Division and \$2.4 million to the Community Resources and Recreation Division. In 2006-2007, the Community Resources and Recreation Division ceased selected maintenance and capital outlay projects for city-operated pools and the senior center. On the private side, at least two non-profit organizations contribute to improvements and maintenance. The Salem Parks Foundation spent \$5,211 in 2004. The Woodmansee Park Memorial Fund dedicates a small amount of funds from a trust towards Woodmansee Park, a multi-use park in the south Salem.¹¹

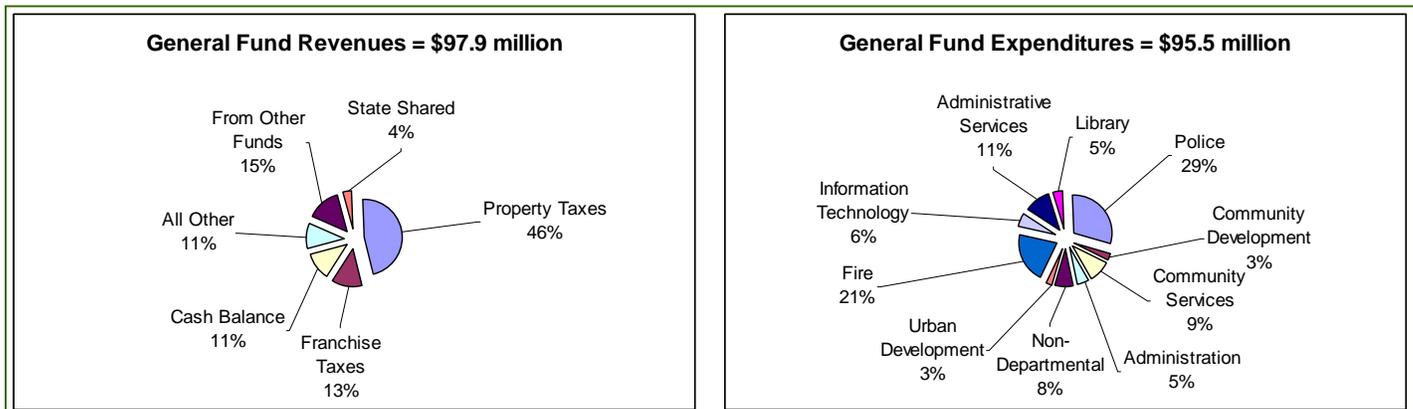


Figure 2. Salem Budget (Revenues & Expenditures)

¹⁰ Proposed Budget, FY 2006-07, City Manager’s Office, City of Salem, at FS1; FS6 to FS10; 127-133 (April 5, 2006).

¹¹ Woodmansee Park Memorial Fund. (2004). *IRS Form 990*. United States Internal Revenue Service. www.guidestar.org

A brief analysis of recent public spending shows in 2004 (the latest available year to use for comparative analysis) the city spent approximately \$7.89 million on parks and recreation operations and capital improvements, or about \$55 per resident. (See Table 5.) A comparison of park and recreation spending shows Salem is well below the national average for total spending, though it fares better when considering operating spending alone.

Compared to Boise, Sioux Falls and other Oregon cities, Salem generally spends significantly less on its parks for operational and capital purposes. (See Table 6.) In terms of capital spending, a bond measure for improvements would place Salem’s capital spending on a similar level of the other cities compared.

Salem Population	142,914
Park Operations	\$2,300,868
Recreation Operations	\$2,539,058
Capital	\$60,114
Capital from SDC Fund	\$1,396,948
Total Operational Spending	\$4,839,926
Total Spending*	\$6,296,988
Operational per Resident	\$39
Total* Spending per Resident	\$44
Source: City of Salem	
* Total spending indicates both capital and operational	

	Salem	National Average
Operating per Resident	\$39	\$64
Total Spending per Resident	\$44	\$88
Source: City of Salem and the Trust for Public Land Center for City Park Excellence, 2006		

Potential Funding Sources

In Oregon, a range of public financing options have been utilized to fund parks and land conservation, such as the property tax and general obligation bonds. Due to constitutional restrictions and limitations, SDCs and the creation of districts with the capacity to impose assessments, levy taxes and issue bonds are becoming increasingly popular funding mechanisms in the state. Other funding mechanisms used in Oregon that do not require voter approval include franchise taxes and park and recreation user fees. (See Appendix A for a matrix of local funding options.)

	Salem	Boise	Sioux Falls	Eugene	Corvallis	Medford	Beaverton	Gresham	Springfield	Hillsboro	Keizer
Population	146,120	190,122	136,695	142,681	50,380	68,099	213,000	96,072	62,514	84,533	34,644
Parks Operational Spending	\$4,839,926	\$14,326,938	\$9,991,526	\$11,785,859	\$4,337,227	\$2,644,932	\$22,331,816	\$1,788,218	\$8,198,543	\$4,882,743	\$110,799
Parks Capital Spending	\$1,457,062	\$3,923,365	\$7,585,930	\$4,515,000	\$1,211,120	\$1,024,425	\$2,870,676	\$1,403,381	\$2,204,479	\$3,738,390	\$249,668
Total Parks Spending	\$6,296,988	\$18,250,303	\$17,577,456	\$16,300,859	\$5,548,347	\$3,669,357	\$25,202,492	\$3,191,599	\$10,403,022	\$8,621,133	\$360,467
Operational Spg. per Resident	\$39	\$75	\$73	\$83	\$86	\$39	\$105	\$19	\$131	\$58	\$3
Total Spending per Resident	\$44	\$96	\$129	\$114	\$110	\$54	\$118	\$33	\$166	\$102	\$10
Source: Comparison Cities and City of Salem											

Local Option Levy*	Assessed Valuation	Annual Revenue	Cost / Year/ \$100K House	Cost / Ave./ House**	Cost / New / House***
\$0.10	\$8,027,743,280	\$802,774	\$9.00	\$15.13	\$23.30
\$0.25	\$8,027,743,280	\$2,006,936	\$22.50	\$37.82	\$58.26
\$0.30	\$8,027,743,280	\$2,408,323	\$27.00	\$45.38	\$69.91
\$0.35	\$8,027,743,280	\$2,809,710	\$31.50	\$52.94	\$81.57
\$0.50	\$8,027,743,280	\$4,013,872	\$45.00	\$75.63	\$116.52
\$0.60	\$8,027,743,280	\$4,816,646	\$54.00	\$90.76	\$139.83

*Per 1,000 of assessed valuation.
**Based on median home value of \$168,075 (\$151,268 assessed value).
***Based on 2005 average price of new home \$261,161 (\$235,045 assessed value)

Property Taxes/Local Option Levy

The property tax generates the majority of funding for Salem’s general fund at \$44.7 million, or 46 percent of general fund revenues, and provides \$6 million for debt service. Salem is located in Marion and Polk Counties, with the majority of the city’s assessed real property (85 percent) falling in Marion County. In 2006-07, Salem is projected to have an assessed value of \$8 billion, of which \$6.8 billion is in Marion County and \$1.2 million in Polk County.¹² (See Table 7 for more information on property taxes.)

Other tax districts in Salem include the Urban Renewal Agency, East Salem Water district and the Salem Area Transit District. The average tax rate of these districts is \$1.16. Salem has a higher rate than its neighboring cities, which have an average property tax rate of \$4.0382.

As Salem did until 1990, the cities of Hillsboro, Portland and Aumsville impose local option levies for parks operation and maintenance. (All three were approved in November 2002.) A local option levy for operation and maintenance may not exceed five years. A local option levy of \$0.25 could generate an estimated \$2 million a year at an annual household cost of \$38.

General obligation bonds¹³

Generally, bond proceeds are limited to capital projects and may not be used for operations and maintenance purposes.¹⁴ As such, funding alternatives for operation and maintenance costs, such as a property tax, specific tax, local improvement district assessment, or general fund allocation, would need to be considered. With the passage of Measure 5 in 1990 and Measure 50 in 1997 by Oregon voters, general obligation indebtedness is restricted to voter-approved capital construction or capital improvements.¹⁵ To pay the debt service on these bonds, bond levies may be imposed. Such bond levies are not subject to the Measures 5 limitation on property tax rates.

¹² Oregon Property Tax Statistics Supplement, FY 2005-06, 44 (revised June 6, 2006).

¹³ §§287.001 to .146.

