

# CHAPTER 8

## Funding and Operations

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This chapter provides a look at the Parks Department’s operating and improvements budgets over recent years, with special attention devoted to the 2014-15 fiscal year. Ultimately, it incorporates these revenue and expenditure patterns in conjunction with anticipated parkland needs to establish funding requirements and recommendations. All dollar amounts presented in this chapter are presented in 2015 dollars.

### Organizational Structure and Operations

The Parks Department is overseen by the City Manager and Park Supervisor. The Department is responsible for the upkeep and maintenance of City-owned parks, trails and undeveloped open space as well as landscaping on other City-owned properties. Additionally, the Parks Department has a collaborative agreement with the School District in which the City operates and maintains two sports complexes that school district owns. Work is carried out by Parks Department employees as well as volunteers and individuals performing community service.

The Parks staff includes one Park Supervisor, one Utility Worker, and two permanent part-time Park Laborers for a total of three full-time employees (FTE), which equates to 33.3 acres per FTE, which is a larger proportion of parkland per employee than communities of a similar size<sup>1</sup>. Park staff duties include maintenance of 90.52 acres of parkland properties, the sports complexes mentioned above, and some other city-owned properties.

The City of Dallas has established and appointed a Parks Advisory Board to help provide input about the future of Dallas’ parks and trails system.

### Operating Budget

#### Overview

The Parks Department’s operating budget—which accounts for ongoing costs such as staffing, operations, maintenance, and equipment—is developed over the course of four months each year. Beginning in January, the Parks Supervisor works with the Finance Director and City Manager to discuss budget estimations for the upcoming fiscal year. A draft departmental budget is finalized in March before going to the City’s Budget Committee for review in April and May. Once approved by the Budget Committee, it is sent to the City Council for adoption in June.

The Parks Department’s operating budget, which comes from the City’s General Fund, does not include capital projects, which are one-time expenses associated with large infrastructure development or improvement projects. For example, reoccurring park maintenance would be included in the operating budget, whereas the construction of a new portion of the Rickreall Creek Trail System would be deemed a capital project.

#### Expenditures

Dallas’s parks expenditures are categorized into Personnel Services, Materials and Services, and Capital Improvements. Table 8-1 shows parks expenditures by fiscal year between 2010-2015.

Table 8-1 City of Dallas Budget Expenditures<sup>2</sup>

<b>Category</b>	<b>Actual 2010-11</b>	<b>Actual 2011-12</b>	<b>Amended 2012-13</b>	<b>Adopted 2013-14</b>	<b>Proposed 2014-15</b>
Personnel Services	\$183,320	\$154,465	\$208,000	\$208,000	\$220,000
Materials and Services	\$38,968	\$94,871	\$106,900	\$102,900	\$114,300
Capital Improvements	\$0	\$0	\$45,000	\$0	\$200,000
<b>TOTAL</b>	<b>\$222,288</b>	<b>\$249,336</b>	<b>\$359,900</b>	<b>\$310,900</b>	<b>\$534,300</b>

For FY 14/15, \$200,000 of budget expenditures was dedicated to projects in the capital improvement plan and \$334,300 was budgeted for operations, maintenance, and administrative costs for Dallas's parks. The Capital Improvement Plan projects designated for FY 14/15 are a remodel or replacement of bathrooms in Dallas City Park, upgraded play equipment in Dallas City Park, and the production of this Parks Master Plan document.

Maintenance

The estimated cost of operations, maintenance, and parks administration in Dallas for FY 14/15 was \$3,693/acre. According to the Oregon Park and Recreation Association, Oregon communities spend an average of \$3000 to \$5000 per acre on annual maintenance. Parks and trails system operations and administration are included in the maintenance category. This figure is used to calculate future maintenance expenditures. Table 8-2 shows estimated maintenance expenditures for FY 14/15.

It should be noted that the 90.52 acres of parkland used to calculate Dallas's level of service does not account for non-parklands that parks staff currently maintains. The costs of maintaining those non-parks parcels has been rolled into the costs calculated for parkland maintenance.

Revenues

Funding for the park system comes from property taxes, franchise fees, user fees, grants and system development charges (SDCs).

Table 8-2 Estimated Parks Maintenance Budget

<b>Total Budget (FY 14/15)</b>	<b>Capital Improvements Expenditures</b>	<b>Remaining Funds</b>	<b>Acres Maintained (excluding non-parklands)</b>	<b>Maintenance Costs/Acre</b>
\$534,300	\$200,000	\$334,300	90.52	\$3,693

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## Grants

Over the past five years, the City of Dallas has received a total of \$234,000 in grants from the State of Oregon Parks and Recreation Department (OPRD). Because grant funding is highly dependent on a multitude of external factors, future grant funding cannot be projected. However, CPW recommends that the City of Dallas pursue other grant opportunities in addition to those offered by OPRD.

