CHAPTER 5

PARK SYSTEM COSTS

Gresham residents have a choice. Instead of letting their parks and facilities slide into disrepair, they can become stewards of a park system that will foster community livability now and into the future. This future park system could provide vibrant park spaces, thriving natural areas, interconnected trails, attractive facilities, and engaging recreation programs—based on a sustainable plan for providing and maintaining these critical community services, and engaging the public to support them.

This chapter describes this proposed park system, its cost, and its value to the community. It explains what is needed to bring current parks and facilities up to an acceptable condition, how to prioritize to meet additional community needs, and what funding resources will be required to maintain this system now and in the future. Most importantly, this chapter provides a menu of choices—choices that City leaders and community members will make together—to decide what type of park system is best for City residents.

PROPOSED PARK SYSTEM

The ideal park system is made up of a variety of park types that provide an array of recreation opportunities and experiences. It includes inviting, attractive, well-maintained facilities that help create people-friendly spaces and places in the community. This system includes unique and interesting events and programs that appeal to residents and draw people into parks. Moreover, it incorporates trails and pathways that make these parks, facilities, and programs accessible to pedestrians, bicyclists, and other users.

The City's current park system provides some of these elements. However, more parks, facilities, natural areas and trails are needed to meet recreation needs in underserved areas and to serve the City's growing population. In addition, adequate maintenance must be provided for parks and

facilities, especially as new recreation opportunities are brought online.

Providing more parks, facilities, open space, trails and programs will require an aggressive funding strategy that allows the City to maintain and enhance the park system, through sustainable management of assets and stewardship of resources. This Plan shows how this approach is feasible and achievable.

POTENTIAL IMPROVEMENTS

There are many ways to enhance the City's current park system. Options include:

- *Increasing the maintenance level of service.* Preventative and regular maintenance tasks can be performed at various levels. The maintenance level for each park type or site should be determined according to the amenities and facilities located there. Certain types of facilities, such as sport fields or civic spaces, clearly have greater maintenance needs. Maintenance levels should be adjusted system-wide to focus a greater level of effort where it is needed most. Maintaining sites at the lowest service level may be cheaper in the short term, but more expensive in the long term. As the City has seen already, deferred maintenance increases the need for facility renovation or replacement.
- *Implementing a plan for scheduled capital replacement.* Outdated or worn facilities should be replaced as scheduled based on their age and intensity of use. Capital replacement funds should be set aside annually so that the City has money on hand to replace facilities when needed. This provides safe parks and facilities for the community and discourages vandalism and crime.
- *Providing minor renovations at selected sites.* Minor renovations may include adding site furnishings and playgrounds as noted in the design guideline analysis, addressing deferred maintenance issues (more than regular

maintenance), implementing ADA accessibility improvements, restoring habitat in open space and natural areas, or other minor improvements. For planning purposes in this chapter, minor renovations are estimated to be approximately 1/4 the cost of full site development.

- *Proceeding with major renovations at selected sites.* Major renovations may include providing extensive renovation existing facilities which are currently in poor condition, adding several amenities/facilities to meet design guidelines, resurfacing trails and adding other trailhead upgrades, providing major upgrades based on a new master plan to change the overall character of the park. For planning purposes in this chapter, major renovations are estimated to be approximately 2/3 the cost of full site development.
- *Adding a major facility to a park site or trail.* Adding a major facility during site renovation or development increases the overall cost and value of the park site. Major facilities may include new community centers, arts centers, swimming pools, sport complexes, bike/pedestrian bridges, trail undercrossings, etc.
- *Acquiring new park sites in underserved areas.* Land acquisition for various types of parks can be targeted in areas of identified need. Park acquisition should be prioritized on a case by case basis. In some areas, it may be wise to acquire park sites in targeted areas when opportunities arise, or before the opportunity is lost.
- *Developing new parks to meet community needs.* Parks should be developed according to the design and development guidelines presented in Appendix C. Sites may be developed in phases as funding allows. In this chapter, it is assumed that full development of all proposed parks is desired.

Table 5-1 summarizes the number of sites that could benefit from capital improvements. The need for major and minor renovations, site development, new acquisition, and new

major facilities has been determined on a site-by-site basis, as noted in Appendix F.