¹⁴ Federal regulations governing the issuance of tax-exempt bonds limit the use of proceeds to capital purposes such that only a small fraction (up to five percent) of bond funds may be used for operation and maintenance directly related to the funded facilities. Treasury Reg. 1.148-6(d)(3)(ii)(A)(5). State and local laws may further limit the use of bond proceeds. In Oregon, general obligation bonds may not be used for maintenance and repairs and supplies and equipment not intrinsic to the capital project. Or. Const. Art. XI, §11(11).

¹⁵ Or. Const. Art. XI, §11(5), (11), (13); Or. Const. Art. XI, §11b(2)(d).

Bond Issue	Annual Debt Service	Bond Levy*	Cost/Year/ \$100K House	Cost/Avg House**	Cost/New/ House***
\$5,000,000	\$401,213	\$0.0500	\$4.50	\$7.56	\$11.65
\$10,000,000	\$802,426	\$0.1000	\$9.00	\$15.12	\$23.29
\$15,000,000	\$1,203,639	\$0.1499	\$13.49	\$22.68	\$34.94
\$25,000,000	\$2,006,065	\$0.2499	\$22.49	\$37.80	\$58.24
\$45,000,000	\$3,610,916	\$0.4498	\$40.48	\$68.04	\$104.82
\$50,000,000	\$4,012,129	\$0.4998	\$44.98	\$75.60	\$116.47

*Per \$1,000 of assessed value.
**Based on median home value of \$168,075 (\$151,268 assessed value).
***Based on 2005 average price of new home \$261,161 (\$235,045 assessed value)

Cities in Oregon are statutorily limited to a legal debt margin of three percent of the real market value of all taxable property within its boundaries, after deducting from outstanding bonds such cash funds and sinking funds as are applicable to the payment of the principal thereof.¹⁶ In addition, as a matter of policy, Salem holds its debt service tax rate at or below \$2.42 per \$1,000 of assessed value. Salem presently has four general obligation bonds outstanding that fund transportation and pedestrian safety projects. As of June 30, 2007, however, the general obligation bonds outstanding will total \$66.9 million, which is well below the legal debt margin of approximately \$214 million. To pay the debt service on these bonds, for FY 2005-06, Salem imposes a bond levy of \$0.7760 per \$1,000 of assessed value (or \$69.84 per year on a house with an assessed value of \$100,000).

Communities in Oregon that have approved the issuance of general obligation bonds for park, recreation and greenspace purposes include Corvallis, Eugene, Metro, Lake Oswego, Roseburg, Silverton, and West Linn. Metro Portland passed a \$227.4 million GO bond and Eugene passed a \$27.5 million GO bond in the recent November 7, 2006 election. Salem voters, however, rejected a proposed park general obligation bond and property tax levy in November 2002.

The city could consider asking its voters to approve a parks bond again. A \$25 million general obligation bond has a debt service of \$2 million a year. (See Table 8.) Such a bond issuance would cost the typical household in Salem an average of \$38 a year and homeowners with new houses an estimated \$58 a year. The property tax estimates assume the city would raise property taxes to pay the debt service on bonds.¹⁷ This annual property tax on property owners

¹⁶ §287.004.

¹⁷ §287.007 (“Notwithstanding any other law, the governing body of each city... shall ascertain and levy annually, in addition to all other taxes, a direct ad valorem tax on all the taxable property within the city...that.... will be sufficient to pay when due the principal and interest on all outstanding general obligation bonds issued by the city....”).

will decline slightly as the tax base grows with new construction and annexations (subject to Measure 50). In 2006-07, Salem’s assessed property values increased by five percent – compressed to three percent per Measure 50 and two percent due to new construction and annexations.¹⁸

Bond Issue	Interest Rate	Years to Maturity	Annual Debt Service
\$5,000,000	5.5%	10	\$663,339
\$5,000,000	5.5%	20	\$418,397
\$10,000,000	5.5%	10	\$1,326,678
\$10,000,000	5.5%	20	\$836,793
\$25,000,000	5.5%	10	\$3,316,694
\$25,000,000	5.5%	20	\$2,091,983
\$50,000,000	5.5%	10	\$6,633,388
\$50,000,000	5.5%	20	\$4,183,967

Revenue Bonds

Cities in Oregon may also issue revenue bonds for any public purpose and which are secured by revenues either pledged or designated to be payable for such public purpose of the public body.¹⁹ Such revenues may include fees, excise taxes, assessment, property taxes, and all other taxes. Revenue bonds constitute a borrowing solely upon the credit of the revenues received or to be received by the city, town, or county and do not constitute an indebtedness or pledge of the full faith and credit of the issuing body. Most revenue bonds in Salem are issued for water, sewer, and storm utility purposes. Revenue generated by Salem’s existing park and recreation user fees (approximately \$438,000; *see Table 11 on page 22 for description of fees*) could be enough to support the annual debt service on a \$5 million revenue bond for a 20-year term. (*See Table 9.*) Substitute funding of an equal amount would then have to be found, however, as those fees are already dedicated to parks operations.

Franchise Taxes

Municipalities may levy franchise taxes (also called franchise or privilege taxes) upon public utilities and telecommunication carriers for use of the public rights-of-ways.²⁰ Salem presently levies franchise taxes on cable television, electricity, natural gas, refuse, and telecommunication utilities at the statutory maximum rates.²¹ In 2006-07, franchise taxes are estimated to generate \$12.5 million, an increase of four percent over the previous year due to rate increases implemented by the utilities and growth in the customer base.

Oregon Election Analysis: 1989 – 2006

In terms of funding mechanisms that require approval by the electorate or by property-owners, since 1989, there have been over 40 conservation finance measures in Oregon, comprised of the following:

- 26 general obligation bond measures, of which 13 were approved by voters;
- 12 property tax measures, of which voters approved 4 local option levies exclusively for the operation and maintenance of parks and open space;¹
- 1 specific tax measure pursuant to a charter amendment which failed; and
- 1 statewide measure that dedicated lottery proceeds to parks, beaches, wildlife and watershed protection (Measure 66) that was approved by Oregon voters.

During the general election of November 7, 2006, Salem voters passed a \$24.72 million general obligation bond measure for the Salem Fire Department; a Salem-Keizer Transit District local option levy failed in May 2006 and an \$89 million bond measure for Chemeketa Community College.

¹⁸ Proposed Budget, FY 2006-07, at R5. In September and November 2006, Salem voters will face a total of almost 70 annexations on which to vote (by voter approval, each annexation must go to a vote of the people).

¹⁹ §288.805.

²⁰ §221.450; §221.510; §221.515.

A majority of the franchise tax revenue is deposited in the city general fund, though the City Council recently approved a program to transfer water and sewer revenue to the Transportation Services Division for street maintenance (in 2006-07, 31 percent or \$718,000 was allocated). Salem could likewise consider an allocation of franchise tax revenue for park and recreation purposes that would increase available funds significantly. (See Table 10.)

Specific Tax

Pursuant to its charter authority,²² the City of Salem could consider asking its voters to approve a charter amendment that authorizes the imposition of a specific tax per dwelling and/or commercial unit to maintain, operate, improve and acquire parks. A specific tax is imposed as a

Percentage Allocation	Estimated Revenue
10%	\$1,250,020
15%	\$1,875,030
20%	\$2,500,040

fixed sum on each dwelling and commercial unit, without regard to the value of the dwelling and commercial unit, and is not a property tax. A specific tax does not appear to be a commonly utilized mechanism in Oregon. In addition, voters in the City of Keizer rejected a specific tax measure for parks in November 2002 (31 percent “yes” votes).

City	Pop. 2005	User Fee Revenue	Per Capita Revenue
Tigard	45,500	\$42,500	\$0.93
Tualatin	25,465	\$32,480	\$1.28
Happy Valley	7,275	\$17,000	\$2.34
Salem	147,250	\$438,890	\$2.98
Wilsonville	16,510	\$51,000	\$3.09
Troutdale	14,880	\$57,500	\$3.86
West Linn	24,075	\$242,000	\$10.05
Hillsboro	82,025	\$988,000	\$12.05
Forest Grove	19,565	\$300,600	\$15.36
Oregon City	28,965	\$644,665	\$22.26
Portland	555,585	\$17,261,432	\$31.07
Lake Oswego	36,075	\$1,359,000	\$37.67
Average			\$11.91
Median			\$6.96

Source: GPAC Finance Report: Part 1--Existing Financial Environment. Metro Greenspace Policy Advisory Committee. Table 2 (May 25, 2006).

City Park and Recreation Fees

Park and recreation user fees include park entrance fees, park reservation fees, recreation and aquatic center fees or memberships, boat launch and marina fees, tennis and golf fees, and the sale of goods and services. User fees generally do not generate sufficient revenue to cover operation and maintenance costs and usually are intended to supplement general revenues, though golf course and tennis user fees often generate enough revenue to support other park operations. For instance, Portland, Lake Oswego, and Clackamas County all operate golf courses and/or tennis facilities that generate positive cash flows.