## System Development Charges

System Development Charges (SDCs) provide money for park improvements as development occurs within the City of Dallas. For each permitted single dwelling unit (SDU) or equivalent dwelling unit (EDU) for commercial uses, the city receives \$2343 per permit.<sup>3</sup> Thus, as development intensifies and demand for parks services increases, funding increases proportionally. Table 8-3 shows total expected SDC revenues from Fiscal Years 2011/12 through 2014/15.

Although, future SDC projections are not represented here, it is assumed that increases in SDC revenues will move slowly, at a rate of approximately 1-2% annually.<sup>4</sup> The most recent SDC methodology was adopted in 1991 and is insufficient in supporting the development of an expanding parks system. It is recommended that the City of Dallas adopts a new SDC methodology that will result in an increase in the Parks SDC rate per EDU, which in turn increase revenues for park and trail capital projects.

Table 8-3 SDC Revenue, FY 11/12-14/15

	FY 11/12	FY 12/13	FY 13/14	FY 14/15
SDC Revenues	\$80,000	\$50,000	\$100,000	\$58,059 (as of 03/15)
SDC Beginning Balance	\$95,000	\$135,000	\$125,000	\$265,000

## Projected Expenditures

Funding requirements are the expenses that the City of Dallas is projected to incur to maintain and expand its parks system in the future. These expenditures include (1) acquisition of new parklands, (2) maintenance, (3) parkland improvements, and (4) capital improvements.

Parkland improvements are low-budget projects (less than \$5,000) that generally encompass removal, replacement of equipment or installation of new small features such as benches and tables, short pathways or connector paths, and trees. Capital improvements are projects that require a larger financial investment (greater than \$5,000), create major changes to a park's functionality, and may require upgrading of infrastructure. Examples of capital improvement projects include new or upgraded restrooms, upgrading or installation of longer trail systems, and picnic shelters.

Table 8-4 shows the projected funding requirements for the five-year period in 2015 dollars as well as projections based on populations of 20,000 and 30,000 residents. The five-year population projection is based on an assumed annual population growth of 2%.<sup>5</sup> The sections below provide more detail on each expenditure category.

Land acquisition costs in Table 8-4 reflect land values if the City were to purchase residential properties. However, other mechanisms, such as In-Lieu land donations and conservation easements, may be used by the City in place of land purchase would reduce the expenditures incurred by the City as the parks system expands. See “Additional Funding Tools” below for a discussion of other parkland expansion and funding tools.

Table 8-4 Five-Year (FY 14/15-18/19) and Twenty-Year (FY 14/15-2033/34) Expenditures at suggested Level of Service of 6.25

Expenditure Categories	Expenditures		
	5-year population projection of 16,651	Population 20,000 Projection	Population 30,000 Projection
Land Acquisition*	\$633,750	\$1,755,000	\$5,565,000
New Park Development	\$3,427,500	\$9,920,000	\$31,050,000
Maintenance	\$1,920,360	\$4,616,250	\$13,811,820
Parkland Improvements	\$30,789	\$61,577	\$246,308
Capital Improvements	\$5,257,718	\$10,515,436	\$42,061,745
<b>TOTAL</b>	<b>\$11,270,117</b>	<b>\$26,806,686</b>	<b>\$92,488,565</b>

Table Notes

\*Land acquisition costs are based on an average land value of \$45,000/acre.<sup>6</sup>

Land Acquisition and New Parkland Development

As Dallas continues to expand its park system funds will need to be dedicated to acquire and develop new parkland to support its growing population. Table 8-5 shows the amount of parkland needed to reach the Parks Board’s recommended service standard as the population of Dallas grows and the approximate costs for land acquisition projected in 2015 dollars.

Land acquisition costs in Table 8-5 reflect land values assuming the City were to purchase outright all new parks sites. However, other mechanisms, such as In-Lieu land donations and conservation easements, may be used by the City in place of land purchase, which will reduce the expenditures incurred by the City as the parks system expands. See “Additional Funding Tools” below for a discussion of other parkland expansion and funding tools.

Development costs in Table 8-5 reflect an assumption that park units will be fully developed in accordance with the parks classifications and design guidelines presented in Chapters 2 and 6. It should be noted that the City does not need to fully develop parks site at the time that they have been added to the parks system. A lag between addition to the parks system and development would be helpful in the process of acquiring funds to develop the new parkland. This may mean that parkland acquired by the year 2020 may not be fully developed until 2025. Likewise, phasing the development of new parks is also a strategy that could help to scale the funding of park development to amount of revenues available. For instance, a new park may initially only have lawns, upper canopy trees, furnishings, and paths implemented in year one to be followed up later by more expensive capital costs such as play equipment, sports courts, and restroom structures.