TABLE 5-1: SUMMARY OF POTENTIAL PARK SYSTEM IMPROVEMENTS

	# OF SITES NEEDING THIS IMPROVEMENT					
FACILITY TYPE	TOTAL SITES	MINOR RENOVATION	MAJOR RENOVATION	MAJOR FACILITY	ACQUISITION	DEVELOPMENT
EXISTING PARKS						
Neighborhood Parks	16	6	2	0	N/A	5
Community Parks	7	1	4	1	N/A	2
Special Use Areas	3	N/A	N/A	2	N/A	3
Urban Plazas	1	N/A	N/A	0	N/A	1
Outdoor Recreation Areas	9	2	0	0	N/A	5
Conservation Areas	12	0	0	0	N/A	0
Greenways	2	1	0	0	N/A	1
City Trails	8	1	1	1	4	4
Other Sites	3	0	1	0	N/A	0
PROPOSED PARKS						
Citywide Parks*	19	N/A	N/A	N/A	19	19
Pleasant Valley Parks**	7	N/A	N/A	N/A	7	7
Springwater Parks	5	N/A	N/A	N/A	5	5
TOTAL (# OF SITES)	**93**	**11**	**8**	**4**	**35**	**52**

* Note: The number of proposed Citywide parks may be more, depending on the number of sites acquired to meet acreage needs for trails and greenways.
** The Pleasant Valley Concept Plan notes a number of additional parks. Some are outside of the Gresham Planning Area. Others are plazas and park blocks that may be public or private design elements. These parks are not counted here.

Table 5-1 illustrates all areas where potential upgrades are needed. For example, in the City's seven existing community parks, one site needs minor renovations, four sites need major renovations, and two undeveloped sites need to be developed, adding a major facility to one of these sites. This Plan notes a need for capital improvements at more than 93 different sites. Of these:

- 11 need minor renovations;
- 8 need major renovations;
- 4 need major facilities;
- 35 need to be acquired; and
- 52 need to be developed.

Clearly, this list is far more comprehensive than the City can afford and/or complete in the timeframe of this Plan. Like a restaurant patron, the City will need to pick and choose the projects that sound most palatable and affordable when it approaches the table. Consequently, this chapter provides a usable tool to implement a variety of projects as available funding and project priorities change in the future.

COST OVERVIEW

To assist the City deciding what projects to move forward, this Plan takes a realistic look at all costs associated with existing and proposed park sites. Table F-1 (in Appendix F) calculates the cost of all potential projects, using formulas based on the estimated average cost to maintain, improve, or develop for certain projects types, such as developing an acre of park or a mile of trail. These estimated costs are provided in Table F-2 of Appendix F. Projects with similar order of magnitude costs are grouped in categories.

Overall costs are broken down into the following costs for each site:

- Existing maintenance costs (noted at a low, medium, and high level of service);

- Funds to be set aside annually for capital replacement based on the existing level of park development;
- Improvement costs for minor renovations;
- Improvement costs for major renovations;
- Costs for the addition of a major facility;
- Land acquisition costs;
- Park development costs;
- Capital replacement funds needed after improvements are implemented or the site has been developed; and
- Maintenance costs after improvements are implemented or the site has been developed.

All costs presented in this Plan are estimated in 2009 dollars, not accounting for inflation. To assist City planners into the future, these costs will need to be adjusted for inflation as well as the changing market value of labor and materials.

If all the improvements recommended in this Plan are implemented, the City would need more than $292 million in capital funds, as well as about $5.6 million annually for maintenance (Table 5.2). In addition, the City should be setting another $5.9 million aside annually as part of a capital replacement fund.

TABLE 5-2: POTENTIAL TOTAL PARK SYSTEM COSTS

CATEGORY	COST ESTIMATE (IN 2009 DOLLARS)
Park Improvements	$292,632,377
Annual Costs	
Capital Replacement	$5,930,866
Minimum Maintenance Costs	$5,593,347

Because this amount is staggering, this chapter looks at the costs for maintaining the existing system alone. Then it addresses costs for system improvements in a more achievable way.

EXISTING SYSTEM COSTS

An assessment of the condition of the current park system found that the City's park system was in fair condition overall (Appendix B). However, there has been a clear lack of investment in parks, with the City relying on piecemeal improvements as the budget has allowed. A capital and operations infusion is needed to renovate parks to their improved condition and maintain them at this higher level of service.

