

## MEASURE 26-213 – Parks Levy

**Official Title:** Restore recreation programs, parks, nature, water through five-year levy

**Question:** Shall Portland protect, restore recreation programs, parks, nature, clean water; 5-year operating levy, \$0.80 per \$1,000 assessed value, beginning 2021? This measure may cause property taxes to increase more than three percent.

**Financial Impact:** The levy would apply a tax rate of \$0.80 per \$1,000 of Assessed Property Value. If the full tax rate were applied, a property with an assessed value of \$200,000 would pay taxes of \$160 per year for this levy. However, because of tax limitations in the Oregon Constitution, many property owners will pay less. (See the [explanation of property tax rates here](#).) The proposed rate will raise approximately \$48 million each year for a five-year period.

*Notes: Assessed value (AV) is the value used to calculate property tax. It is shown on the property tax statement. It is NOT the same as real market value (RMV), which is the market price of the home.*

**Probable Results of “Yes” Vote:** If the levy passes, funding will be increased to support the City of Portland’s Parks Program; a special tax would be levied at a rate of \$0.80 per \$1,000 of assessed value on all property in the City of Portland not exempt from taxation.

**Probable Results of “No” Vote:** If the levy fails, park services and recreation programs will be reduced and/or eliminated; property taxes will not increase due to this levy.

**Background:** Early in 2019, Portland Parks & Recreation (PP&R) estimated a \$6.3 million shortfall in the approximately \$94 million operating budget for fiscal year 2019-20. According to a February 2019 PP&R Budget FAQ, the shortfall is predicted to grow larger every year, and is due to costs outpacing the revenues from patron and program fees and the general fund. Under the 2019-20 approved budget, park positions were cut, community center programs were scaled back, and the Sellwood Community Center and Columbia Pool were scheduled to be closed.

The COVID-19 pandemic further impacted PP&R’s budget by eliminating the anticipated revenue normally provided by program fees: for every \$1.00 in cost, \$0.27 needs to be earned in program permits and other fees. PP&R closed all community centers and public pools and canceled all recreation programming in early March.

The Parks’ Budget Advisory Council reported in January of 2019 that PP&R faces \$450 million in deferred maintenance costs. Parks Director Adena Long has noted that 42 percent of PP&R’s assets are in poor or very poor condition.

Charged by Mayor Wheeler “to identify a stable and sustainable funding source,” PP&R shared the findings of its research at a City Council Work Session in November of 2019. Director Long stressed to the Council that the current level of funding is not enough to meet the community’s expectations for park services, and that Portlanders will continue to see reductions to regular service and maintenance in parks and growing inequities in access to recreation programs. Six funding options, including a five-year temporary operating levy, were presented to the Council for consideration.

**Summary of Measure:** The levy would prevent ongoing reductions to park services and recreation programs, preserve and restore park and natural area health, and center equity and affordable access for all. The funds generated by the levy will enable the PP&R to:

- Preserve and improve the health of natural areas, including rivers and wetlands, erosion control and the removal of invasive species;
- Proactively maintain existing park trees and plant hundreds of new trees each year where the rate of canopy cover is lower;
- Prevent closures of community centers and pools;
- Provide recreation programs, including summer camps, family-friendly movies and concerts, fitness and art classes, teen- and senior-focused programs, life-saving swim lessons, and a summer program serving free lunches to children experiencing poverty;
- Remove financial barriers for low-income households by ending current dependence on recreation fee revenues;
- Prioritize services for communities of color and households experiencing poverty, including equity-centered outreach, community partnership grants, and increased engagement with volunteer and partner groups;
- Modernize PP&R's data systems to improve internal efficiency,

A five-member oversight committee would review the levy expenditures and provide annual reports. Independent audit required.

**Supporters Say:**

- PP&R has been adversely impacted by the loss of critical sources of revenue due to the COVID-19 pandemic.
- This levy will restore investments in natural areas and services and will support critically important programs such as teen- and senior-focused programs, summer camps, life-saving swim lessons, and the summer playground program serving free lunch to children experiencing hunger.
- Levy funds will dramatically increase access to park programs for Portland's most underserved communities by ending PP&R's reliance on program fees.
- West of the Willamette River, 56 percent of land is covered with tree canopy (44 percent if Forest Park is excluded); east of the Willamette, tree canopy covers 21 percent. Funds from this levy will allow PP&R to improve air quality, combat the effects of climate change, and provide cooling shade by planting more trees in those neighborhoods where coverage is lower.

**Opponents Say:**

- Increasingly, local tax measures put the burden of covering the cost of city services on property owners through increased property taxes.
- Local government leaders say they support affordable housing, but by shifting the tax burden to property owners, they make home ownership more difficult in Portland, not easier. Additionally, federal tax rules limit deductions for property and state income taxes.
- This levy still leaves PP&R at the mercy of the general fund and a potential target for cuts whenever the City needs to balance the budget.
- Because of the effects of property tax compression, adding a new levy would decrease the amount of tax revenue going to the Children's Levy, the Metro Park and Natural Areas Levy, and the Oregon Historical Society Levy. (Note: The loss of revenue to the Children's Levy would be offset by PP&R through waived rental fees and grants, as many Children's Levy programs take place in park facilities.)