Table 8-5 Estimated Land Acquisition and Development Costs at suggested Level of Service of 6.25

Classification	Recommended acres added to park system at 5-year population projection of 16,651	Land Acquisition Costs*	Development Costs	Recommended acres added to park system at population 20,000	Annual Maintenance Costs	Land Acquisition Costs*	Development Costs	Recommended acres added to park system at population 30,000	Land Acquisition Costs*	Development Costs
Pocket Parks	0.75	\$33,750	\$187,500	1	\$25,050	\$45,000	\$250,000	4	\$180,000	\$1,000,000
Urban Plaza Parks	0	\$0	\$0	1	\$5,000	\$45,000	\$250,000	3	\$135,000	\$750,000
Neighborhood Parks	12	\$540,000	\$3,000,000	15	\$177,150	\$675,000	\$3,750,000	40	\$1,800,000	\$10,000,000
Community Parks	0	\$0	\$0	9	\$315,840	\$405,000	\$3,150,000	30	\$1,350,000	\$10,500,000
Nature Parks	0	\$0	\$0	9	\$97,800	\$405,000	\$1,800,000	20	\$900,000	\$4,000,000
Trails (in miles)**	0.5	\$60,000	\$240,000	1.5	\$46,560	\$180,000	\$720,000	10	\$1,200,000	\$4,800,000
<b>TOTAL EXPENDITURES</b>		<b>\$633,750</b>	<b>\$3,427,500</b>			<b>\$1,755,000</b>	<b>\$9,920,000</b>		<b>\$5,565,000</b>	<b>\$31,050,000</b>

Table Notes

\*Land acquisition costs are based on an average land value of \$45,000/acre.<sup>6</sup> Development costs are based on an estimate of \$250,000/acre for Pocket, Urban Plaza, and Neighborhood Parks, \$350,000/acre for Community Parks, and \$200,000/acre for Nature Parks.<sup>7</sup>

\*\*Estimates for trails land acquisition costs assume 4 acres of parkland are needed to support each linear mile of trail.

Maintenance

As the park system grows, the cost of maintaining Dallas’s parks will continue to grow. Table 8-6 estimates Dallas’s annual maintenance costs corresponding to growth in Dallas’s population and park system acreage in 2015 dollars. “Total acres” in this table reflects an LOS of 6.25 acres/1,000 residents. Estimates assume the maintenance costs per acre remain steady with current maintenance costs of \$3,693/acre. Parks and trails system operations and administration are included in the maintenance category.

Table 8-6 Estimated Annual Maintenance Costs

Total acres at 5-year projection of 16,651	Annual Maintenance Costs	Total acres at population 20,000	Annual Maintenance Costs	Total acres at population 25,000	Annual Maintenance Costs	Total acres at population 30,000	Annual Maintenance Costs
104	<b>\$384,072</b>	125	<b>\$461,625</b>	156	<b>\$576,264</b>	187	<b>\$690,591</b>

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### Parkland Improvements

Parkland improvements are specific low-budget projects (less than \$5,000) that are included in the maintenance budget. These project needs should be re-evaluated and updated on an annual basis to track completion and for additions to the project list and budget. Table 8-7 shows parks improvements proposed for the five-year period. All estimated costs include labor. A total of \$30,788.55 in parks improvements are proposed. Fees included for parks improvement budgets cover any fees that may arise in relation to permitting or compliance for a project, such as environmental evaluations or permitting from an external agency. Contingency costs are built into project costs to account for previously unanticipated issues or events such as a significant rise in materials costs due to material shortages or the damage to infrastructure during construction.