Maintenance Costs

Table 5-3 summarizes the potential costs for maintaining the current park system. Without any upgrades, acquisitions, or further park development, the City should spend between $1.5 million and $2.5 million annually to maintain the existing park system. The City's FY09/10 General Fund allocation for park maintenance and operations is $1,520,000, with an additional $250,000 for capital replacement. To be more in line with other communities, the City should plan to invest nearly $2 million in park maintenance each year. Another $2.3 million should be set aside annually and/or spent on scheduled capital replacements as facilities wear out. This table indicates that the City is not quite meeting the lowest level of service, with little additional funds needed for capital replacement.

TABLE 5-3: EXISTING SYSTEM MAINTENANCE COSTS

CATEGORY	COST ESTIMATE (IN 2009 DOLLARS)
Maintenance	
Low LOS	$1,524,853
Medium LOS	$2,021,037
High LOS	$2,517,220
Capital Replacement	$2,155,005

Renovation Costs

Table 5-4 notes the anticipated costs to renovate the existing park system. Nearly $31.7 million is needed for major and minor renovations to address years of deferred maintenance, as well as the needed replacement of aged facilities. Because of budget limitations in recent years, the City has not invested adequately in renovations to protect existing park and facility resources.

TABLE 5-4: COSTS FOR EXISTING SYSTEM RENOVATION

CATEGORY	COST ESTIMATE (IN 2009 DOLLARS)
Minor Renovation	$6,948,877
Major Renovation	$24,799,500
Total	**$31,748,377**

PARK DEVELOPMENT COSTS

In addition to these park system improvements, the City should develop its undeveloped park sites and target other park land acquisitions in key unserved areas. Table 5-5 summarizes those costs. The table also shows annual operations costs for this improved park system, including:

- *Adjusted Annual Capital Reinvestment*: When facilities are added to existing parks (developed and undeveloped) and newly acquired sites, the amount that needs to be set aside for capital replacement will increase. Therefore this cost has been adjusted to take these system improvements into account. This amount reflects the total to maintain the whole park system.
- *Adjusted Minimum Maintenance Costs:* When new facilities are added to existing parks (developed and undeveloped) and newly acquired sites, maintenance costs will increase. It is assumed that the City will want to protect new assets by maintaining them at least at a minimum level of service. Therefore this cost is presented

as a minimum maintenance cost. Maintaining all facilities at a high LOS will cost more.

Combined, the costs of acquisition, development and the addition of major new facilities will cost approximately $260.9 million. Assuming that necessary renovation projects are completed first, the total cost for all park and facility improvements is approximately $292.6 million. Plus, an extra $11.5 million will be needed annually to maintain all amenities and facilities and fund for their replacement.

TABLE 5-5: PARK DEVELOPMENT COSTS

CATEGORY	COST ESTIMATE (IN 2009 DOLLARS)
Major Facility (Addition)	$10,000,000
Acquisition	$65,525,000
Development	$185,359,000
Adjusted Annual Capital Reinvestment	$5,930,886
Adjusted Minimum Maintenance Costs	$5,593,347

MAINTENANCE COSTS

Maintenance costs have been noted previously for the existing park system and the proposed park system. However, an extra look at maintenance costs is warranted, because providing adequate maintenance funding has been a challenge for the City in the past. A sustainable park system requires adequate maintenance funding. Adequate funding assumes that:

- Maintenance funding is increased to sustain the life of current facilities and reduce or eliminate the deferred maintenance backlog; and
- Maintenance funding is well-distributed, so that each site receives an adequate level of maintenance.

Maintenance costs for the existing park system are noted at three levels in a tiered-system:

- Maintenance (Low LOS): This basic level of care provides only the required maintenance, including litter removal, graffiti removal, mowing and restroom cleaning. It provides sufficient maintenance for health and safety, but not for asset preservation. Under this level, capital maintenance needs will be accelerated.
- Maintenance (Medium LOS): This enhanced level of care typically includes higher maintenance frequencies (e.g., for litter removal, mowing, and restroom cleaning) and additional maintenance tasks for facilities or landscaping for preservation of assets. This moderate level of service is often needed at sites with moderately-high use to offset impacts.
- Maintenance (High LOS): This highest level of detailed maintenance typically includes higher task frequencies, special attention to specialized facilities (e.g., community centers, sports field complexes) and specialized landscaping and pruning. Because of costs, this highest level of service is often provided at the City's signature parks (sites with high visibility and use).