Recreation, swimming and parks reservation fees total \$438,890 for FY 2006-07, which, without considering park and recreation

²¹ Proposed Budget, FY 2006-07, at R6-R7.

²² “The legal voters of every city and town are hereby granted power to enact and amend their municipal charter, subject to the constitutional and criminal laws of the State of Oregon.” Ore. Const. Art. IV, §1(5). In addition, a municipal corporation may assume powers to impose taxes and to select the kinds of taxes most appropriate in order to provide governmental services. *Jarvill v. City of Eugene*, 613 P.2d 1, at 19 (Or. 1980).

operation costs, would be sufficient to support annual debt service for a \$5 million revenue bond.²³ (See above section on revenue bonds.)

Other communities in Oregon are able to generate significantly more revenue from their user fees, partly due to larger resident populations, golf course and tennis facility fees as well as the provision of a greater variety and quantity of park and recreation services. (See Table 11.) Many variables contribute to the per capita revenue generated from the user fee; however, when the per capita revenue generated from user fees is considered, Salem's user fee revenue ranks below the average generated revenue of \$11.91 and below the median of \$6.96. For a city the size of Salem, its park and recreation user fees appear to be below the optimal rates, but the matter requires further analysis.

Other City Budget Funds

The city Transportation Fund is comprised of revenue from the state and federal grants, state gasoline tax, contributions from the county, and transportation system development charges (\$2.4 million in SDCs). A portion of the fund may be used to maintain, upgrade, or construct bike lanes, bike paths, and related facilities. In addition, stormwater/wastewater fees comprised of user fees and impact fees from new developments may be utilized for park and recreation projects that have compatible goals.

Local Improvement District Assessments

A local improvement district, or special assessment district, is a geographic area in which real property is assessed to defray all or part of the costs of a public improvement, which include recreational facilities, storm and sanitary sewers, street improvements, and street lighting.²⁴ An assessment is an involuntary charge levied on property to pay for local improvements that benefit the property, which is beyond the general benefits received by all citizens of the community.²⁵ The amount of the assessment imposed on each parcel of property must be related to the benefits derived from the provision of services to the parcel. The assessment is distributed among property owners according to the proportionate benefit to each owner's land.

The City Council, on its own motion or upon petition of 51 percent of owners of property that would be specially benefited by the improvements, may initiate consideration for the local improvements. When the City Council decides to initiate a project and assess all or part of the cost of constructing a local improvement, it shall cause the preparation of plans, profiles, specifications and estimates of the proposed improvement, and maps of profiles showing the area of benefit proposed to be assessed. (Salem has one local improvement district, the McGilchrist Local Improvement District, but it appears to be inactive.)

²³ Proposed Budget, FY 2006-07, at R10-R11.

²⁴ Julie Neburka, Researcher, Basics About Local Improvement Districts, Oregon Legislative Policy & Research Office (Nov. 1997). Local improvement districts are governed by local ordinances, though the Bancroft Bonding Act (Sections 223.205 to .295) addresses the means by which local governments may finance public improvements.

²⁵ Salem Revised Codes, §§21.010 to .100; Or. Rev. Stat. §§223.001 to .401.

*Park and Recreation District*²⁶

In Oregon, counties and cities may establish a special district (or local service district) to provide additional services, including parks and recreation services. A park and recreation district is the only special district available to cities in Oregon for financing parks and greenspace.²⁷ It may levy property taxes, impose impact fees, and issue bonds for the purpose of acquiring, constructing and equipping facilities. (The City feels strongly that any discussion of creating a district for Salem would need to include the City of Keizer, Marion County and Polk County.)

Governed by an elected board, a park and recreation district has the power to construct, reconstruct, alter, enlarge, operate and maintain lakes, parks, recreation grounds and buildings; to acquire necessary lands; and to call necessary elections after the formation of the district. In Oregon, 49 park and recreation districts exist, with one located in Marion and Linn Counties — the Jefferson Park and Recreation District.²⁸

A park and recreation district may be formed by petition of all landowners in the proposed district, by petition of electors in the district, or by a county board (if the district falls entirely within that county). Additional requirements and potential approval of voters depends on whether taxes are imposed and other factors.

*Urban Renewal Agency*²⁹

An urban renewal agency is a municipal corporation that may exercise its powers when a municipality, by non-emergency ordinance, declares that blighted areas exist in the municipality and that there is need for an urban renewal agency to function. A municipality may also issue general obligation bonds for the purpose of assisting in the planning or the carrying out of an urban renewal plan. The agencies are funded through tax increment financing. In Oregon, no urban renewal agencies dedicate funds for strictly park and recreation purposes.³⁰ Salem currently has six urban renewal areas within its borders, most notably the Riverfront/Downtown Urban Renewal area, but also the North Gateway, Fairview Industrial Park, Mill Creek, Pringle Creek and West Salem Urban Renewal Areas. A seventh urban renewal area, the McGilchrist Urban Renewal Area, is under consideration.

²⁶ §§266.010 to .550.

²⁷ A metropolitan service district provides public services, such as park and recreation service, that are not adequately available through previously authorized governmental agencies in metropolitan areas, defined as areas within the boundaries of Clackamas, Multnomah and Washington Counties. §§268.010 to .990. As such, in order for Salem to create a metropolitan service district (such as Metro in the Portland area), legislative action is necessary.

²⁸ Oregon Property Tax Statistics Supplement, at 161-70.

²⁹ §§457.010 to .460.

³⁰ GPAC Finance Report: Part 1--Existing Financial Environment, prepared for Metro Greenspace Policy Advisory Committee. The City of Wilsonville, located 20 miles south of Portland, has an agreement with a development located within an urban renewal area whereby the developer dedicated park space and maintains the parks for five years. After five years, the city will assume maintenance costs of the parks.

A Review of System Development Charges³¹

The City of Salem presently imposes a Parks System Development Charge (SDC) that funds park and recreation capital improvements and acquisitions in areas of residential growth.³² Cities, counties and special districts in Oregon may impose SDCs for capital improvements, which include parks and recreation facilities but not operation and maintenance costs nor replacement costs for existing infrastructure capacity. A SDC is a one-time fee charged on new development and certain types of redevelopment to help pay for existing and planned infrastructure to serve the development. SDCs are collected from builders.

System development charges are utilized in at least 25 cities and six park and recreation districts in Oregon to fund park and recreation facilities. Park SDC rates in select cities and park and recreation districts across Oregon range from \$1,000 to \$8,029 for single-family residences (average \$3,130.25), as depicted on the chart in Appendix B to this report. A recent Metro analysis of Park SDCs in the Portland metropolitan area found that most of the jurisdictions spend their SDC revenue as they collect the SDCs.³³ A few jurisdictions accumulate fund balances that are disproportionately large in comparison to the annual revenues flowing into their respective SDC or Capital Development Funds. These jurisdictions accumulated their Park SDC revenue for a variety of reasons, including saving for significant capital projects or land acquisitions or other economic factors. Some of the City of Salem's SDC's are held due to legally obligations, such as commitments for both site acquisition and development.

System development charges are only one component of an overall parks and recreation funding strategy. For example, in Corvallis, Parks SDCs have contributed 12 percent of the revenue needed since 2000 to fund park and recreation improvement projects, with the remainder of parks and recreation funding came from grants, donations, property taxes, city general fund, and general obligation bond proceeds. In addition, because they depend directly upon the level of new residential construction activity, SDCs are an unpredictable revenue source. Moreover, because land values in Oregon have increased substantially in the past few years, a fully loaded Park SDC is politically infeasible and increases to the rate cannot plausibly keep pace with the inflation of land value and development costs.

Types of SDCs

A SDC may be an improvement fee, reimbursement fee, or a combination of the two. SDCs utilized for parks and recreation facilities are generally improvement fee SDCs. Improvement fee SDCs may be charged for new capital improvements that will increase capacity and includes debt service payments. The improvement fee must be calculated such that it funds the portion of the cost of capital improvements that meets the projected need for increased capacity for future

³¹ §§223.297 to .314. System development charges have been in use in Oregon since the mid-1970s for water and sewer improvements. State legislation regarding SDCs was not adopted until 1989 and limits the used of SDCs to water, wastewater, drainage, flood control, transportation and parks and recreation capital improvements.