Table 8-7 Parks Improvements, FY 14/15-18/19

<b>Program Element</b>	<b>Quantity</b>	<b>Unit</b>	<b>Cost/Unit*</b>	<b>Total</b>
<b>Birch Park</b>				
<b>B-1:</b> Tree removal	1	Each	\$900.00	\$900.00
<b>B-2:</b> Evergreen trees	5	Each	\$150.00	\$750.00
<b>Subtotal</b>				<b>\$1,650.00</b>
<b>Central Bark</b>				
<b>CB-2:</b> Deciduous trees	12	Each	\$250.00	\$3,000.00
<b>CB-3:</b> Water fountain	1	Each	\$5,000.00	\$5,000.00
<b>CB-5:</b> Picnic tables	3	Each	\$1,500.00	\$4,500.00
<b>CB-6:</b> Fixed Benches	4	Each	\$1,000.00	\$4,000.00
<b>CB-7:</b> Dog Park-specific furnishings	-	-		
Doggie Crawl	2	Each	\$900.00	\$1,800.00
Stepping Paws	1	Each	\$925.00	\$925.00
Weave Posts	1	Each	\$725.00	\$725.00
Hoop Jump	1	Each	\$550.00	\$550.00
<b>Subtotal</b>				<b>\$20,500.00</b>
<b>Walnut Park</b>				
<b>W-1:</b> Walking trail (bark chip)	2250	Sq ft.	\$0.74	\$1,665.00
<b>W-2:</b> Park Identification signage	1	Each	\$500.00	\$500.00
<b>W-3:</b> Benches	2	Each	\$1,000.00	\$2,000.00
<b>Subtotal</b>				<b>\$4,165.00</b>
<b>SUBTOTAL</b>				<b>\$26,315.00</b>
<i>Add 15% Contingency</i>				\$3,947.25
<i>Add 2% Fees</i>				\$526.30
<b>TOTAL</b>				<b>\$30,788.55</b>

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## Capital Improvements

Capital improvements are projects that require a larger financial investment (greater than \$5,000) that are expected to have a useful life greater than three years that have been recommended for a five-year planning horizon. The following matrices shows parks improvements proposed for implementation in the five-year period. Table 8-8 includes capital improvements for Dallas City Park, Roger Jordan Community Park, Gala Park, Central Bark, Birch Park, and the Rickreall Creek Trail System. Table 8-9 includes costs for the Kingsborough Park Redesign. All estimated costs include labor. A total of \$5,257,718 of capital improvements is proposed. With SDCs as the primary funding source for capital improvement projects, it should be noted that at the current rate, SDCs will not be sufficient to support the proposed schedule of capital improvements for the five-year planning horizon.

Fees included for parks improvement budgets cover any fees that may arise in relation to permitting or compliance for a project, such as environmental evaluations or permitting from an external agency. Contingency costs are built into project costs to account for previously unanticipated issues or events such as a significant rise in materials costs due to material shortages or the damage to infrastructure during construction.



Table 8-8 Capital Improvements FY14/15-18/19

<b>Program Element</b>	<b>Quantity</b>	<b>Unit</b>	<b>Cost/Unit*</b>	<b>Total</b>
<b>Dallas City Park</b>				
<b>DC-1:</b> Remodel or replace bathrooms	<b>1</b>	<b>Each</b>	\$75,000.00	\$75,000.00
<b>DC-2:</b> Repave parking areas	<b>1</b>	<b>Each</b>	\$300,000.00	\$300,000.00
<b>DC-3:</b> Resurface or replace existing walking paths	<b>1</b>	<b>Each</b>	\$50,000.00	\$50,000.00
<b>DC-4:</b> New play equipment in southern portions of the park	<b>2</b>	<b>Each</b>	\$50,000.00	\$100,000.00
<b>DC-5:</b> Irrigation system upgrades	<b>1</b>	<b>Each</b>	\$50,000.00	\$50,000.00
<b>Subtotal</b>				<b>\$575,000.00</b>
<b>Roger Jordan Community Park</b>				
<b>RJ-1:</b> Construct a large picnic structure or structures to accommodate (40 users)	<b>1</b>	<b>Each</b>	\$50,000.00	\$50,000.00
<b>RJ-2:</b> Resurface concrete sports courts	<b>1</b>	<b>Each</b>	\$50,000.00	\$50,000.00
<b>Subtotal</b>				<b>\$100,000.00</b>
<b>Gala Park</b>				
<b>G-1:</b> Design services	<b>1</b>	<b>Each</b>	\$20,000.00	\$20,000.00
<b>G-3:</b> Construction costs	<b>1</b>	<b>Each</b>	\$200,000.00	\$200,000.00
<b>Subtotal</b>				<b>\$220,000.00</b>
<b>Rickreall Creek Trail System</b>				
<b>RCTS-1:</b> Central Bark Section buildout	<b>1</b>	<b>Each</b>	<b>\$500,000.00</b>	\$500,000.00
<b>Subtotal</b>				<b>\$500,000.00</b>
<b>Birch Park</b>				
<b>B-3:</b> Picnic shelter (12 users)	<b>1</b>	<b>Each</b>	\$10,000.00	\$10,000.00
<b>Subtotal</b>				<b>\$10,000.00</b>
<b>Central Bark</b>				
<b>CB-1:</b> Picnic shelter (6 users)	<b>1</b>	<b>Each</b>	\$8,000.00	\$8,000.00
<b>Subtotal</b>				<b>\$8,000.00</b>
<b>SUBTOTAL</b>				<b>\$1,395,000.00</b>
<i>Add 15% Contingency</i>				\$209,250.00
<i>Add 2% Fees</i>				\$27,900.00
<b>TOTAL</b>				<b>\$1,632,150.00</b>