Table 5-6 presents these average costs by level/tier (low, medium, and high), for different maintenance categories related to City park types. Maintenance costs are presented as an average cost per maintained acre. Examples of these park types are noted in the table for reference.

TABLE 5-6: MAINTENANCE COST PER ACRE BY CATEGORY

FACILITY TYPE	LOW	MEDIUM	HIGH	EXAMPLES
Neighborhood/ Community Parks	$7,000	$8,000	$9,000	Davis Park, Pat Pfeiffer Park
Special Use Parks	$15,000	$20,000	$25,000	Gradin Sports Park, Center for the Arts Plaza*
Open Space	$500	$1,000	$1,500	Hogan Butte, Nadaka Open Space, Kelly Creek Greenway
Undeveloped Sites	$250	$500	$750	Jenne Butte Park, Southeast Community Park
Trail Corridors	$4,000	$4,500	$5,000	Springwater Trail/Trailheads
Trails (in Miles)	$8,000	$9,000	$10,000	Gresham Fairview Trail

*The Center for the Arts Plaza may have substantial additional costs associated with programs and events, such as the Farmer's Market. These costs may include $50,000-$100,000 more annually than noted here.

Maintenance Level of Service

With three different maintenance levels, how should the City decide what level of service to provide? Is this decision simply based on the amount of available funding?

The application of a tiered maintenance system should reflect the amount of maintenance needed at each site, rather than the amount of funding available. In other words, the City should not make a blanket assumption to provide maintenance at a medium level of service. Instead, the City should evaluate maintenance needs for various park types, to see where maintenance funding should be targeted.

In 2004, the City of Gresham assigned tiered maintenance levels to its parks, based on those established by the National

Parks and Recreation Association. The City desired to maintain all neighborhood parks, open space and trails at a "B" level (medium maintenance standards), and community parks on an "A" level (high maintenance standards). Staffing limitations eventually forced the City to abandon its tiered approach. Currently, staff tries to give more attention to heavily-used parks. Based on a self-assessment and the current condition of City parks, parks maintenance has not been completed as planned.

While the tiers in Table 5-6 represent a low, medium, and high level of service, funding and staffing limitations alone should not drive decisions regarding level of service. If maintenance funding is cut, for example, special use areas will still require more maintenance funds than open space sites. The costs within each tier illustrate this need. If funding is reduced or limited, the City should selectively evaluate park categories when making cuts to identify where dropping to a lower maintenance tier will have a lesser impact. Heavily-used sites and sites with the most valuable built or environmental resources should be maintained at a higher level whenever feasible. In some cases, dropping below a minimum LOS may create a liability risk by leaving a site in an unacceptable state of disrepair.

A maintenance management plan should be created for each tier and category to define the level of service, establish maintenance tasks and frequencies, and assign parks appropriately. The LOS will vary by park category.

Maintenance Recommendations

To improve park maintenance and operational efficiency, the City should consider the following:

- Adopt a three-tiered maintenance system for developed parks, special use parks, open space, undeveloped parks, and trails.
- Adopt a per-acre maintenance allocation for each tier, base on community expectations of the park system as a whole and the financial resources available.

- Make regular and *preventative* maintenance a higher priority to preserve City assets and ensure efficient operation. Preventative maintenance can reduce the need for expensive emergency repairs, as well as the loss of recreation investments that cannot reach their expected lifespan.
- Emphasize capital projects that reduce maintenance costs.
- Provide sufficient staff to ensure quality maintenance and upkeep of City assets.
- Track maintenance staff time and resources, and use this information to calibrate the tiered maintenance system and ensure that each type of park is getting the intended amount of attention and investment.
- Ensure that adequate maintenance and operations funding is in place before new parks and facilities are developed.
- Create a financial strategy to ensure that programming or events at City parks include facility use charges or programming fees to cover the additional maintenance costs. These programming costs should not be added to the park maintenance budget.
- Look for revenue-generating opportunities at special use areas to offset the higher maintenance costs. Offer options for program organizers to provide the additional maintenance labor in lieu of paying fees for maintenance staff to perform these tasks.