³² As part of this report, Transportation SDCs were considered for trail funding. However, in examining Salem and other cities' Transportation SDCs, it appears that Transportation SDCs are not utilized for recreational trails beyond bikeways located on streets.

³³ Draft Existing Financial Environment, prepared for Metro Greenspace Policy Advisory Committee, GPAC Finance Report (April 27, 2006).

users. Revenues generated by improvement fee SDCs may be expended only for capital improvements identified in a required Capital Improvement Plan

GO Bonding with Parks SDCs

System development charges may be pledged by the city to pay debt service on general obligation bonds for parks and recreation facilities.³⁴ Such bonds are known as General Obligation Bancroft Bonds, which are expended only for payments duly authorized for construction or expansion of systems development.³⁵ A city may not incur indebtedness for general obligation bonds payable from SDCs that are in an amount greater than three percent of the real market valuation of the city (same as for general city GO bonds).

Utilizing Park SDCs for Trails

Park SDCs may be imposed in response to an increased burden on public facilities created by a new development. As such, in order to use SDCs for trail acquisitions, a system of trails must preexist the new development and new residents must impact the existing trails such that a need for additional trails exists.

SDC Expenditure Outside of City Limits

Because Parks SDC funds are ordinarily generated when new development occurs, acquisitions and park development occur in the parts of a city experiencing growth such that a “rational nexus” exists.³⁶ Whether SDCs may be used for park acquisitions and development outside of city limits and the city’s urban growth boundary is not clear, though some examples exist whereby cities such as Portland have used SDC revenue for projects located outside of their boundaries.

The SDC statutes provide that capital improvements funded by Park SDCs must be listed in the capital improvement plan,³⁷ master plan, comprehensive plan, or other similar plan, which arguably could include land outside of the city limits and urban growth boundary. Moreover, a recent Oregon Land Use Board case implies that a city must include any proposed extraterritorial lands in its Park, Recreation and Open Space Plan (PROS) such that Parks SDCs may be expended outside of its boundaries in order to coordinate acquisitions with the county to encourage connectivity and integration of park, recreation facilities, and open space.³⁸ (*If interested in expending its Park SDCs outside of its boundaries, Salem should consult its city attorney.*)

³⁴ §223.313(2) (“The provisions of ORS 223.297 to 223.314 [System Development Charges] shall not be applicable if they are construed to impair bond obligations for which system development charges have been pledged or to impair the ability of local governments to issue bonds or other financing as provided by law for improvements allowed under ORS 223.297 to 223.314”).

³⁵ §§223.205 to .295 (Bancroft Bonding Act).

³⁶ At the heart of the “rational nexus” test is the concept of proportionate share, which is defined as that portion of cost of existing and future system improvements that is reasonably related to the demands of the new development.

³⁷ A local government may identify land inside an urban growth boundary for which the local government intends to provide urban services within the next five to seven years. The local government may evidence its intent by adopting a capital improvement plan reasonably designed to provide the urban services. §197.754(1).

³⁸ See *Home Builders Assoc. v. City of Eugene*, 2006 Ore. Land Use Bd. App. LEXIS 124, at *49-52 (Aug. 9, 2006).

Park SDCs in Salem

Salem has imposed a Park SDC since 1992. Its Park SDC rates consider the type of park being funded-- neighborhood parks, community parks, and large urban parks—as depicted below. In its 2006-07 budget, Salem has a total Park SDC fund of \$7.35 million; \$6.25 million is committed to park acquisition and development projects. (See Table 12.)

Table 12. Salem Park SDC FY 2006-07	
Source of Funds	
Beginning Fund Balance	\$4,630,000
Interest Earnings	136,000
Grant (unidentified)	335,000
Park SDC Fees	2,252,000
TOTAL	\$7,353,000
Total Project Costs	(6,253,000)
Unappropriated Balance	\$1,100,000

Salem’s Park SDC rates are based on a methodology report from 1999 and have increased minimally to account for inflation.³⁹ Thus, Salem’s present Park SDC rates are inadequate to fund the growth-related neighborhood parks, community parks, and large urban parks currently needed and envisioned in the city.

In addition, Salem’s 1999 methodology report uses a fixed capital improvement list for growth-related parks and does not address park needs in the face of the exponential growth in Salem over the past decade. Specifically, the methodology report does not consider areas of growth in the city nor does it categorize the city into geographic zones or service areas (i.e., northwestern, northeastern) such that park needs can meet demand.

This underpinning restricts the city from taking full advantage of developers. Ordinarily, developers may dedicate land or build a park improvement in lieu of the SDC, so long as the project increases park and recreation capacity and is identified in the capital or master plan. Salem’s parks capital improvement plan, however, contains a list of *specific parks* rather than *park needs in growth areas*.

Table 13. Park System Development Charges & Categories (in dollars)				
Household Units	Neighborhood	Community	Large Urban	Total
SDC per				
...Single Family	\$915	\$450	\$1,597	\$2,963
...Multi family	598	295	1,044	1,937
...Manufactured	669	329	1,167	1,165

Table 14. 1999 Salem Park SDC Rate Assumptions			
Park Type	Proposed Acres per 1,000 Pop.	Acquisition Cost per Acre	Development Cost per Acre
Neighborhood Park	2.5	\$70,000	\$67,000
Community Park	2.5	\$60,000	\$63,000
Large Urban Park	3	\$60,000	\$63,000
2006-07 Costs		\$130,000	\$156,000

³⁹ Preliminary Parks System Development Charge Methodology, Economic & Financial Analysis, City of Salem, (June 2, 1999) (adopted by Resolution 99-199).

City	Rate (SFR)	Last updated	Projected Average Acquisition Cost	Projected Average Development Cost
Salem	\$2,963	1999	\$65,000	\$65,000
Corvallis	\$4,893	2006	n/a	n/a
Eugene	\$1,345	2003	n/a	n/a
Portland	\$3,053	2006	\$268,585 ⁴⁰	\$372,872 ⁴¹

Finally, Salem must offer a credit to developers when the cost of their dedication or improvement exceeds the minimum standard facility size or capacity needed to serve the development. Salem’s minimum standards are based on the outdated 1999 methodology report.

Park SDC Comparison in the Cities of Corvallis, Eugene and Portland

For purposes of comparison, this subsection reviews the Park SDCs in the cities of Corvallis, Eugene and Portland. (See Table 15 for a summary.)

Corvallis⁴²

The City of Corvallis has collected Park SDCs since 1991 and recently approved increased Park SDC rates. Planning through 2020, Corvallis’ methodology was based on its 2000 parks master plan. Corvallis has used its Park SDCs to purchase property and to build and improve new parks and trail facilities. New park acquisition and development are planned throughout the city based on growth areas and new developments in the city. Corvallis reviews its Parks SDC and capital project costs annually against a construction cost index and real market value, and adjusts as necessary. According to the 2007-11 Capital Improvement Plan, Parks SDC funds are projected to contribute to acquisition of open space and development of parks.

But new parks aren’t given the entire pot, with some SDC allocations for existing park improvements and trails. Because SDC money can only fund park improvements caused by growth, Corvallis plans to pay for 33 percent of existing park improvements with SDCs and the remainder with grants, donations, and other city funds (total, including SDC, of \$2.2 million). An estimated 15 miles of trails are planned to serve growth and non-growth needs in the city.⁴³ Forty-eight percent of the trails are estimated to be required due to growth and Parks SDCs thus are projected to fund that portion.

⁴⁰ Calculated by dividing acquisition cost for growth-required acres (\$52,567,500 divided by number of growth-required acres (195.72 acres). System Development Charges: Methodology Update Report, Portland Parks & Recreation, at 8, 10, 11 (Oct. 15, 2004).

⁴¹ Calculated by dividing park development cost for growth-required acres (\$72,978,550) divided by number of growth-required acres (195.72 acres).

⁴² “City of Corvallis: Park System Development Charges, Frequently Asked Questions,” at www.ci.corvallis.or.us; Corvallis Parks and Recreation SDC Methodology Update Report, Don Ganer & Assocs., Inc. (April 10, 2006), at <http://www.ci.corvallis.or.us/downloads/pr/SDC%20MethodologyReport.pdf>; Corvallis Municipal Code, §§2.08.010 to .210.

⁴³ Corvallis Parks and Recreation SDC Methodology Update Report, at 20.

Eugene⁴⁴

The City of Eugene has charged new residential development a SDC since 1991. Eugene organizes its proposed parks, open space and recreation facilities by geographic planning areas and SDCs provide funding for all or portions of the cost of new parks and open space, new recreational facilities, and access improvements in the areas experiencing growth.