Table 8-9 Kingsborough Park Improvements

<b>Program Element</b>	<b>Quantity</b>	<b>Unit</b>	<b>Cost/Unit*</b>	<b>Total</b>
<b>Structures</b>				
Picnic shelter	1	Each	\$60,000.00	\$60,000.00
Shade sail structure	1	Each	\$50,000.00	\$50,000.00
Play area expansion	1	Each	\$100,000.00	\$100,000.00
Restroom	1	Each	\$153,000.00	\$153,000.00
Boardwalk	130	L.F.	\$375.00	\$48,750.00
Bridge replacement	1	Each	\$75,000.00	\$75,000.00
<b>Paving</b>				
47 angled parking spaces	7,614	Sq. Ft.	\$1.15	\$8,756.10
Optional plaza (brick pavers or similar)	3,000	Sq. Ft.	\$15.60	\$46,800.00
Curb flow-through planters (bumpouts)	180	Sq. Ft.	\$2,000.00	\$360,000.00
Paved paths (concrete)	10,400	Sq. Ft.	\$4.28	\$44,512.00
Unpaved paths (crushed granite chips or similar)	4,000	Sq. Ft.	\$0.74	\$2,960.00
<b>Earthwork</b>				
Earth moving / regrading / field berm	60,000	C.Y.	\$15.90	\$954,000.00
<b>Athletic Fields</b>				
Soccer field (includes goals/equipment)	2	Each	\$200,000.00	\$400,000.00
<b>Vegetation</b>				
Deciduous trees	126	Each	\$250.00	\$31,500.00
Evergreen trees	60	Each	\$150.00	\$9,000.00
Deciduous shrubs	200	Each	\$20.00	\$4,000.00
Meadow planting (perennials)	300	Each	\$20.00	\$6,000.00
Grass seed	140,000	Sq. Ft.	\$0.10	\$14,000.00
<b>Signage</b>				
Miss signage	2	Each	\$1,000.00	\$2,000.00
<b>Site Furnishings</b>				
Fixed Benches	10	Each	\$1,000.00	\$10,000.00
Picnic tables	10	Each	\$1,500.00	\$15,000.00
Bike racks	10	Each	\$250.00	\$2,500.00
Fitness station equipment (4 stations, includes ground surface)	1	Each	\$7,000.00	\$7,000.00
<b>Utilities</b>				
Relocate water main	400	Lin. FT	\$1,000.00	\$400,000.00
Irrigation System	1	Each	\$50,000.00	\$50,000.00
<b>SUBTOTAL</b>				<b>\$2,854,778.10</b>
Add 10% Design/Engineering				\$285,477.81
Add 15% Contingency				\$428,216.72
Add 2% Fees				\$57,095.56
<b>TOTAL</b>				<b>\$3,625,568.19</b>

## Unit Cost Assumptions

As Dallas's population grows and the parks system expands additional funds above the current revenue trends will need to be amassed by the City to support both maintenance of existing facilities and acquisition and development of new parks. While the exact design for each additional park unit cannot be projected, assumptions as to the costs of specific types of improvements can be used to help determine the level of development that is fiscally responsible for new park units. Table 8-10 shows assumptions regarding the costs to develop common park system improvements in 2015 dollars.

Table 8-10 Cost Assumptions for Capital Improvements\*

<b>Unit Cost Assumptions</b>	<b>Cost</b>	<b>Unit</b>
Baseball/Softball field	\$86,000.00	Each
Basketball Court	\$37,500.00	each
Bench	\$1,000.00	each
Bleachers (30 person aluminum)	\$2,700.00	each
Drinking fountain (free standing)	\$3,800.00	each
Drinking fountain (wall mounted at restroom)	\$1,600.00	each
Land value	\$45,000.00	acre
Lawn	\$80,000.00	acre
Native grasses	\$10,700.00	acre
Parks signage	\$5,400.00	per park
Paved Multi-Purpose Trails	\$480,000.00	mile
Playground structure with safety ground surfacing	\$50,000.00	each
Picnic table fixed on pad	\$1,500.00	each
Small Pavilion/Picnic Shelter	\$8,000-\$15,000	each
Large Pavilion/Picnic Shelter	\$50,000-\$100,000	each
Restroom	\$150,000-\$250,000	each
Soft-surface multi-use trail	\$27,000.00	mile
Swing set with safety ground surfacing	\$12,900.00	each
Soccer/Football field goals	\$3,800.00	each
Tennis court	\$107,000.00	each
Trash receptables	\$375.00	each
Trees (evergreen)	\$16,000.00	each
Trees (deciduous)	\$250.00	each
Volleyball court (sand)	\$16,000.00	each
Walking path	\$184,000.00	mile

### Table Notes

\*Unit cost assumptions should be used for budgetary purposes only and not for construction cost estimating.