Current Maintenance Costs

As noted previously, the 2009-10 City of Gresham Adopted Budget does not allocate sufficient funding to maintain the park system at the lowest level of service (Table 5.7).

TABLE 5-7: ANTICIPATED MAINTENANCE COSTS VS. EXPENDITURES

FACILITY TYPE	TOTAL
2009-10 Maintenance Allocation	$1,520,000
Tier 1: Low Level of Service	$1,524,853
Tier 2: Medium Level Service	$2,021,037
Tier 3: High Level of Service	$2,517,220

Clearly, the City will need to pursue all options to increase available maintenance dollars—even if no new facilities are added and no new parks are developed. In addition, the City will need to ensure that adequate maintenance dollars are in place to maintain new assets. New parks and facilities should not be developed until there are adequate funds to maintain them.

PROGRAMMING COSTS

To this point, none of the cost assumptions noted in this chapter have addressed recreation programming. Chapter 4 noted the City's need to increase recreation programming in order to bring more people into parks and to increase the recreation opportunities for residents. Still, it is difficult to assess the amount of funding that will be necessary to meet identified program needs. Many variables should be considered, such as the availability of facility space (provided by the City or others), the types of programs offered, the provision of staffing, the cost-recovery strategy employed to determine fees, and others.

For this reason, it is helpful to see how Gresham compares to others in their provision of programming. A means of measuring the extent of park and recreation services is to base the cost on a per-capita analysis. Table 5-8 measures the *gross cost per capita* for Gresham and selected cities. Gross cost is a comparison between the total park and recreation budget (excluding capital costs) and the population of the planning area. The table also notes the City's *net cost per capita*, which

is the cost after revenue from fees and charges are deducted. This comparison is based on city budgets, including costs for administrative services, maintenance, recreation programming, and development and/or planning.

TABLE 5-8: PER CAPITA COST OF SERVICE

AGENCY	POPULATION	BUDGET	REVENUE	GROSS COST/ CAPITA	NET COST/ CAPITA
Hillsboro	88,300	$10,421,786	$2,225,993	$118.03	$92.82
Medford	73,960	$6,032,900	$371,139	$81.57	$76.55
Salem	127,720	$9,807,960	$3,365,000	$76.79	$50.45
Gresham	98,076	$2,872,601	26,314	$29.29	$29.02

Note: For the City of Gresham, data is taken from the 2008-09 Adopted Budget. Revenue is based on 07-08 actuals, as noted in the Baseline Financial Analysis Report.

As a quick comparison, Table 5-8 gives a sense of how little the City spends on parks and recreation in comparison to other cities. Gresham's lower numbers reflect its lack of programming and comparable funds in all park service areas. However, if the City of Gresham raised its gross cost per capita to even $50 per capita (raising it approximately $20 per person), the City could be investing nearly $1.96 million more into programs and services. If the City could apply a 30% cost recovery rate to those programs (generating enough revenue to cover one-third of program costs), then the City could be investing nearly $2.55 million annually into programs and services. Even with this type of investment, the City of Gresham would be spending less than the cities noted above.

Program Recommendations

If funds can be identified to support recreation programming, the City of Gresham should consider the following:

- Set overall cost-recovery targets for programming, striving for a minimum of 25% and a target of 45%. Decide which programs will be subsidized and which should recover full costs. This decision is often based on the whether the program benefits the community as a whole or meets

individual needs. For example, programs that benefit the community, such as activities for at-risk youth or a community-wide event may be free or low cost, while fees for an adult sports league that benefit primarily the individual participants may recover the full cost of this program.

- Phase in programming gradually, introducing programs first that will:
  - Promote volunteerism and stewardship of City parks;
  - Bring people into parks for community events, to strengthen community identity;
  - Meet identified recreation needs.
- Test new programs for one year, tracking participation and other program data to evaluate the success of individual programs.
- Provide programs that are highly utilized, increasing the number of program participants to program capacity. This strategy will help generate revenue and increase cost recovery.
- Provide programs with low overhead, such as outdoor nature programs with volunteer guides.
- Build maintenance and/or facility use fees into program costs.
- Charge comparable user fees to surrounding areas. However, consider a scholarship program to assist program participation for City residents in need.
- Allow other providers to meet high-cost programming needs, such as aquatics. Carefully target the City's program investments.