Park SDCs have been the primary source of funding for new park acquisition and new park development in Eugene. Specifically, Eugene has expended SDCs for the acquisition and development of neighborhood and community parks, including soccer fields, softball diamonds, tennis courts, and basketball courts. Eugene prioritizes its capital park projects into implementation periods of five, ten, fifteen, twenty years and so on.

Because SDC expenditures are limited to the provision of services to accommodate new development, Eugene recently asked its voters to approve a \$27.5 million general obligation bond to fund most of its new parks capital projects and improvements. Submitted to voters in the November 7, 2006, general election, this measure (20-110) passed with approximately 59 percent approval. Bond funds historically were used for major park renovation and development projects in the city.

Portland⁴⁵

In Portland, the Park SDC captures 35 percent of the cost of providing new parkland. Portland bases its Park SDC rate on the level of standards for park facilities in 2020 that includes neighborhood parks, community parks, trails, habitat parks, natural areas, urban parks, golf courses, community gardens, botanical gardens and regional parks. Pursuant to the Portland Code, SDC revenues must be expended within ten years of receipt.⁴⁶

In its SDC Capital Improvements Plan, the Portland Parks & Recreation divides the city into four sectors for its neighborhood park and community parks. In contrast, Portland's service area for all other parks such as natural areas and trails is on a citywide basis. Portland prioritizes its Park SDC funds for acquisition rather than development because property meeting the city's parkland guidelines is rapidly diminishing. In some cases, SDC funds are used as a match for park development in target areas.

In terms of acquisitions eligible for SDC funds, Portland's parkland acquisition strategy focuses upon natural areas, outdoor recreational opportunities, but also trail corridors and connections to parks. (Highest priority is given to trail acquisitions that provide the greatest overall connectivity to other park, trail, recreation and wildlife areas.) Portland projects that it will need 32.5 growth-required acres of trails citywide at an acquisition cost of \$3.2 million and a development cost of \$12.2 million.

⁴⁴ Project and Priority Plan: Parks, Recreation and Open Space, City of Eugene (May 2006); Parks, Recreation and Open Space Comprehensive Plan, City of Eugene (adopted February 13, 2006); Approved Budget, 2006-07, City of Eugene, at H.56; Eugene Code, §§7.700 to .990.

⁴⁵ "Portland Parks and Recreation SDC Capital Improvements Plan," System Development Charges: Methodology Update Report, Portland Parks & Recreation (Oct. 15, 2004); "Portland Park Acquisition Program," at www.portlandonline.com/parks/index.cfm?c=42035; Portland Municipal Code, §§17.13.010 to .170.

⁴⁶ Portland Municipal Code, at §17.13.140.

Action Plan and Implementation Recommendations

As the City moves to update its Parks Master Plan, TPL believes parks, trails and recreation can play a larger role within Salem's overall quality of life and economic development strategy . National research continues to show that people and businesses are drawn and want to stay in communities with excellent park, trail and recreation systems. Urban theorists across the political spectrum usually agree on one thing: providing quality parks and recreation systems is key to attracting and retaining residents – from the so-called Creative Class to families and seniors.

In Salem, the number-one challenge the city faces is creating a common city-wide vision and brand for parks. Several agencies have plans that include parks and recreation components, but these plans are fragmented without a unified vision and document – a master plan for parks and recreation could offer such a vision. A hard-working and efficient Parks Division is stretched thin by an average-sized park system with far less money than other cities to maintain the land; waiting-to-be-developed parkland purchased by SDCs illustrates this trend. Lastly, and maybe most important, the park system's competitive advantage is its central city area, home to a variety of wonderful parks, from the State Capitol grounds to the skate park in Marion Square to the serene Bush's Pasture Park to the nature-rich Minto-Brown Island – and more. TPL found possibilities to connect these parks (and to places in greater Salem) along creeks, abandoned railways, wetland areas, public lands and existing streets.

TPL recommends the City take the following actions in its update of the 1999 Parks Master Plan and its subsequent implementation.

Profile a new "brand" for parks by focusing on trails and connectivity. Respond to the city residents' desire for trails and connectivity by connecting parks, especially the parks of the central city area. This is already being done with a major step – conversion of the Union Street Bridge to pedestrian and bicycle use. Use creek and railroad corridors, existing streets and parks to create a planned and marketed trail system. Create and implement a signage and wayfinding plan to this effect.

Show the economic benefits of parks. The conversion of the Union Street Bridge is a hallmark for Salem's park system. Market and invest around the bridge and connecting trails to help "brand" the parks, but also to spur economic activity. Include a section in the master plan describing the economic benefits of parks and trails from increased nearby property values, tourism, increased resident health, value of use, and ecological and environmental value.

Offer a big and unified vision. Integrate all park-related planning in Salem into the Parks Master Plan update. Elevate the status of the master plan by including trail plans from the Public Works Department, the bridge conversion from the Urban Renewal Agency and other significant initiatives. Specifically, create a section in the master plan update entitled "Connecting Parks in the City Center" that encompasses the above plans and establishes this as a priority for the City as a whole, not just singular agencies.

Revisit ballot measure. As the above recommendations are set forth in the update of the master plan, a ballot measure could leverage the role of parks in economic development, quality of life,

and trails. The city nearly passed such a measure in 2003 and small changes to reposition parks could result in passage next time around. The City should consider, possibly as an alternative, a rededication of franchise taxes or fee increases for parks maintenance, since that may be the only other way to close the gap on funding with other comparable city park systems.

Prioritize SDCs with special attention to the development community and trails. TPL recommends the city open communication channels with private developers through periodic meetings in which concerns and hopes can be shared. In addition, this report has shown SDCs can be used for trails in certain situations, and TPL recommends the city do so when their construction or improvement can be justified due to growth.

Demonstrate equity and develop in areas of need. The city has aptly used Community Development Block Grant funds and other limited resources to address inequities and recreational needs. TPL recommends the city continue to address inequities in the highlighted areas of this report. TPL also recommends the city work with other agencies, such as Public Works, to increase access to existing parks and include this concept in the update.

Across the country, cities similar in size to Salem have used the public realm to spur economic and community development, such as Charleston, S.C., Sioux Falls, S.D., Kenosha, Wisc., Chattanooga, Tenn., and Bellevue, Wash.. TPL President Will Rogers recently remarked, "cities are using parks systems as problem solvers to help drive competitive advantage and the urban economic bottom line. But parks still do what they have always done – provide the beautiful and healthy places that can help make and keep their cities lovable." By taking advantage of its existing parks and new opportunities at hand, Salem can do just that.

Appendix A: Local Funding Options Matrix (see Funding Sources for Parks, Trails and Greenspace in Salem, Oregon report for State, Federal and Private Funding Sources)

Revenue Option	Description and Generating Potential	Implementation Process	Comments
Local Option Levy (Property Tax)	A local option levy for either operation and maintenance (maximum of five years) or capital projects (lesser of expected useful life or ten years) may be levied by Salem for park, trail and greenspace purposes. Without considering property tax compression, Salem has \$1.1436 in remaining capacity.	Requires majority approval of voters at an even-numbered general election or at an election with majority voter turnout.	Would create a dedicated funding source that could be used for acquisition or maintenance.
	<u>Local Option Levy</u> <u>Annual Revenue</u> <u>Annual Cost/Home</u>		Operating levies need to be referred to voters every 5 yrs.
	\$0.25 \$2 million \$37.82		Local option levies subject to \$10 per \$1,000 AV permanent rate limitation and to compression.
General Obligation Bonds	<u>Bond Issue</u> <u>Annual Debt Service</u> <u>Prop Tax Increase</u> <u>Annual Cost \$ / Ave. Home</u>	Requires majority approval of voters at an even-numbered general election or at an election with majority voter turnout.	Bonds raise substantial amounts of money, enabling the county to make acquisitions now while land is available.
	\$25 million \$2 million \$0.25 \$38		Costs would be spread out over a long time horizon, and therefore borne by current and future beneficiaries.
	\$50 million \$4 million \$0.50 \$76		Interest increases the cost.
	The debt service figures for the proposed bond issue above are based upon a general obligation bond issued for 20 years at 5 percent interest. This rate is only used for illustration. City officials, financial advisors, bond counsel and underwriters would establish the actual terms of any bond.		Bonds proceeds may not be used for maintenance.
Revenue Bonds	Revenue bonds require a source of funding to pay debt service, such as fees, assessments, and taxes.	City Council resolution (election required if petitioned)	Same as above

Cont'd on next two pages....