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## Additional Funding Tools

This section presents potential funding tools available to the City for park system improvement and maintenance. It is organized into the three primary functions of the parks department: operations and maintenance, community-to-park accessibility, and capital improvement projects. This information was gathered through a case study review of other cities' Park Master Plans within the State of Oregon – such as Sweet Home, Brookings, and Grants Pass – as well as professional knowledge of parks planning and internet research. City of Dallas staff and the local Parks Board will need to work together to develop the most appropriate funding strategy for the community's park system given the current fiscal environment and other influencing community factors.

### Park Dedication in Lieu of Fees

Dallas may explore offering developers the option of offering land developers the option of dedicating park land to the parks system in lieu of system development charges. This tool may also be referred to as "Public Dedication. This tool "is based on the concept of impact fees: Development creates increased demand for municipal services or facilities. Requiring the developer to provide amenities or funding for expanded or enhanced public amenities is an efficient and equitable way to offset some of the impacts of a new development." This tool offers guaranteed land for the parks system expansion in step with land development trends and also helps to relieve the pressure of new development on the parks system. This tool is best utilized when coupled with strong outreach efforts to land developers.<sup>8</sup> To apply this tool, Dallas should adopt this tool as ordinance in the City's development code and in the City's comprehensive plan update. The ordinance should include specific criteria, such as the criteria presented in the scoring tool presented in Chapter 7, to ensure that in-lieu land dedications are appropriate for park development. The City should use the parkland-scoring tool presented in Chapter 7 to determine whether land offered by developers should be accepted as an in-lieu dedication.

### Utility Fees

Utility fees, or park maintenance fees, are a popular funding tool used to generate stable revenue streams for parks maintenance. A standard utility fee is added to each residence's utility bill and collected by the City. Utility fees allow local governments to collect a continuous revenue stream throughout the year and can fund a wide variety of functional tasks and aspects of the park system.

### User Fees

User fees may be collected from individuals for facility rental as the park system. The City currently rents pavilions and picnic structures in Dallas City Park to groups in the community. As the park system expands and new facilities are built this reservation and program could expand. Parking fees could potentially be associated during special events. Although user fees will typically only make up a small amount of the total park system revenue, these fees could help offset day-to-day maintenance costs. This program could potentially be expanded to include ballfields maintained by the City and used by private organized sports leagues. When considering renting city owned facilities is it important to put in place a fair fee structure applicable to all interested parties regardless of affiliation.

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## Sponsorship

Sponsorship is a funding mechanism used to offset operations and maintenance costs for parks systems. The City of Dallas currently hosts an “Adopt-A-Park” program, which helps to provide volunteer labor for the parks system. The City or local Parks Board may increase solicitation of sponsors (either individuals, private groups, or businesses) who are willing to contribute revenues to pay for advertising, signage, naming rights, park infrastructure, or special events or programs.

## Tax Levy

A tax levy (such as a fraction of a cent on local sales tax) is a common tool for continued maintenance and land acquisition for a park system. This tool can stem from a variety of local taxes or license fees. Tax levies commonly support a local government’s general fund unless a parks and recreation district is in place, in which case levies can be collected by the district. A tax levy can be used for long-term system-wide improvements or short-term targeted improvements (i.e. special projects fund) and provide a dedicated and permanent source of funding. However, it is important to assess whether or not there is adequate community support for the goals and actions laid out in the Parks Master Plan prior to initiating this tool.

## Local Improvement District or Parks and Recreation District

Forming a local improvement district or parks and recreation district are common funding tools for a park system. Both types of designated districts establish a tax on real property within a specified area to off-set all or part of the costs of a public revitalization or development initiative. This provides a long-term and stable revenue stream to be used for either maintenance or capital improvements to local parks. Parks and recreation districts establish a set rate, or tax, on local residents to support the park system, in a local improvement district, rates are apportioned according to the estimated benefit that will accrue for each property.<sup>9</sup> Bonds are then sold for the amount of the improvement or special project.

These tools present an opportunity for local residents to invest in their neighborhoods and support projects and initiatives they have identified as a priority. Funding is generated from a tax levy on real property within a specified area. In turn, these funds directly benefit the designated area and the local residents therein.