Revenue Option	Description and Generating Potential	Implementation Process	Comments								
System Development Charges	Park System Development Charges (SDCs), or developer impact fees, are one-time fees charged on new developments to help defray the cost of park infrastructure.	Need to identify park capital improvements in a capital improvement plan and calculate SDC rate based on projected cost and need for increased capacity.	<p>Provides dedicated funding for park capital acquisition and development projects.</p> <p>May against SDC revenues.</p> <p>Park capital projects must serve areas of growth, i.e., a nexus must exist between the new developments paying the fees and the park project.</p> <p>SDC funds may not be used for operation and maintenance.</p> <p>Unpredictable source of funding because depend upon level of residential construction activity.</p>								
Franchise Tax	<p>Salem could allocate a percentage of its franchise tax revenue for park, trail and greenspace acquisition and/or operation and maintenance.</p> <table border="1" data-bbox="261 888 602 1056"> <thead> <tr> <th data-bbox="261 888 391 919">% Allocation</th> <th data-bbox="435 888 602 919">Annual Revenue</th> </tr> </thead> <tbody> <tr> <td data-bbox="261 930 310 961">10%</td> <td data-bbox="435 930 553 961">\$1.3 million</td> </tr> <tr> <td data-bbox="261 972 310 1003">15%</td> <td data-bbox="435 972 553 1003">\$1.9 million</td> </tr> <tr> <td data-bbox="261 1014 310 1045">20%</td> <td data-bbox="435 1014 553 1045">\$2.5 million</td> </tr> </tbody> </table>	% Allocation	Annual Revenue	10%	\$1.3 million	15%	\$1.9 million	20%	\$2.5 million	City Council resolution	<p>Allocation of franchise tax revenue may be used for capital projects or for operations and maintenance.</p> <p>Salem recently allocated water and sewer franchise revenue for street maintenance; another allocation for parks and greenspace may not be supported.</p>
% Allocation	Annual Revenue										
10%	\$1.3 million										
15%	\$1.9 million										
20%	\$2.5 million										
Specific Tax	Pursuant to its charter authority, Salem could levy a specific tax as a fixed tax on each residential or commercial unit.	Requires charter amendment and approval by majority of voters.	<p>Would create a dedicated source of funding that is not subject to Measure 5 limitations.</p> <p>A specific tax measure for parks failed by in the neighboring city of Keizer (31 percent “yes” votes).</p>								
City Park and Recreation Fees	An increase to city park and recreation user fees could be considered by Salem.	City Council approval	<p>May be used for capital projects or operation, but are usually reinvested to cover program costs or facility maintenance.</p> <p>Any increase to user fees need to be balanced against affordability for residents.</p>								

Revenue Option	Description and Generating Potential	Implementation Process	Comments
Local Improvement District Assessments	The city could form a local improvement district that may impose an assessment on property to pay for parks and open space based on the amount of benefit each property would receive.	The city must set individual assessment charges for affected property owners based on benefits to be received. Thereafter, a public hearing must be held and notice of the assessment given before the City Council may pass an assessment ordinance.	A local improvement district assessment would create a dedicated funding source for parks and greenspace that could be used for acquisition as well as development and maintenance purposes. Implementation process can be complicated and includes preparation of plans, public hearings, and notice requirements.
Park and Recreation District	Salem could consider formation of a park and recreation district that has the ability to levy taxes via its board and issue general obligation bonds with voter approval.	May be formed by County Commissioners upon petition for formation submitted by voters or landowners.	A park and recreation district's sole purpose is to provide and maintain park and recreational facilities.
Urban Renewal Agency	An urban renewal agency uses tax increment financing and bonds to finance the rehabilitation of certain areas in the city.	Urban renewal plan must be approved by City Council.	Park, trail and greenspace amenities may be included in the plan to revive the blighted area. Not common to dedicate urban renewal funds for park purposes.

Appendix B: Creating a Trail System: Stories from Boise, Eugene and Sioux Falls

One goal of Salem's Park and Recreation Masterplan update was to study how Salem could create a stronger trails program that would link parks with schools, libraries and commercial areas providing both recreation and transportation benefits. TPL looked at three similarly sized cities with strong trails programs and provides these case studies such programs.

Boise, Idaho: the Boise River Greenbelt

The Greenbelt concept became official city policy in 1964 with adoption of a comprehensive plan. Shortly before this, the city's planning director, parks director and a private consultant brought the ideas of a river greenway forward as part of the city's comprehensive plan and zoning ordinance update. The plan suggested that the city acquire land along the Boise River to create a continuous "green belt" of public land stretching the entire length of the community.

A key figure in advancing support for the Greenbelt was Councilman Bill Onweiller, who created a video touting the benefits of the potential trail. Along with support from the mayor and city council, funds were allocated in 1966. That year, the city made its first land acquisition.

In 1971 the city adopted an ordinance that required a minimum setback from the river of 50 feet for all new structures and parking areas, and a Citizen Greenbelt Committee appointed by the mayor and council was already in place to oversee new rules. The city began slowly completing the greenway – using land acquisition, purchase, exchange, leasing and land donations. By 1978 the city had secured approximately 75 acres of land.

The 80's saw construction of short pathway segments and bridge connections. By 1996 all major portions of the pathway system were continuously connected. At present, the City manages about 172 acres on both sides of the Boise River that are dedicated to the Greenbelt and associated path system. The City manages nearly 23 miles of Greenbelt pathways and is planning to extend the paved pathway system by 4.7 miles. The adjoining jurisdictions of Garden City, Eagle, and Ada County are also making significant strides to expand and link their respective sections of the Greenbelt path system.

Sioux Falls, South Dakota: the Big Sioux Trail

Former Mayor Rick Knobe and local radio personality considers the Big Sioux River Greenway one of his greatest achievements. In the early 1970s, the mayor instructed the director of planning to begin plans for a bike trail along the Big Sioux River and two of its tributaries, which together make a loop within the city. In April 1975 the city adopted its first Big Sioux River Greenway plan.

Land was initially acquired mainly through gifts of land and purchases using the federal Land and Water Conservation Fund (LWCF) and the federal Community Development Block Grant (CDBG) programs. When funding was reduced for these federal programs in the 1980s, the city turned to its "2nd Penny" sales tax for money. (South Dakota state law allows cities to institute this sales tax exclusively for capital improvements.) More recently the city received a \$1 million congressional earmark to extend the branch of the trail to a nearby community. Using its frequently updated master plans, the city typically has negotiated gifts of land as development

plans come in for approval. It also acquired state-owned wetlands and relied on the redevelopment of industrial and other sites.

One major site that completed the 23-mile loop and an example of redevelopment within the trail network is the magnificent Falls Park. Nearly thirty years after the greenway's inception, in 2000 then-Mayor Gary Hanson led an effort to reposition Falls Park as a tourist destination and area for redevelopment. In executing the Falls Park Master Plan, part of an adjacent salvage yard was redeveloped into 18 acres of added park space, including a new sculpture garden. Another portion of the cleaned-up property is planned for mixed-use development. Downtown's Phillips Avenue was then extended between these segments and in July 2006 was home to the City's Sesquicentennial Parade. The project sparked revitalization of adjacent properties. Four declining historic buildings have recently been rehabilitated for mixed-uses, including residential living spaces, restaurants, a comedy club, architectural firms, a museum, and other retail uses. City planner Steve Metli noted in the *Sioux Falls Argus Leader* recently, "...downtown, especially riverfront property will be some of the most desirable real estate in the city."

Eugene, Oregon: the Riverbank Trail System

In 1971 the Oregon Legislature under Governor Tom McCall earmarked one percent of the State's gas tax for the construction of bike paths and on-street bike lanes. Both Eugene's mayor and city manager at the time were bicyclists, and along with the city council they helped form the Eugene Bicycle Committee, made up of five staff persons from the public works, traffic engineering, planning, parks and police departments as well as five community members. The city then hired a consultant to develop a community vision, the Eugene Bikeway Master Plan, a document that would be updated and adhered to nearly every year.

By 1980 about nine miles of riverfront paths and four bike/pedestrian bridges were paid for with a combination of gas tax dedicated funds, federal grants and local financing and partnerships, such as with utilities to build a pedestrian and bike bridge that also carried a pipeline. A three-mile segment remained unfinished. In 1995, congressional funding was approved for the segment and the trail was completed in 2003, nearly thirty years after its inception.

Much of the trails' success is due to the leadership of two individuals, Ruth Bascom and Diane Bishop. Bascom, a local bike enthusiast, served on the original Bicycle Committee and later rose to the Eugene City Council and Mayoralty. She is credited with having the energy and persistence to complete the trail, and the completed 12-mile loop that connects both sides of the Willamette River was named in her honor. Bishop served as the city's bicycle and pedestrian coordinator from 1976 until 2004.