A parks and recreation district requires a majority vote from property owners or electors within the proposed district area and therefore should only be used if the community has expressed strong support for their park system. Once established, all or partial control of a parks and recreation district is given to a local organization or board. This loss of management could be considered a benefit or drawback for a local government depending on local political and economic climate. If a majority of control is transferred to a local organization or board, forming a park and recreation foundation for fundraising and financial management should be considered.

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## General Fund

The general fund accounts for all city financial resources that are not specifically tied to another fund. Resources come from a wide variety of revenue streams and support essentially all of the local government's essential functions, including policy and legislation, public safety, code enforcement, economic development, city officials, and so on. Use of the general fund may not be the most appropriate revenue structure because the general fund has competing priorities with essential City services. A more appropriate structure may be to create a more self-sustaining park system with expenditures stemming from this funding tool. The general fund may potentially be used to offset administrative, liability, or fleet operation expenditures of the park systems rather than capital improvement projects or park systems maintenance.

## Donations, Contributions, & Volunteer Support

Donations of labor, cash, land, or park infrastructure (such as benches, trees, or playground equipment) can be used for specific projects. Examples of donations from community members for capital improvement projects could include an annual tree planting day sponsored by a local organization, property donation to the City, a fundraiser drive, or "legacy planning" through individual estates. This funding tool is well suited for capital improvement projects because it provides a tangible enhancement to the local park system to which donors or participants can feel connected.

Volunteers may provide direct and indirect support to the park system. For example, a neighborhood association that agrees to provide mowing or litter removal for a local park directly saves on paid maintenance tasks. Volunteer safety patrols may indirectly reduce facility damage and vandalism, protecting City assets.<sup>10</sup>

In addition to offsetting park expenditures, donations and contributions provide a platform for the local community to engage with and take pride in their park system. The drawbacks of donations and contributions include considerable time and effort needed by City staff to organize and promote opportunities and participation is often unpredictable and irregular.

## Public, Organizational or Government Grants

Grants provide a source of revenue not otherwise accessible within a local community. This funding source can be used for either large or small-scale projects. This funding tool is best used for projects that have a set goal(s) or tangible improvement. On-going administrative functions, maintenance, and strategic planning projects are less attractive to donors. Grant contributions should not be considered a primary funding tool for a self-sustaining park system, but rather to supplement occasional special projects. Grants can be highly competitive and often require matching contributions. When applying for grants it is important to do substantial outreach and research to ensure the proposed project or initiative adheres to the criteria set forth in the grant. In recent years the number of transportation related grants, especially for pedestrian and bicycle infrastructure, has increased substantially. Other park related projects or initiatives well-suited for grants include trails and greenways, natural resource conservation and water quality, public safety, and tree planting.

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## Land Trusts & Easements

Land trusts and easements are often considered a win-win solution to set aside land for parks, natural areas, or rights of way. This is because these tools (1) are a voluntary action on the part of a local community member, business, advocacy group or other organization and (2) offer tax incentives for the benefactor. Trusts can be acquired by the City or partnering organization through a donation, estate will, reduced priced sell, or exchange. Private property owners can acquire easements. Easements may be an especially attractive tool for accessibility projects and initiatives that aim to connect parks and natural areas throughout the city that may be separated by numerous public and private properties. Private property owners are able to allow full or limited access through their property without forfeiting other property rights. The drawbacks of land trusts and easements are that these tools can take a considerable amount of time and effort from City staff. If land trusts are considered for the City of Dallas's park system, the City or local Parks Board may want to partner with a nearby conservancy group for advising or management assistance.

## Wetland Mitigation Banking

Wetland mitigation banking is a planning and funding tool used to protect, restore, and enhance critical conservation areas, including wetlands, streams, and sensitive habitat areas. It should not be considered for a manicured or highly maintained park, but rather for natural areas where development is unlikely. Wetland mitigation banking aims to consolidate small fragmented mitigation projects into larger contiguous sites. A mitigation banker (in this case the City of Dallas) would undertake a design and compliance process to preserve a conservation area under its jurisdiction. Once the process is complete, the banker can acquire "credits" or payments from private developers for certain applicable projects. Developers buy credits from the City when they wish to improve a property for commercial purposes that would impact a wetland, stream or habitat area on that property. In theory the loss of a small wetland, stream or habitat area on the developer's property would be compensated with the preservation of a larger conservation area on the City's property. Wetland mitigation banking has a significant amount of compliance and a steep learning curve; however, this tool has continued to grow in popularity and can be used to offset management costs for natural and open spaces that meet specified requirements.<sup>11</sup>