One tool used in Eugene to create a bike friendly transportation environment, but also to connect the riverfront trails with the rest of the city is the bicycle boulevard, which is a roadway designed or modified to discourage automobile usage (without prohibiting it) while encouraging through travel by cyclists. Cars are diverted at intersections while providing a passageway for bikes, and so-called "pedestrian refuges" are constructed in the middle of crosswalks to slow traffic. In addition, the city has constructed curb extensions (also known as bump-outs) and stop signs on cross streets rather than on the bicycle boulevard so that bicyclists can ride without interruption. The use of signage and symbols further identifies the streets as bicycle boulevards.

Appendix C: Stakeholder Interview List

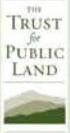
1. Kim Hanson, former TPLer, resident of West Salem
2. Steve Trujillo, volunteer head of an adult flag football league
3. Mike Bednarek, Special Projects Facilitator for Salem-Keizer Public Schools
4. Debbie Bedell, head of Oregon District 7 Little League
5. Dwight Courtney, member of Salem Parks and Recreation Advisory Board
6. Wendy Pyper, member of Salem Parks and Recreation Advisory Board
7. Kathrine Reed, South Central Association of Neighbors
8. Karla Iverson, community gardening advocate
9. Linda Gertz, Associate Director of YWCA
10. Cory Poole, Southeast Mill Creek Association
11. Beth Dayton, doctor and bicycling/trail proponent
12. John Gallagher, owner of Gallagher Fitness Resources, running/trail advocate
13. Eric Johansen, President of Cascade Futbol Club
14. Jerry Miller, Chair of Land Management Committee for Salem Audubon Society
15. Becky George, employee at City of Salem, Community Services Department (sports coordinator)
16. Dave McMillan, President of SESNA, neighborhood association
17. Emery Billings, volunteer board member of Salem Parks Foundation
18. City Manager Robert Wells
19. Council Member Rick Stucky
20. Levi Herrera of Mano A Mano
21. Sue Johnston, Executive Director of Salem Audubon Society
22. Dana Hepper of Stand for Children
23. Kris Gorsuch, President of Salem Area Chamber of Commerce
24. Mike McLaran, Director of Salem Area Chamber of Commerce
25. Ashley DeForest, planner for Kris' law firm and former employee of City of Salem
26. Ray Burstedt, President of Salem Economic Development Corporation.

Appendix D: Other Maps From Greenprint Not Presented within Report

(on proceeding pages)

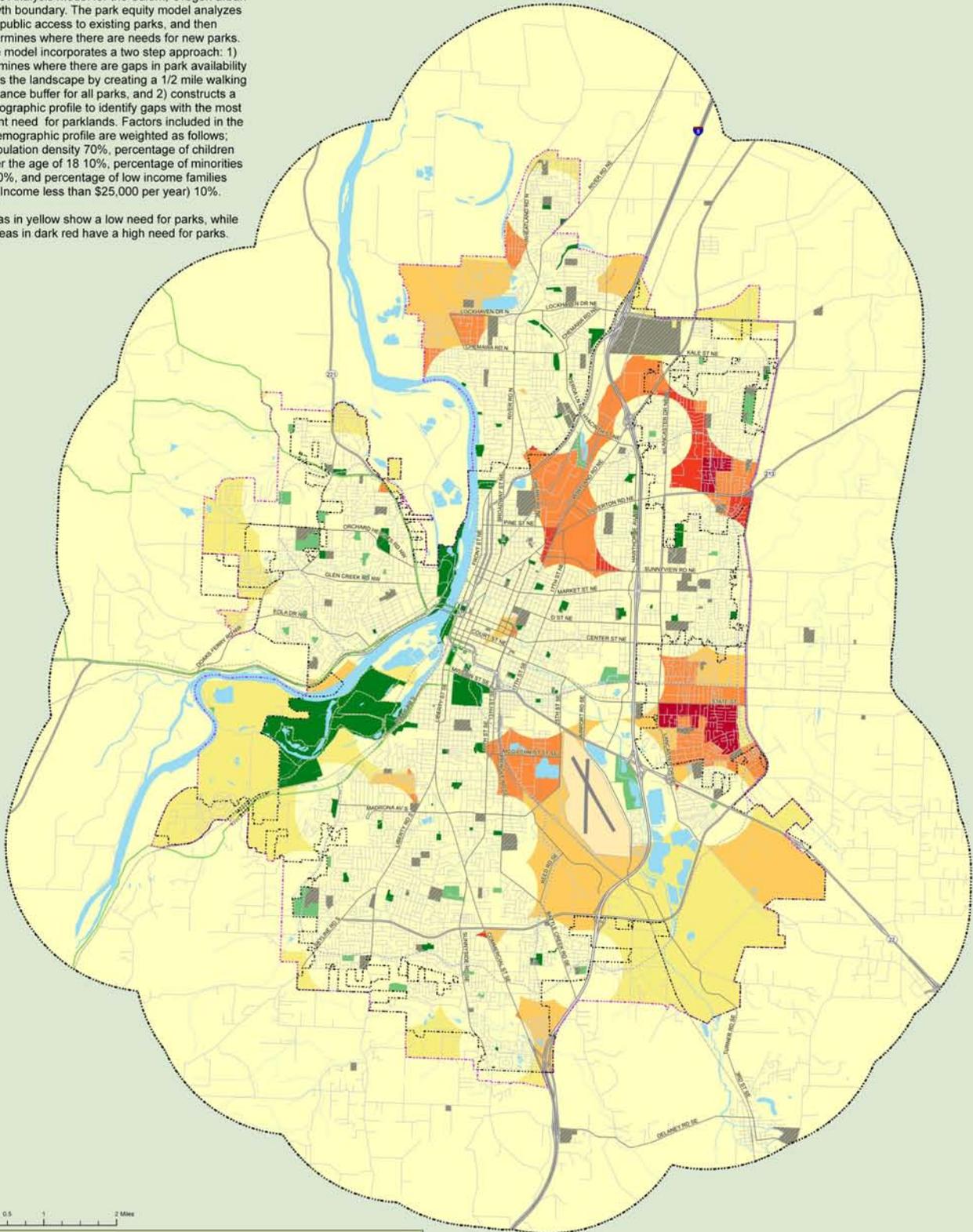
Salem, Oregon Greenprint

Park Equity Analysis



This map shows the results of the Park Equity Needs Analysis model for the Salem, Oregon urban growth boundary. The park equity model analyzes public access to existing parks, and then determines where there are needs for new parks. The model incorporates a two step approach: 1) determines where there are gaps in park availability across the landscape by creating a 1/2 mile walking distance buffer for all parks, and 2) constructs a demographic profile to identify gaps with the most urgent need for parklands. Factors included in the demographic profile are weighted as follows; population density 70%, percentage of children under the age of 18 10%, percentage of minorities 10%, and percentage of low income families (Income less than \$25,000 per year) 10%.

Areas in yellow show a low need for parks, while areas in dark red have a high need for parks.



0 0.5 1 2 Miles

Legend

- City Limits
- Urban Growth Boundary
- Study Area Boundary
- Waterbodies
- Parks and Open Space**
- Developed
- Undeveloped
- School Property

Transportation

- Highway
- Major Road
- Local Road
- Railroads
- Trails**
- Existing
- Proposed
- Willamette Valley Bike Trail

Level of Park Need

- High
- Moderate
- Low

Special thanks to the following data providers:
 City of Salem, Polk County, Marion County,
 Oregon Parks and Recreation, Oregon Fish and Wildlife,
 USGS, Geonames, and ESRI.

Map created by the Trust for Public Land
 on February 7, 2007.