Wetland mitigation banking should not be considered a short-term strategy, as it takes substantial commitment and upfront investment from a city. During the first five years or initial phase, the City would be required to fund management plans and any necessary retainers. They also must work with federal land agencies, such as the Army Corps of Engineers, and subject matter experts for planning purposes. After the first five years, the local wetland mitigation banking program typically enters into a maintenance phase with substantially less operating and management costs. In order for the City of Dallas to be approved for wetland mitigation banking they must meet certain criteria, such as (1) owning a site that is conducive and appropriate for wetland mitigation (i.e. vegetation, hydrology, and soil types), (2) having necessary up front capital and commitment, and (3) access to necessary resources (i.e. subject matter expertise and earth-moving equipment). According to the City of Roseburg, which currently uses wetland mitigation banking, there is a potential for the initiative to be profitable once it enters the maintenance phase. An established 15 acre wetland area under their jurisdiction costs the City roughly \$5,000 to maintain annually; whereas conservation credits are being sold for \$85,000 – 100,000 per acre.<sup>12</sup> Furthermore, the City of Roseburg has experienced a relatively high demand for conservation credits, making this funding tool a reliable source of revenue. Today, there are only a limited number of local jurisdictions using wetland mitigation banking. The demand for conservation credits from developers is higher than what is currently available through supply.<sup>13</sup>

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## Conclusions

In order for the City of Dallas to achieve the expectations and goals laid out in the Parks Master Plan, the City will need to develop and implement a diverse funding strategy, with an increasing large revenue stream. This chapter has presented past revenues and expenditures, projected expenditures, and common funding tools that align with the City of Dallas's parks department primary functions – operations and maintenance, community-to-park accessibility, and capital improvements. A significant funding shortfall is expected if the parks system is to expand as recommended in this plan while revenue trends remain consistent. A first step is revising the City's Parks SDC methodology to support the rapid park system expansion needed to support Dallas's growing community.

The City and the Parks Advisory Board will need to work collaboratively to develop a funding strategy using the tools they feel are most appropriate for their local community and that create a self-sustaining revenue source. Aside from the monetary contribution, it is important to consider the following when examining potential funding tools: (1) how much time and energy will be required from city staff, (2) history of community engagement, contributions and volunteerism, (3) level of community support for individual goals of the Parks Master Plan, and (4) anticipated level of service and use for the park system.

The funding strategy should have a balance of long and short-term funding mechanisms for a more consistent revenue stream, as well as monetary and non-monetary support to encourage cost effective and creative solutions. In addition to considering funding sources and support, the City should also consider strategies that seek to minimize costs, such as removing duplication of services or services no longer considered a high priority by the community, increasing capacity or responsibility of partners, or establishing a protocol for estimating costs and need for any future land acquisition.

1 University of Oregon. Dept. of Planning, Public Policy and Management. Community Planning Workshop Monmouth (Or.). Monmouth: Parks system master plan. Monmouth: Parks System Master Plan. City of Monmouth (Or.), n.d. [http://www.ci.monmouth.or.us/index.asp?Type=B\\_BASIC&SEC=%7B60CE0B63-2B57-4523-A136-77D09BA9BAB6%7D](http://www.ci.monmouth.or.us/index.asp?Type=B_BASIC&SEC=%7B60CE0B63-2B57-4523-A136-77D09BA9BAB6%7D).

2 Source: City of Dallas, Oregon

3 Source: City of Dallas, Oregon

4 Foggin, Ron. Personal Interview. Dallas City Hall, Dallas, Or. March 17, 2015.

5 Foggin, Ron. Email Correspondence. April 3, 2015.

6 Source: Jason Locke, City of Dallas Community Development Director, citing Polk County Assessor's office.

7 MIG, Inc. City of Grants Pass Comprehensive Parks and Recreation Master Plan. Grants Pass, Or, 2010.

8 "Public Dedication of Land and Fees-in-Lieu for Parks and Recreation." ConservationTools.org. Accessed March 23, 2015. <http://conservationtools.org/guides/show/17-Public-Dedication-of-Land-and-Fees-in-Lieu-for-Parks-and-Recreation#ixzz3VGMxfJsa>.

9 MIG, Inc. "City of Grants Pass Comprehensive Park & Recreation Master Plan." 2010.

10 MIG, Inc. "City of Grants Pass Comprehensive Park & Recreation Master Plan." 2010.

11 Formoreinformationonwetlandmitigationbankingvisit[www.mitigationbanking.org](http://www.mitigationbanking.org)orread"WetlandMitigationBankingGuidebookforOregon"(2000)foundat[http://www.oregon.gov/DSL/PERMITS/Pages/mit\\_guidebook\\_intro.aspx](http://www.oregon.gov/DSL/PERMITS/Pages/mit_guidebook_intro.aspx).

12 Pope, Tracy, interview by Jennifer Self. Parks Director, City of Roseburg (December 2014).

13 Ibid.