Created in ArcMap 9.38
 Map Projection: NAD 1983 North State Plane
 Oregon North FIPS 3601 Ad Units

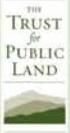
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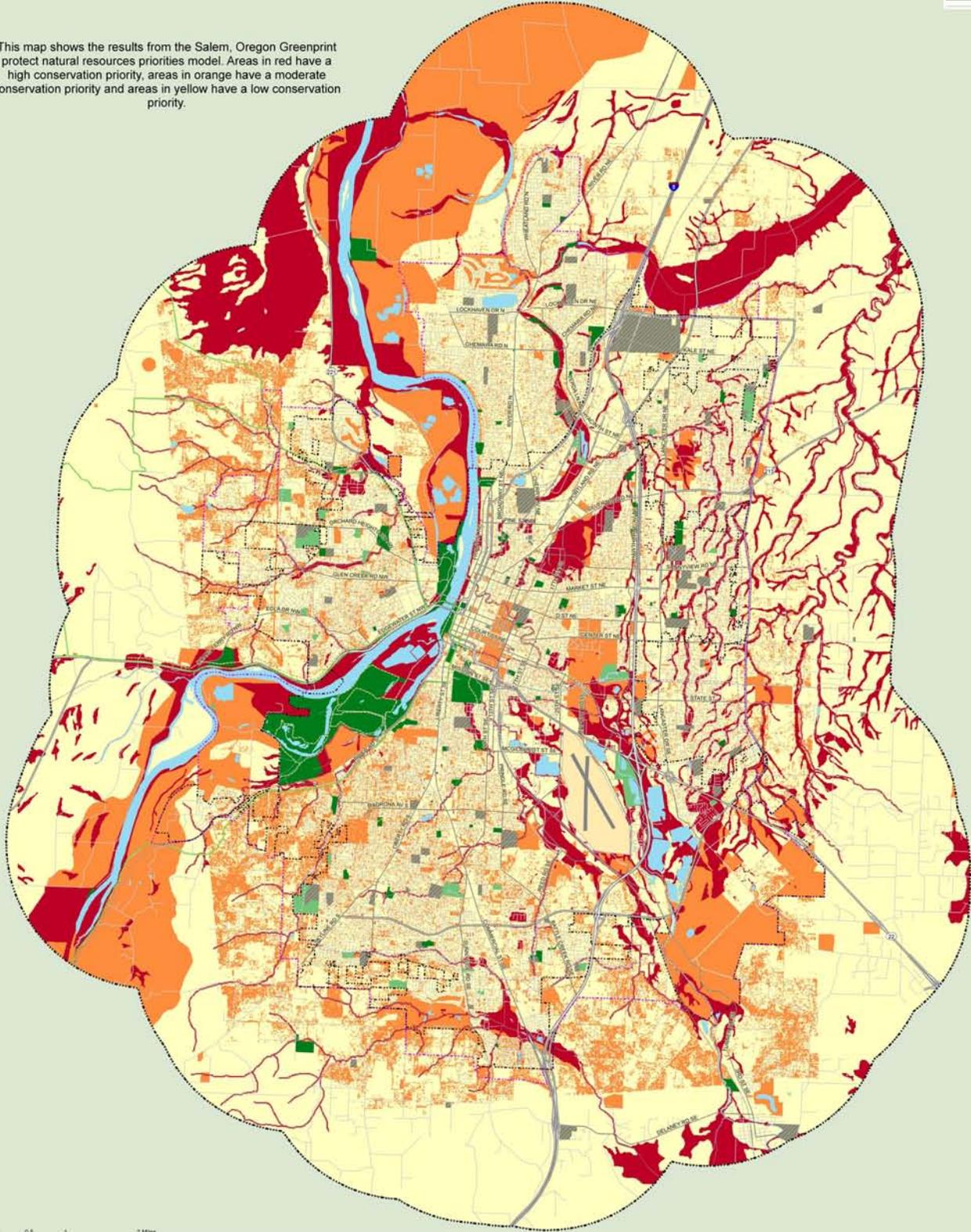
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Salem, Oregon Greenprint

Conservation Priority: Protect Natural Resources



This map shows the results from the Salem, Oregon Greenprint protect natural resources priorities model. Areas in red have a high conservation priority, areas in orange have a moderate conservation priority and areas in yellow have a low conservation priority.



0 0.5 1 2 Miles

Legend		
City Limits	Transportation	Protect Natural Resources Priorities
Urban Growth Boundary	Highway	High
Study Area Boundary	Major Road	Moderate
Waterbodies	Local Road	Low
Parks and Open Space	Railroads	
Developed	Trails	
Undeveloped	Existing	
School Property	Proposed	
	Willamette Valley Bike Trail	

Special thanks to the following data providers:
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 Map Projection: NAD 1983 North State Plane
 Oregon North FIPS 3601 Ad Units

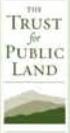
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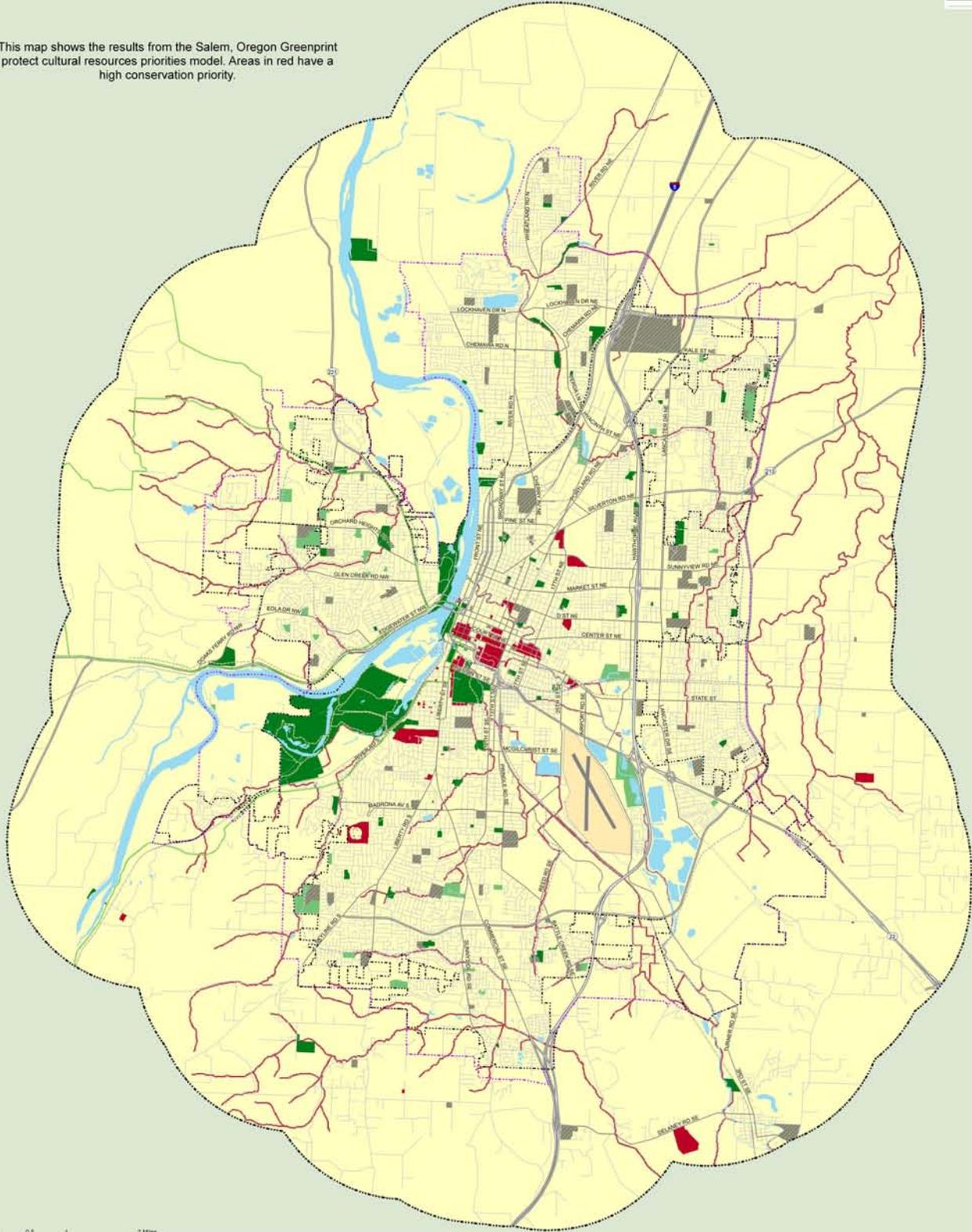
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Salem, Oregon Greenprint

Conservation Priority: Protect Cultural Resources



This map shows the results from the Salem, Oregon Greenprint protect cultural resources priorities model. Areas in red have a high conservation priority.



0 0.5 1 2 Miles

Legend

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> City Limits Urban Growth Boundary Study Area Boundary Waterbodies Parks and Open Space Developed Undeveloped School Property | <ul style="list-style-type: none"> Transportation Highway Major Road Local Road Railroads Trails Existing Proposed Willamette Valley Bike Trail | <ul style="list-style-type: none"> Protect Cultural Resources Priorities High |
|---|---|---|

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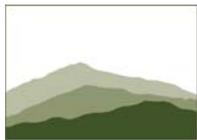
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